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Brazil and the COVID-19 disaster: the current dystopia must be overcome

The time has come to build utopias that are capable of overcoming Bolsonaro's dystopia, which has been accentuated by the pandemic. Interview with Lena Lavinas.

Por: Lena Lavinas e Pablo Stefanoni

In recent years, Brazil has experienced profound political and ideological changes. It went from having a center-left government that attracted admirers beyond its borders and was considered successful, to electing a far-right government that in addition to its climate change denialism and denial of the seriousness of the Covid-19 pandemic, is turning its back on international recommendations. What explains this turnaround, what changes is it bringing about, and can the opposition confront it?

At the same time, the pandemic brings to the surface the need to rethink social policy and discuss universal and non-market forms of social protection. In this interview, Lena Lavinas spoke with Nueva Sociedad about the situation in Brazil, but also about the effects of the financialization of social protection and how to replace fragmented responses with more universalized ones.

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Pablo Stefanoni: The ideological shift in Brazil was very pronounced, from the center-left to the extreme right. What has changed in politics and in society in this almost year and a half under Jair Bolsonaro's government?

Lena Lavinas: I would like to contextualize how a radicalization of this extent took place. It is difficult to understand a political and social polarization of the magnitude that Brazil is experiencing. We need to look back at the government of Dilma Rousseff, whose presidency coincided with the end of the commodities boom.

The country experienced important changes during the presidency of [Luiz Inácio] Lula da Silva, such as greater mass consumption, an increase in family income; everyone seemed happy, including the business elite.

It is important to note that Lula was elected by both the working and middle classes. But in Rousseff's administration, many things began to change. With the planning of the 2014 World Cup and the 2016 Olympic Games in Rio de Janeiro, a series of investments were promoted to allow the country to carry out these two mega events.

It was a turning point in the support of the middle and working classes for the Workers' Party (PT). In 2013, during the June mass protests, thousands of people took to the streets spontaneously, mainly to protest the increase in transport fares, but above all to demand better public transport, alongside improvements in health and public education. There was unease because the huge sums of money being poured to host the World Cup were being compared to the insufficient social investment.

The problem is, that after a brief moment of discussion with the sectors of society that were protesting, President Rousseff approached the conservative sectors and promoted an anti-terrorist law; the project was even presented by a member of the Worker's Party, which was a profound contradiction. The progressive movements left the streets and the space was occupied by the right-wing groups, who quickly mobilized against the government. It was as if the protests in the democratic camp had been hijacked by the conservative forces that have been gaining strength ever since.

It was becoming evident that once the commodity cycle ended and the increase in consumption decreased, deep dissatisfaction would cause instability among the support bases of the Workers' Party-led government. This increase in consumption was based on cheap imports, many of them from China, thanks to a then overvalued real, while the Brazilian production model became even more deindustrialized. Additionally, during

Dilma's government, inflation soared and left many families indebted, especially in the working-class areas.

In addition to the economic downturn, the first allegations of corruption in the Operação Lava Jato (Operation Car Wash) were made, showing that there was a corruption network made up of political parties, businessmen and state-owned companies, that charged 1% to 3% commissions on public works contracts. This money was then redistributed among the different parties. It was not limited to the Workers' Party, but the revelation of the corruption scheme impacted it more harshly in the context of the economic downturn. In the meantime, the right-wing movements were taking over the street protests, which initially had a wide audience, including Workers' Party's voters.

It is in this context that the 2014 elections took place, which Rouseff managed to win. However, the right-wing sectors had proved to have a much greater capacity for mobilization and action. Even the traditional Brazilian Social Democracy Party (PSDB, center-right) ignited a process to investigate whether the elections had been fair.

In 2015, the GDP fell 3.8% and that's when Rouseff appointed the conservative finance minister, Joaquim Levy, who came on board to implement an even more profound fiscal austerity policy. Anti-corruption protests were still happening and, as we know, this combination of factors led to the process of impeachment against Rouseff. In Brazil, economic crises have always led to changes in political majorities.

