

Brazil on the brink of change

By Roger Burbach,
Created 2002-10-15 23:00



The campaign of fear against Luis Inacio Lula da Silva of the Workers Party is not working this time around. Angelica Viegas, a street vendor in Rio de Janeiro, reflects the shifting popular sentiment: 'This year I voted for Lula in the first round,' she says. 'We need change. Under Cardoso our life has only gotten worse, there is no work, we see more crime and misery in the streets.' Official unemployment, which is pegged at around 8 per cent, more than doubles if the underemployed and itinerant merchants such as Angelica are included.

Due in part to the severe cuts in welfare and social services under Fernando Henrique Cardoso, the president of Brazil since 1994, life in the *favelas* (the poor districts surrounding Rio de Janeiro) has deteriorated noticeably. Criminal elements and drug traffickers have seized control of the *favelas* in recent years, displacing and murdering respected community leaders. Earlier this year, Benedita da Silva, a black woman from the Workers Party, became governor of the state of Rio de Janeiro and launched a crackdown on the drug lords and criminal elements. She has reduced the homicide rate by 35 per cent, which means that 500 fewer people will die compared to the year before.

On the Monday before the first round of elections on 6 October, gangs from the *favelas* launched a violent campaign against Benedita and her efforts to restore law and order. They descended on downtown Rio de Janeiro on motorbikes, terrorising the city, burning buses and shutting down banks and major commercial centres. 'We are in danger of becoming another Colombia,' says Milena Duchiade who runs a bookstore in Rio de Janeiro. Benedita called on the Cardoso government to send federal troops into the city to help secure the Sunday elections.



Angelica's discontent with the dominant political order extends across class lines. Many in Brazil's upper-middle class, together with some prominent business people, have moved into Lula's camp. Cardoso, during his eight years in office has followed orthodox neo-liberal policies, slashing public spending on health and education, selling off state enterprises, and opening the country to speculative international capital. The result has been plummeting annual growth rates that sometimes fail to keep pace with the increase in population. As domestic markets have contracted, many local manufacturers and producers are floundering or have folded.



Lula: from metalworker to president?

The first round results, when Lula received 46 per cent of the votes, suggest that Brazilians appear set on electing this former sheet-metalworker to be president of the largest country in Latin America. Lula spent his early years working as a machinist in the metallurgical industry of southern Brazil. As a militant trade unionist, he helped launch the Workers Party (PT) in 1980 when Brazil was under the thumb of a military regime. 'Lula's election will break the long stranglehold the elites and the military have held over our country' says Francisco Menezes of the Brazilian Institute for Social and Economic Analysis.

Lula's first round vote was twice the percentage of his nearest competitor, Jose Serra, the candidate of the coalition government that currently runs the country. Brazilian law requires an absolute majority, so Lula will face Serra in the next round on 27 October. 'Lula will win hands down on the last Sunday in October' says Emir Sader, a political scientist at the State University of Rio de Janeiro. 'The only question is how resounding the margin of victory will be.'

Lula has campaigned for the presidency three times before, only to be defeated by the entrenched ruling interests who managed to convince even many of the country's poor majority that Lula was 'uneducated' and would 'ruin' the country. When Lula seized an early lead in this year's presidential campaign, domestic and international interests once again appeared bent on undermining Lula's candidacy. Funds were sent abroad, Brazil's international credit rating dropped, and the *Real* fell in value by more than 40 per cent against the dollar. Cardoso, along with his Jose Serra, claimed that investors were simply recognising that Lula's economic policies would be 'financially disastrous' for Brazil.



But, this time, that message is failing to get through. For a Lula supporter such as Emir Sader: 'The neo-liberal model has reached a dead end in Brazil. Under Cardoso, our international and domestic debt has increased elevenfold. The ruling strata, and even sectors of the military are divided, opening up space for Lula to become president. Lula offers a new set of policies that will help domestic producers and move Brazilian society along the path of social justice.'

Lula's victory on 27 October has begun to appear virtually inevitable. But there remains concern about what the international situation portends for the country in the coming days. There could be a new run on the *Real* as the financial markets become even more volatile. Thus far, the Bush administration has said little about the impending election of the left-leaning Lula. But in neighbouring oil-rich Venezuela, President Hugo Chavez, who survived a US backed coup earlier this year, has denounced a new plot that he says is also aimed at destabilising conditions for the elections in Brazil.

Source URL:

http://www.opendemocracy.net/article/brazil_on_the_brink_of_change



Copyright © Roger Burbach, . Published by openDemocracy Ltd. You may download and print extracts from this article for your own personal and non-commercial use only. If you teach at a university we ask that your department make a donation. Contact us if you wish to discuss republication. Some articles on this site are published under different terms.