Trump’s tariff threats against Brazil: The necessary socialist response

Statement of the Socialist Equality Group (Brazil)
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Last week, the Trump administration announced the imposition of 50 percent tariffs on all products exported by Brazil to the United States, effective August 1.

Trump’s imperialist attack shook Brazil’s entire political landscape and caused uproar within the ruling class. President Luiz Inácio Lula da Silva (Workers Party - PT) responded to it by calling for the broadest unity of the national bourgeoisie.

The unions and the pseudo-left that orbits the PT immediately embraced this reactionary campaign. Fabricating a “left” cover for bourgeois chauvinism, they are attempting to set a political trap for the working class and youth.

The Socialist Equality Group (GSI) in Brazil, in solidarity with the International Committee of the Fourth International (ICFI), totally rejects this perspective. In a world connected by a globalized economy, in which political events are increasingly shaped in a common international arena, there is no national solution to the fundamental problems faced by the working class.

Last week’s announcement was part of a new round in Trump’s tariff war against dozens of countries, including Canada and Mexico, Japan and South Korea, as well as the countries of the European Union. Brazil has been hardest hit by this latest round, second only to China in the total tariffs imposed by the US since Trump’s return to power.

As the *World Socialist Web Site* wrote, this act of imperialist intervention adds a new dimension to the economic war against the world waged by the Trump administration. The most striking aspect of the tariffs against Brazil is their open political premise, which exposes the true logic of what appears as “economic madness.”

Trump has openly linked his trade war measure to the ongoing trial of Brazil’s fascist former president Jair Bolsonaro for attempting a coup d’état, which the US president has called a “Witch Hunt” that “must stop IMMEDIATELY.”

In a new letter addressed to Bolsonaro and published Thursday on social media, Trump reiterated his threats, demanding that the “Brazilian government change course” and warning, “I will be watching closely.”

The Brazilian working class must take Trump’s threat with the utmost seriousness. Just over two years ago, Bolsonaro and a significant section of the military high command conspired to stage a coup d’état to impose a new dictatorship in Brazil. In this context, the head of US imperialism is announcing: we will support the next attempt.

Basing itself upon the revolutionary tradition of Trotskyism represented by the ICFI, the GSI calls on the Brazilian working class to respond to the rise of imperialism and war, the threat of fascism and mounting social inequality by fighting alongside its international class brothers and sisters for a global socialist revolution.

The PT’s nationalist trap

Last Thursday, President Lula gave a statement on national television and radio responding to the tariffs announced by Trump a week earlier. The statement raised a new slogan for the government, “Sovereign Brazil.”

Under the banner of defending threatened “national sovereignty,” Lula touted the country’s ability to “create jobs, combat inequality, guarantee health care and education, promote sustainable development, and create the opportunities people need to progress in life.”

Lula reduced the fascist opposition to “traitors to the homeland.”

Referring to the series of meetings between the government, representatives of different sectors of the Brazilian bourgeoisie, and the unions, where the content of the statement was discussed, Lula concluded:

> This is a major joint action involving industry, commerce, the service sector, the agricultural sector, and workers.
> We stand together in defense of Brazil.”

The idea that Washington’s imperialist attacks unify from above the interests of different classes within Brazil is absolutely false.

For the Brazilian ruling class and its government, what is at stake is the defense of their profits and their ability to impose the growing burden of their crisis on the workers’ shoulders. In the name of “national unity,” they want to extract new sacrifices from the working class and transfer their responsibility for the existing regime of intolerable social inequality.

Washington’s attack was eagerly embraced by the PT as an opportunity to reverse the widespread rejection of the Lula government and the imminent implosion of his “broad front” bourgeois government. To this end, they seek to forge a new platform for unity of the national bourgeoisie for the October 2026 presidential elections.

The electoral path pursued by the PT in Brazil remounts to the recent elections in April in Canada and May in Australia. The Liberal Party of Canada and the Australian Labor Party faced a deep crisis on the eve of the elections. They managed to defeat their rival candidates, politically associated with the fascistic US president, by exploiting the immense popular rejection to Trump’s trade war and appealing to a “defensive” nationalism.

In the weeks leading up to the announcement of US tariffs, the Lula government faced a crisis prompted by a failed attempt to increase the rate of the Financial Operations Tax (IOF).

Presented under the false claim of combating social inequality in Brazil, this measure was merely the government’s attempt to increase revenue under its “new fiscal framework,” which reduces social spending and aims for a zero deficit in this year’s budget. By the end of April, it had already made massive cuts in health and education budgets.

Cornered by what it saw as a rebellion of its allied parties in Congress, the PT responded launching a social media campaign which falsely

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identified the government's policies with income distribution and the opposition it faced in Congress with resistance from the "richest 1%."