The protests fueled an anti-Workers' Party dynamic that eventually morphed into an anti-establishment narrative. Between 2015 and 2016, the GDP drop reached 7.4%, the worst recession Brazil had suffered in 100 years. Dilma lost the backing of productive sectors that had supported the Workers' Party, the left was divided and demobilized – one side demanded self-criticism, which never happened – and the right hid behind a discourse based on morals, that was against corruption.

The severe economic crisis was quickly exploited by the right, as a direct consequence of corruption. But when the right spoke of putting an end to what that was wrong with the country, they meant fighting leftist leaders and their supporters, who were supposedly anti-family, anti-religious values, etc.

This kind of anti-establishment discourse was going in the same direction as it did in Turkey, Hungary and the United States. The impeachment proceedings against Dilma Rousseff were opened, and it is there that Jair Bolsonaro emerged— despite having spent almost three decades as an irrelevant congressman who was disliked by the political class. Rousseff was removed from office in August 2016 and shortly after, Lula was arrested as a consequence of the Lava Jato investigations – albeit with highly questionable evidence.

These two events constituted two very hard blows to the left, which was unable to cohesively organize to support a democratic candidate in the 2018 presidential elections. The Workers' Party tried to have Lula run from prison. But associating the fight against the far right with Lula was a mistake, because no one wants to vote for a candidate who is in jail, and the party waited too long to nominate Fernando Haddad. In the end, Bolsonaro was elected with more than 57 million valid votes against 47 million for Haddad and 31 million blank, void and abstentions.

As soon as he won, Bolsonaro launched a cultural war against Marxism and against communism. After his lead in the first round, Bolsonaro said, " the reds are going to be expelled from Brazil" and that Lula was going to "rot in prison". His government has put a series of democratic principles and rights recognized in the Constitution itself in jeopardy. He has strong support among evangelical groups – evangelicals make up more than 30% of the population and projections show they could become the majority by 2030 – and these groups have been radicalizing over the years (it should be noted that many of them supported Lula and Rousseff at the time).

Another change that Bolsonaro's win brought about was the return of the military to the Executive office. Of the 22 ministers, nine are members of the military. The federal government has more than 2,100, both active and retired. At the same time, Bolsonaro handed over the Ministry of Economy to the ultra-liberal Paulo Guedes, who worked with the Chicago boys of the Augusto Pinochet government in the 1970s, and whose ideology is that the state must be reduced to end corruption and the "privileges" of public employees. The ideological shift is very deep and began before Bolsonaro's triumph.

PS: What changes is the pandemic bringing about? Bolsonaro seems to be one of the only remaining deniers and even encourages his supporters to disregard lockdown and social distancing.

Like Donald Trump, Bolsonaro is against multilateralism. In the United Nations (UN), he aligned Brazil with the US and countries such as Saudi Arabia and contributed to the weakening of the entire multilateral system, by voting against gender policies and the recognition of reproductive rights. The focus on anti-abortion and anti-reproductive rights and LGBTI+ groups is central to the strategy of the bolsonarist mobilization.

The Covid-19 pandemic emerged at a time when political polarization was already extremely high. After two years of recession (2015 and 2016), there were three years of stagnation, and this gave reason to believe that something could happen. It should be noted that in 2019, in his first year of government, Bolsonaro only managed to approve the pension reform, which was less radical than he had proposed. To accomplish it, he used the "end of privileges" speech.

When the coronavirus crisis started, the government was at an impasse and was speaking out for more liberal reforms. It wanted to further deepen the two labor reforms approved in 2017, which had already made the labor market more flexible and deregulated. When the health crisis arrived, we had a mediocre growth of 1.1%, 12 million unemployed and some 49 million people working informally— an informality that grows in a vertiginous curve – and 50 million people living under the poverty line, according to data from the World Bank.

The per capita income of those in the poorest 20% fell by 11.5% between 2015 and 2019 while the richest 20% saw a 6% increase in real terms. It is a dangerous situation. Of the 12 million unemployed, only 500,000 qualified for unemployment benefits, which shows that the social welfare system is no longer capable of serving that population. The criteria to access welfare are becoming increasingly restrictive. The same applies to poverty.

