SWP

SWP Comment

NO. 36 JULY 2020

Corona Crisis and Political Confrontation in Brazil

The President, the People, and Democracy under Pressure

Claudia Zilla

During his election campaign, Jair Bolsonaro promised economic recovery, the fight against corruption, and an iron hand against violent crime – today, these tasks represent the weak spots of the President: Brazil has become an epicentre of the Covid-19 pandemic. Even though Bolsonaro downplays the situation and opposes containment measures, the virus and the chaotic crisis management are bringing about serious negative health, social, and economic consequences for the citizens. Investigations, including those on corruption, and revelations about the Justice Minister who resigned are targeting the President and his family. While the homicide rate is on the rise again in 2020, Bolsonaro pleaded in a cabinet meeting for armed resistance from the population against the health protection policies in the federal states. Threatened by impeachment, the President is struggling for his political survival, challenging the rule of law and democratic principles.

In Latin America, the Covid-19 pandemic began with a case of infection registered in Brazil on 26 February. The first officially known death in Brazil (the second in the region) occurred on 17 March. With a population of around 210 million people, the country currently ranks second in the world (after the US) in terms of total number of both infections and deaths. The capitals of six federal states are severely affected: São Paulo (São Paulo), Rio de Janeiro (Rio de Janeiro), Fortaleza (Ceará), Belém (Pará), Manaus (Amazonas), and Recife (Pernambuco), where state hospitals are overcrowded. Poverty, precarious working and housing conditions, a health system marked by major deficiencies, and the chaotic corona crisis management have contributed to the massive spread of the pandemic.

The pandemic broke out in the context of a political crisis and has made it more visible. In addition to the strong political polarisation for and against the President and his confrontation with the other branches of government, there is now a dispute over the most appropriate corona crisis management within the cabinet, and above all between the President and the state governors.

Stiftung Wissenschaft und Politik
German Institute for International and Security Affairs

The Health Care System

After the re-democratisation of Brazil, the entitlement to health as a social right and task of the state as well as universal access to health care were anchored in the Constitution of 1988. However, the latter is de facto not given due to the fragmentation of the health care system and the weakness of the state health sector. In surveys, Brazilians traditionally state "health" as the most urgent problem. The country is also frequently hit by epidemics; it currently registers the highest number (2.2 million) of dengue fever infections in the region.

The health care system is divided into three parts. The state health system (Sistema Único de Saúde, SUS) is financed by taxes and social security contributions. A network of territorially and hierarchically organised public institutions provides own services but also some that are purchased from the private sector. Around three quarters of the population benefit from it. Secondly, a private sector provides health care to the remaining quarter of the population, which has greater purchasing power. It comprises both a direct payment system (ad hoc payments for the actual use of single services) and a supplementary system (Sistema de Atenção Médica Suplementar, SAMS), financed by family and corporate contributions through individual and corporate health insurance schemes. Privately insured individuals occasionally turn to state hospitals (such as university hospitals) for complex or costly treatment. A third pillar of the health care system is the military sector, whose facilities cater to both active and retired members of the armed forces and their families.

In contrast to the private sector, the public health sector exhibits major deficits in financing and equipment. Because capacities are limited, patients often must face long waiting times and travel long distances for medical appointments or treatments, even in acute cases. For every 10,000 people in Brazil, there are only 22 beds available in hospitals (both public and private) (Germany: 83 beds), and only 0.8 in intensive care units, more than half of which are in private facilities.

According to the World Health Organization (WHO) of the United Nations (UN), Brazil allocated 10.3 per cent of total government spending for health care in 2017 (DEU: 19.9 per cent). A 2019 survey by the Instituto Brasileiro de Geografia e Estatística (IBGE) shows that total per capita health spending in 2017 was around $1,000 (purchasing power parity, PPP). Although this amount is considerable by Latin American standards, it remains well below $2,900 (PPP), the average of all member countries of the Organisation for Economic Co-operation and Development (OECD). In the period 2010—2017, the total health expenditure in Brazil fluctuated between 7.8 and 9.3 per cent of gross domestic product (GDP). Private actors assumed more than half of the costs; public health expenditure was within the low range of 3.4 to 4 per cent of GDP (Germany: 9.5 per cent). In the context of austerity measures adopted under the government of Michel Temer (2016—2018), public health care expenditure has been frozen for 20 years by constitutional amendment (EC95/2016), thus only adjustments for inflation are allowed. In addition, after the first year of Bolsonaro's presidency (January 2019—January 2020), the health budget has fallen by a further 4.3 per cent.