Although the association of Lula's austerity government with the fight against social inequality is pure demagogy, the campaign's class appeal resonated with the masses' aspirations and generated the first positive response to the government in its third year in office.

The PT immediately initiated a cunning political marketing operation to channel the success of the reference to a struggle of "poor against rich" into a reactionary defense of the bourgeois state and nationalism. Trump's attack provided a key to this criminal political maneuver.

Opinion polls commissioned by the PT in this context indicated that "voters are disenchanted because they expected more from Lula than a rehash of programs such as Bolsa Família... In the diagnosis of those interviewed... it is necessary to go much further than that," reported the *Estado de São Paulo*.

The PT recognizes that, behind the collapse of its reactionary bourgeois coalition, is its inability to contain the immense social contradictions accumulated in Brazil. Their nationalist campaign is consciously oriented to prevent the eruption of a mass movement of the working class against capitalism.

The pseudo-left, or the "true patriots"

The response of the pseudo-left and Brazil's trade unions to Trump's tariff war exposes them as an appendage of the "national front" summoned by Lula to save the rotten bourgeois system.

The reactionary nationalism of the pseudo-left, crudely disguised as "anti-imperialism," came to the fore with full force at a July 10 demonstration organized by the Popular Brazil Front and People Without Fear Front, which bring together unions and social movements controlled by the PT and the pseudo-left Socialism and Freedom Party (PSOL).

Originally called as a protest to pressure the corrupt Brazilian Congress to tax the super-rich, the rally was opportunistically transformed by the pseudo-left into a chauvinist demonstration against Trump and the "enemies of the nation."

PSOL leader and main speaker at the rally, Guilherme Boulos, presented it as a demonstration of "true patriots" in opposition to Bolsonaro and his allies, who "salute the [US] flag." Claiming the nationalist symbolism extolled by Brazilian fascists, Boulos announced: "The [Brazilian] flag is ours; the symbols of this country are ours and not theirs."

The despicable role played by the PSOL is completely exposed. A supposedly "left" split from the PT, formed in 2004 by a collection of Pabloite and Morenoite tendencies, this party acts with increasing openness as political shock troops for the PT government and its capitalist policies.

On July 15, the PT-controlled Central Única dos Trabalhadores (CUT) and other union federations participated in a meeting called by Vice President Geraldo Alckmin with Brazilian business leaders to define a response to the US tariffs. The next day, the bureaucrats handed the government a document entitled "Proposals of the Trade Union Federations in the Face of the Trade War: Sovereignty, Employment, and Development."

The union bureaucracy's document expressed its support for the "positions of the National Congress and the Supreme Court," as well as the government, and welcomed the "expressions of repudiation of the announcement of excessive tariffs by sectors of the press and the business community." In response, it proposed "creating permanent spaces for consultation between the government, workers, and business leaders."

The unions' program is directly reminiscent of the corporatist doctrine of Getúlio Vargas' Estado Novo of the 1930's. Under this fascist-inspired regime, unions artificially created by the state were declared the official representatives of "labor" and openly worked for the suppression of the class struggle, considered harmful to the nation's interests.

In the division of labor between the PT government and the pseudo-left to set a deadly nationalist trap for the working class and Brazilian youth, a particularly nefarious role is played by organizations such as the Unified Socialist Workers Party (PSTU), which fraudulently presents itself as "revolutionary" and "Trotskyist."

The largest Morenoite party in Brazil, the PSTU seeks to present itself in the left-wing of the "national united front" against imperialism, criticizing parties such as the PSOL for their subordination to the government and the corrupt political establishment.

Despite a more radical rhetoric, the political line of the PSTU is no less nationalist and reactionary than that of the PT or PSOL. In reality, by falsely posturing as an "independent class" opposition to imperialism, it poses a more serious political threat to the working class.

In its editorial "Brazil under attack by imperialism: it's time for an independent workers response," the PSTU presents Trump's measures as a "grave violation of *our* sovereignty and national independence." Using the same language as Boulos, the Morenoites define the "true character" of Bolsonaro and his allies as: "they are not patriots."

Attacking the Lula government and the "electoral and institutional left" for their "very limited" stance, the PSTU affirms the need for "the working class to enter the scene to give a response that is up to the task," which they define as "a process of real rupture with imperialism." In practice, they advocate that "the trade union federations, student and popular movements must be pressured to abandon their passivity and demand concrete measures from the Lula government to confront the US."

The essence of this policy is to subordinate the Brazilian working class to discredited trade-union and political bureaucracies and directly to the national bourgeoisie and its state.