In a moment of crisis, Bolsonaro began to reduce coverage of Bolsa Família (Family Fund, an aid program for low income families), arguing that there was rampant fraud within a program that pays an average of 200 reais per month to each family (about US\$ 35 at current value).

So, when the pandemic hit, what did Bolsonaro say? That everyone has to work, because if the pandemic is going to kill people, it is also going to kill businesses. But he also said that if people believe in God, they would be protected. Our faith will protect us. When the World Health Organization (WHO) declared the Covid-19 as a pandemic and recommended a series of measures, such as social distancing, he went in the opposite direction, saying that it was an absurdity, that there is no scientific evidence and that quarantines will ruin the country.

At the beginning of the pandemic he had said that the coronavirus was a gripezinha (a little flu) and went so far as to say that Brazilians "won't get it", as they are capable of "diving in a sewer without anything happening to them". His motto is "God above all". Today, Brazil has more than 20,000 deaths from Covid-19 (39,000 at the time of writing). Although most of the deaths are of people over 60, figures show high death rates among younger groups compared to other countries, a product of its demographic structure and lack of social distancing. More than 60% of confirmed cases have affected people between 20 and 49 years old, and Brazil has the highest number of deaths under 50.

The reality is that in Brazil, as in other countries in the region, lockdown is not a possibility for a large parts of the population who live in overcrowded, precarious housing. There are approximately 15 million people living in favelas, 25 million do not have access to drinking water, 40 million do not have access to adequate sanitation. These are also failures of the 14 years of the Workers' Party government, which instead of investing in a real protection network, in the improvement of urban infrastructure, in quality housing policies and in improving public services, put emphasis on policies such as access to credit, mass consumption, the Bolsa Família program, etc.

So, many people are easy prey to this denialist government that manipulates social needs in favor of conservative radicalization. In addition, the government approved an emergency income of 600 reais (just over \$100) per month, for three months, for informal workers and people below with earnings below the poverty line.

More than 50 million registered to receive the emergency cash. But a significant number of people so far have not received the benefit. Not even

the first installment. This has led to thousands of the working people queuing at the bank every day in an attempt to receive the temporary benefit. A situation that, once again, makes social distancing measures difficult and allows the spread of the virus.

Bolsonaro has been boycotting the state governors' distancing policies, creating a new political crisis. Bolsonaro's logic is a logic of reproduction of the crisis and of continuous confrontation; he seeks permanent radicalization because that is what mobilizes his bases. He wanted to prohibit states and municipalities from legislating in favor of social distancing. Some governors are even introducing a quarantine. The Supreme Federal Court (STF) has had to point out that the Brazilian Constitution recognizes the autonomy of states and municipalities and that they have the power to adopt such measures.

But Bolsonaro didn't stop there. He called a meeting in Brasília with representatives of about 46% of Brazil's industrial GDP – some 20 businessmen – to discuss economic measures for getting out of the crisis and, once in Brasília, he changed the agenda and invited them to march together to the Supreme Court to ask for changes in the constitutional rules; a Dantesque and shameful scene.

It was an invasion of an independent power. They had opened the doors to hear the pressure and disrespect which was led by the president, who has been saying "I can't take it anymore", "I am the Constitution". He seems like a completely unbalanced, unhealthy man, trying to prevent a lockdown. Until now, he has not addressed the thousands of families who lost their loved ones to the virus. "What do you want me to do?" he replied. "I'm not a gravedigger," he said.

Health Minister Nelson Teich was more involved in the health business than in his work as a medical doctor. Shortly after taking office, the new minister dismissed senior officials and appointed seven military officers to strategic positions in the ministry. The same minister learned at a press conference that the president had signed a decree, without consulting him, that declared industrial and construction activities as essential as well as barbershops, hairdressers and gyms.

In other words, the minister was not administering the pandemic. Teich lasted less than a month in office. There are currently 12 serving military

personnel in the Ministry of Health and eight more are expected to be appointed; General Eduardo Pazuello, a military man with no experience in the area, took over as acting minister. Bolsonaro uses his power to boycott the governors' policies, arguing that Brazil "has to grow," picks fights on social media, attends anti-lockdown rallies daily, most of the time without a mask and without respecting social distancing measures, insults the press and shouts at journalists telling them to keep their mouths shut. There is a process of constant destabilization of democratic institutions in the country. Never has there been so much vulgarity, rudeness and aggressiveness.