Interpretation(s) of the Corona Crisis

President Bolsonaro does not regard the crisis triggered by the Covid-19 pandemic as a public health or safety crisis, but (only) as a threat that could trigger an economic recession. For him, however, this recession would not be on account of the pandemic itself, but of the political management strategy to contain it, which he utterly rejects. This strategy is advocated by some members of his cabinet and many of the governors of the 26 federal states as well as by large segments of the population.

As a right-wing populist with an anti-establishment stance — and similar to US

President Donald Trump — Bolsonaro despises the academic elite, expertise, and specialised international organisations such as WHO. He relativises the evidence-based findings on which these actors rely. He instead portrays himself to be no less legitimate than a specialist in human medicine or biology to declare his interpretation of Covid-19 (just a *gripezinha*: "minor cold") in addition to strongly recommending treatment using certain medications (such as the anti-malarial drug hydroxychloroquine) or putting forward the racist thesis that the Brazilian people are genetically superior and not prone to Covid-19. He also accuses the media of scaremongering.

The reasons for Bolsonaro's rejection of social quarantine are less to be found in a micro-sociological focus on specific groups of the population: namely all those in Brazil who depend on a daily wage from an informal job to buy food for the next day, or those who live in large families of three or four generations in a confined space. Meanwhile, he even accepts the lethality of Covid-19 in Brazil on the grounds that in the end we will all die. Although his middle name is Mesias, he cannot perform miracles (to slow down the pandemic). His argument is rather purely macroeconomic, true to the motto "the Brazilian economy first!"

Foreign Minister Ernesto Araújo's interpretation of the corona crisis is somewhat more complex and conspiratorial. In his blog "Metapolítica 17. Against Globalism", in an article of 22 April entitled "Chegou o Comunavírus" (The communavirus has come), he provides his interpretation of the current situation. For this, he uses a series of quotations from the book *Virus*, which was digitally published in March 2020 by the Slovenian philosopher Slavoj Žižek. Araújo believes this book presents a totalitarian programme that serves as evidence of the communist intention to instrumentalise the coronavirus ideologically.

Araújo is an admirer of Trump and is striving for better and closer relations with the US. Together with the US, Brazil should fight against the ideology of cultural Marxism and the globalism linked to it, as they are both threatening the Christian Western civilisation — according to him. In his opinion, today globalism has replaced socialism as a preliminary stage on the way to communism. This communism-globalism is capitalising on the pandemic to undermine liberal democracy and the market economy — according to Araújo's terminology — and to enslave humans. The aim is to establish a world order without nation states and without freedom. The elevation of WHO as a centralising international organisation thus constitutes a first step towards world-wide communist solidarity.

Araújo strongly criticises political correctness, which he assesses as an instrument of communism to control language, and ultimately to monitor thought and kill the human spirit. In addition, the more powerful instrument of "sanitary correctness" emerges, since the coronavirus has created opportunities to oppress people. The Covid-19 pandemic is thus in line with other scaremongering tactics, some of which the Foreign Minister labels with neologisms: climatic alarmism, gender ideology, immigrationism, racialism, antinationalism, and scientificism. Against this background, he concludes, it is necessary to fight for the health of the body and soul — but also against the parasite of the parasite, that is, against the coronavirus and the communavirus.

In line with this — complemented by an anti-Chinese dimension — is the interpretation of the corona crisis by Abraham Weintraub, Education Minister until 18 June, who regards the pandemic as an infallible Chinese plan to dominate the world. Bolsonaro's son Eduardo, a national deputy for the federal state of São Paulo who is active in debating foreign policy issues, also considers the coronavirus to be an Asian virus with a single culprit: the Communist Party of China. Such interpretations have led to diplomatic tensions with China — Brazil's main trading partner — but also caused other actors such as the President of the Chamber of Deputies to publicly apologise for these accusations.