The same reactionary aims are shared by organizations such as the Revolutionary Workers Movement (MRT), affiliated with the so-called Morenoite Trotskyist Faction. The MRT called on "all organizations that place themselves in the camp of the Left Opposition" to carry out an "anti-imperialist protest independent of the government" during the National Union of Students (CONUNE) Congress that welcomed President Lula last Thursday. The MRT's call was answered by the PSTU and the Brazilian Revolutionary Communist Party (PCBR), a recent split from the Stalinist Brazilian Communist Party.

The actions of PSTU and MRT sum up the political essence of Pabloism and its Latin American variant identified with the Argentine revisionist Nahuel Moreno. The history of Morenoism is marked by its continuous efforts to sabotage the construction of genuine Trotskyist parties at the head of the working class in Latin America and to rehabilitate the nationalist bureaucracies in crisis, from Peronism to Stalinism.

Nothing is more cynical than the Morenoites' claim that they defend an internationalist political line.

In the final paragraph of its statement, the PSTU proclaims that the defense of Brazilian "national sovereignty" must be linked to "the struggles of workers and immigrants in the US against the Trump administration." They are unable to invoke the objective interests that unify American and Brazilian workers, much less indicate how these are expressed in the chauvinist program they defend.

The truth is that the Morenoites work systematically for the division of the Brazilian and US working class. Their efforts to undermine the development of revolutionary unity of workers across national borders are graphically expressed in their close collaboration with the bureaucracy headed by Shawn Fain of the United Auto Workers (UAW). Promoted by both the PSTU and the MRT as a "left-wing" leader, Fain seeks to subordinate US workers to a nationalist and corporatist program and has eagerly embraced Trump's tariff war.

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Defending the genuine interests of the Brazilian working class is impossible without a break with the political domination of the national bourgeoisie and all its agencies, including the PT, the pseudo-left, and the union bureaucracy.

The escalation of US imperialism's aggression can only be effectively answered by the conscious adoption of an internationalist strategy by the working class.

Workers and youth in Brazil need to understand the global dimensions and class forces behind the tariffs announced by Trump. They are not an isolated episode, much less a simple product of the "insane mind" of the candidate for Führer of the United States.

Washington's tariffs involve more than criminal aggression by a stronger country against a weaker one. They mark the breakdown of the entire postwar capitalist order and a return, on a higher level, to the explosive conditions of the 1930s that led to World War II.

The adoption of blatant methods of neocolonial domination by the US is a response to the prolonged decline of the economic hegemony of the world's leading imperialist power. This crisis is manifesting itself acutely in Latin America, where Washington has been progressively sidelined by China, its most immediate economic rival that became the main trading partner of Brazil and other countries in the region.

US imperialism sees domination of the Western Hemisphere as a central strategic objective in a developing world war. The pursuit of this ambition has been consciously intensified under the new Trump administration, although it had been consistently advanced under previous Democratic administrations.

A decisive factor in the choice of Brazil as a target for Washington's tariffs is the role it plays in the BRICS, the commercial bloc formed by Brazil, Russia, India, China, and South Africa, which recently included half a dozen more countries, including Iran. On the eve of Trump's announced attack, Brazil hosted a BRICS summit. Discussions on the use of alternative currencies to the dollar in trade between the bloc's countries were characterized by Trump as "anti-American policies."

Lula openly acknowledges the scale of the global crisis. In an article published on July 10 in newspapers in nine countries, the Brazilian president announced that 2025 "may go down in history as the year when the international order built since 1945 collapsed."

In response to this collapse of the global capitalist order and an impending world war, Lula offers the pathetic antidote of "refounding multilateralism" on "fairer and more inclusive foundations." The eruption of imperialist violence is supposedly just a misunderstanding that can be resolved if the leaders in Washington and the European capitals adopt his Pollyannaish principles of "finding common ground even in adverse scenarios."

This program—which corresponds to the dead end facing the subordinate Brazilian bourgeoisie that Lula represents—sums up the complete bankruptcy of the perspective of "multipolarity." The fact that the Morenoites and other pseudo-left organizations do not even bother to develop an internationalist alternative to Lula's appeals fully demonstrates their status as a mere appendage of the bankrupt national bourgeois order.

The renewed eruption of the contradictions that led to the two world wars can be answered only by the methods of socialist revolution.

As the WSWS emphasized in its April 4 perspective, "The global war being unleashed by Trump… expresses the insanity of the capitalist system, rooted in the contradiction between globally integrated production and the division of the world into rival nation-states, in which private ownership of the means of production and private profit is rooted."

The Socialist Equality Group in Brazil reiterates its call at the May Day Online Rally:

Nothing would be more fatal for the Latin American working class than to be taken in by the nationalist agitation being promoted by the ruling classes in their own countries.

Workers in Brazil and throughout Latin America must break with the rotten national political establishments dominated by the bourgeoisie and unite with their class brothers and sisters in the United States and internationally to fight capitalism, war and fascism.

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