At the same time, Bolsonaro distanced himself from the party that brought him to power, the Social Liberal Party (PSL), and is trying to create a new party. Since he does not have his own majority in Congress, he allied himself with the most corrupt sectors of the so-called *centrão* (center), which are the people he always denounced as the most "rotten" sector of the Brazilian legislature.

He now negotiates office positions with politicians who were in prison until recently, a practice brought to light when Sergio Moro left the government in April. The resignation of the former Lava Jato judge led to an investigation of Bolsonaro by the Supreme Court: Moro accused Bolsonaro of removing the head of the Federal Police in order to gain access to cases involving people close to him, including his sons.

Now the future of Bolsonaro is in the hands of the Judiciary and the Legislature, so we are likely to see a polarization of Bolsonaro with these two powers. Every day, in Brasilia, Bolsonaro organizes small demonstrations, which increase in attendance on Sundays, asking for the closure of Congress and the Supreme Court.

PS: How do you see the Brazilian left? Lula da Silva is temporarily out of jail, no new leadership has emerged...

The left has been very divided for a long time now. We could even say that the democratic camp is divided. This was evident in the second round of the election, when Bolsonaro confronted Haddad. There were several candidates from the first round, such as Ciro Gomes of the Democratic

Labor Party [PDT], who didn't support Haddad. Or (former president) Fernando Henrique Cardoso.

From that moment on, the left could not find its way. There are the parties located further to the left, such as the Socialism and Freedom Party (PSOL), which has a very good parliamentary performance, and also the Brazilian Socialist Party, which is reorganizing itself on a national scale. Among the best congresspeople today are Marcelo Freixo of the PSOL, who fights the militias in Rio de Janeiro, and Alessandro Molon, who left the Workers' Party because of its lack of self-criticism. The left is still very divided.

For example, today there are 36 petitions for impeachment against Bolsonaro for crimes of responsibility and obstruction of justice; none of them were filed by the Workers' Party. At the same time, it is true, as many analysts and parliamentarians say, his removal from office today is highly unlikely. However, Moro's departure and his allegations against the president support a call for impeachment that progressively gain more support.

Having said that, today Brazil is divided across three different lines: one third that is bolsonarista, one third that is lulista and one third that does not identify with either in a consistent manner. Lula, at this moment, must be cautious with his statements, but it is clear that he is not supporting the unity of the left.

Recently, he came out to say that Bolsonaro "is not qualified as a human being to preside over a country," although he had previously made the unfortunate statement that Bolsonaro had the right to change the chief of police and interfere in the Federal Police, which is a constitutional prerogative of the president of the Republic.

PS: How is Bolsonaro in the midst of the crisis due to the resignation of Sergio Moro?

Moro's resignation was a blow to Bolsonaro. He lost the support of the more educated and wealthy sectors. That said, he retains a highly loyal base of 20% to 25% of the populations, who are ready to take to the streets to

defend him "against communism". And we must also remember that he has the support of the Armed Forces.

In the past several weeks, Bolsonaro took to the streets several times saying that "Congress must be shut down," that "the STF must be shut down," "the Armed Forces are on our side," "they are with the people," etc. In the first week of May, the Minister of Defense published a note saying that "the Armed Forces defend the rule of law and the Constitution".

But given the extent that the military forms part of the government, it would either have to leave the government or defend it. Despite multiple requests for impeachment, Bolsonaro continues to have a solid base in the popular media and among the lower-ranking members of the armed and security forces. A large part of these forces is evangelical.

In February of this year there was a police riot in the state of Ceará and the bolsonaristas supported the police strike. This raises a red flag about the role of the Army and police bases in case the president becomes radicalized.

Today there are several possible scenarios: the impeachment proceedings could move forward; Bolsonaro could claim he is persecuted by the system and attempts to radicalize, and in this scenario we do not know how different armed groups would act; he could lose power and be replaced by Vice President and General Hamilton Mourão.

