

---

**Brazil Coup and Political Crisis: How Did We Get Here?**

25/08/2016



Dilma Rousseff's 2014 re-election marked the fourth consecutive victory for the PT, a fact that did not sit well with the country's right-wing politicians.

Accused of mishandling the nation's fiscal budget, the Senate began the process against President Dilma Rousseff in December 2015.

But Brazil's political crisis dates back to 2014 when Rousseff was reelected as president for the second time in October 2014 amid a recession, with high inflation and unemployment rising in the country.

At the same time, the biggest corruption scandal in Brazilian history, "Operation Car Wash," shook the Brazilian political elite including members of both parties in the ruling coalition, the Workers' Party (PT) and Michel Temer's Brazilian Democratic Movement Party (PMDB).

Despite no proof existing that Rousseff had any role in the Petrobras scandal, during her first year reelected in office this confluence of factors saw Rousseff's approval rating take a nosedive as millions held anti-corruption protests across the country.

Brazil's right-wing seized the moment, launching a campaign to implicate high-profile members of the PT—including Dilma and Lula—in the graft.

And they had good reason. Under successive PT government's wealth in Brazil was widely redistributed as social programs were implemented to help the nation's poor.

Public spending on education grew from US\$17 billion in 2002 to US\$94 billion in 2013, a rise from 10.4 percent of total government expenditure in 2004 to 15.6 percent in 2012.

Meanwhile, spending on health grew from US\$28 billion in 2002 to US\$106 billion in 2013, increasing from 7.0 percent of GDP in 2004 to 9.7 percent in 2013.

In fact poverty fell from 35.8 percent in 2003 to 15.7 percent in 2013, whereas extreme poverty fell from 11.5 percent in 2003 to 4.5 percent in 2013.

These programs were funded in part through taxation on the wealthy and a redistribution of wealth to the poorer sections of Brazilian society.

#### Coup Leader Cunha

One of the most high-profile figures implicated in Operation Car Wash is Eduardo Cunha, the former Speaker of Brazil's Lower House whom media have billed as the "arch-nemesis" of Rousseff.

The evangelical Christian was a key architect in propelling the impeachment process against President Rousseff forward, so much so that he is often referred to as the "coup leader."

"They can say what they like: Eduardo Cunha is the central person of the Temer government," Rousseff said in the interview published by Folha in May. "Cunha not only commands, he is the Temer government."

Cunha and pro-impeachment supporters accuse Dilma of manipulating the national budget prior to her 2014 reelection in order to conceal a government shortfall. An investigation by the Federal Prosecutor's office in July concluded that Rousseff did not violate any fiscal laws.

In another twist, Cunha was himself forced to step down from his position as house speaker in July after he was suspended amid corruption and perjury allegations.

He has been accused of hampering investigations, intimidating lawmakers, currency dealing and has even been implicated in the Panama Papers for receiving bribes of US\$5 million linked to offshore companies involved in the country's Petrobras scandal.

#### The Left's Response

?In December 2015, Rousseff denounced Cunha's move against her as an attempted coup. "For the sake of the health of our democracy, we must defend it against this coup," she said.

Government supporters allege the efforts to oust Rousseff via impeachment is a thinly-veiled attempt to overturn the results of the 2014 presidential election, where the suspended president defeated her right-wing rival in the second round.

Leftist movements, even those critical of some of the more conservative policies of the PT, quickly pledged to defend the Rousseff government and the country's democracy through street mobilizations. The president of the Workers Party, Rui Falcão, said the party was now entering into a period of "permanent mobilization."

The Latin American left has expressed strong support for the democratically elected Rousseff. Venezuelan President Nicolás Maduro recalled his ambassador to Brazil the day after the decision to suspend Rousseff, calling the attempted coup a "painful page" in the country's history.

Similarly, Bolivia rejected the Brazilian Senate's decision to suspend Dilma, calling the process a "legal and political farce."

Cuba released a statement condemning the impeachment bid against Rousseff as a move by the country's oligarchy to "overthrow the legitimate government and seize the power that they could not win with an electoral vote."

Nicaragua, Chile and Uruguay were just some of the other nations who released statements expressing concern over the coup.

#### What's at Stake

The final stage of Brazil's impeachment process is set to begin on August 25 and the stakes are high.

The cabinet of the new Senate-imposed President Michel Temer, who will succeed Rousseff should the latter be impeached, is the first Brazilian cabinet since 1979 without any women. It is also composed exclusively of white men, no one who identifies as gay, lesbian or transgender, nor anybody representing social movements or minority groups.

As for Temer himself, he immediately reduced the size of the cabinet to 22 ministries, completely eliminating the Ministry of Women, the Ministry of Racial Equality and the Ministry of Human Rights, among others.

Among the new, coup ministers include Alexandre de Moraes, who served as secretary for security in Sao Paulo for the right-wing government of the state, where he was responsible for a series of brutal crackdowns on protesters.

Furthermore, O Estado de S. Paulo said de Moraes served as a lawyer for Transcooper, a company accused of running a money laundering operation on behalf of PCC (Primeiro Comando da Capital), the largest criminal organization in Brazil.

Of the 80 members of Senate who voted to impeach Rousseff, 60 percent have cases against them for bribery, money laundering and other crimes. Five face criminal charges and 24 have been placed under investigation by the Supreme Court.

As for Temer himself, last year his PMDB party launched a new economic plan which the Financial Times described as a "new liberal economic policy platform... that represents a radical break with the left-leaning program of Dilma Rousseff."

The FT added it was "like a wishlist for markets and investors with proposals to liberalize industrial relations and reform pensions and government spending."

An economist who helped draft the Bridge to the Future told Reuters in March that the PMDB are "considering former central bankers Henrique Meirelles and Arminio Fraga, both widely respected on Wall Street, to lead the future economic team as finance minister."

What this is likely to result in is the further targeting of social programs introduced by the PT, including "Minha casa, minha vida" (My home, my life), which was launched in March 2009 and contributed to over 2.6 million homes being handed over to low income families.

---