Today, there are many fragmented opposing forces: ex-environmental ministers who have stood up against the government's denialist policies in light of climate change; ex-foreign ministers who have stood up against the government's anti-multilateralist position and international alignments; ex-education ministers have stood up against the shameful education policies; but there is no unitary strategy against Bolsonaro. Many powerful figures are against the Bolsonaro government, but none of this has led to the formation of a solid and effective pro-democracy front.

PS: What does the pandemic tell us about the future of social protection?

It is important to understand the process of dismantling of the already incomplete and inadequate social protection systems in Latin America. A

universal health system that includes informal workers has never been implemented. As fiscal austerity policies became widespread, the lack of funding for public services worsened, leading to a deterioration in their coverage and quality.

In recent years there has been a convergence between multilateral bodies – from the International Monetary Fund (IMF), the International Labor Organization (ILO) and the United Nations system to the World Bank – as well as figures such as former Chilean President Michelle Bachelet, in pointing out that what matters is the "social protection scheme"

But these represent a step backwards in countries like Argentina, Costa Rica, even Brazil, which managed to advance in a social protection system, still fragmented and often leaving a low-quality public sector for the poor, but with a universal scope.

The "social protection floors" consist mainly of low-value income transfers for vulnerable groups, and what is demarketed public provision is reduced to a minimum: basic education and some health services aimed at protecting mothers and young children, such as vaccination programmes. Those who want more than that should seek coverage in the private sector, through loans or the purchase of insurance, whose coverage depends on ability to pay.

Today, the financial system controls the welfare system on a global scale (pensions, health system, education). It is striking. In the case of Brazil, social policy was used to consolidate the social-developmental consumption model, which consisted of promoting the transition to a mass consumer society, through access to the financial system.

The novelty of the social-developmental model is that it has instituted the logic of financialization throughout the social protection system, either through access to the credit market or through the expansion of private health plans, educational credit, etc. These were years of promoting an aggressive strategy of financial inclusion.

We are thus witnessing a process of accelerated financialization, which makes use of the social protection system to overcome the barrier of "structural heterogeneity" that was holding back the expansion of market society in Latin America.

What the pandemic teaches us is that we should no longer accept splintering and segregating access to health, education and public safety according to income. We must reinvent mechanisms for financing universal systems that are paid for by the richest and by the financial system, which continue to have enormous benefits even in times of crisis. Right now, while the virus is killing, private health companies have practically recovered since mid-April what they had lost at the beginning of the pandemic, in March, in the stock market.

Attempts were made to centralize and redistribute hospital beds, but the private sector opposed this, which undoubtedly contributed to their speedy stock market recovery. Their shares recovered 60% or 70% of their value, at a time when the Covid-19 deaths hadn't even reached the peak.

This pandemic teaches us that there is no future without universal rights. Covid-19 buried once and for all the idea that we can live regardless of what happens to our neighbors. It showed that a dignified solution to provide decent housing for the millions of workers around the world who live in inhumane conditions can no longer be postponed. This means rethinking our priorities in the face of the full evidence of our global interdependence. There is something that unites us beyond internet access.

For the time being, the emergency measures taken in many countries to ensure the liquidity of the capitalist system are proving to be quite generous. But recovery will be difficult, long and painful. With the health crisis temporarily under control, and with the end of benefits that have often been applied outside social protection systems, on an ad hoc basis, what is it that we expect? The return to a past that no longer serves us and only reproduces suffering, exclusion and discrimination?

We know only one thing for certain: we want more of the public sphere. It is time to rethink and reform the public sphere, the collective space that it houses and welcomes because it is based on universal values. It is time to strengthen participatory democracy, the belief in science and the urgent need to redefine our development models, confronting the environmental crisis with possibilities of success in the medium and long term.

We must reinvent the left and build a discourse that articulates and creates new political identities that we so badly need. The time calls for collective utopias capable of overcoming the dystopia. The path will be tortuous with

pitfalls and traps. And it will be long. It will require time, energy and global solutions. For now, the only certainty that can bring us closer is the awareness of the direction to take. It is already a beginning that holds transformative promise.

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