Chaotic Corona Management

In Brazil there is no national approach to corona crisis management; there is a lack of central control by the government in Brasilia, and horizontal coordination between federal states is weak. The cabinet is split along the corona cleavage. The President boycotts the restrictive health protection and pandemic containment measures taken against his will by other authorities. For this reason, most state governors — many of them former Bolsonaro supporters — are distancing themselves from him. In addition, the President has repeatedly clashed with the judiciary and the legislature, whose *checks-and-balances* function comes into play in the corona crisis.

Already in early February, the then-Minister of Health, Luiz Henrique Mandetta (a physician), declared a public health emergency. He openly addressed the risk that, due to the pandemic, the health care system could collapse soon, and he promoted the rapid expansion of capacities. Three issues cost him his office in mid-April: his plea for intensive communication to educate the population on Covid-19 and for spatial distancing; his reservations about the widespread use of hydroxychloroquine for the treatment of Covid-19, as recommended by the President; and last but not least, the fact that he was more popular among the populace than Bolsonaro himself. As his successor, he appointed Nelson Teich (also a physician), who resigned a month later while concealing his reasons for doing so. Teich had appointed an army general, Eduardo Pazuello, as Executive Secretary, and thus number two in the ministerial hierarchy; the military official now heads the department ad interim.

From March onwards, the Ministry of Justice and Public Security (until mid-May under the direction of Sérgio Moro) ordered the partial and temporary closure of the borders, a measure that was successively extended in terms of both geographic area and duration. Furthermore, and among other directives, isolation and protection measures were introduced in the federal penal institutions.

Since the end of January, executives on the state and municipal levels have been taking various and increasingly restrictive measures to limit public life. Thus, they have departed from the President's instructions and provoked him to start an aggressive campaign against their corona crisis management.

In a cabinet meeting on 22 April — a revealing recording of which was made public due to a decision by a federal judge — Bolsonaro fervently argued that he wanted to arm the entire populace to defend themselves against dictatorship (meant of the governors). In this male-dominated round (there are only two women in the 22-member Cabinet of Ministers), the Minister for Women, Families, and Human Rights, Damares Alves, condemned the corona crisis management approach of the governors and mayors. The evangelical pastor, who is a passionate opponent of feminism as well as the legalisation of abortion, promised that she would put behind bars those who are responsible for social quarantine as well as for its enforcement, which violates human rights. For his part, Weintraub, who is now moving to the World Bank, declared that he was fighting for freedom alongside the people. He confessed that he wanted to get rid of "the shit that Brasilia is", "a cancer of corruption, of privileges". He wanted the arrest of all these "tramps" of the capital, "starting with the Supreme Court".

Bolsonaro is also facing headwinds from the judiciary: In March, a federal judge granted a request from the public prosecutor's office and banned Bolsonaro from running a campaign for the normalisation of public life in Brazil. This prevented the official release of the video advertisement "Brasil não pode parar" (Brazil cannot stop). In April, the Supreme Court unanimously ruled in favour of the states and municipalities, confirming their constitutional authority to impose health protection measures. Previously, the President had tried to stop the closure of airports and interstate

roads by decree. In the same month, the federal judiciary authorised the city of São Paulo to suspend its debt repayment to the federal government for six months in order to be able to use the released resources to fight the pandemic. In June, at the request of opposition parties, a judge on the Supreme Court issued a temporary injunction against Bolsonaro's decision to no longer make the (extremely high) total number of Covid-19 infections public, but only daily totals.

In the meantime, the Brazilian Parliament had already announced its intention to monitor and publish the total number of cases of the virus. In general, the President of the Senate, Davi Alcolumbre (who tested positive for Covid-19 in March), and the President of the Chamber of Deputies, Rodrigo Maia, have publicly expressed their sympathies. For example, on 9 May they arranged three days of national mourning to commemorate the first 10,000 corona deaths in Brazil. They acknowledge the health challenges posed by the pandemic — and also the economic side-effects: Congress declared a state of disaster on 20 March (PDL 88/20), only two days after Bolsonaro had made the motion (Mensagem No. 93). This allows for extra expenditures beyond the approved state budget, provided that they are related to the Covid-19 pandemic and occur by the end of the year.

Economic Impact

This crisis event and crisis management are altering demand and supply on the national and international levels. Both the pandemic itself and the political handling of it have negative economic consequences, for example those caused by illness or self-isolation as well as by the imposed quarantine or border closures. All this prevents people from participating in the labour and consumer market. According to the assessment of the UN Economic Commission for Latin America and the Caribbean (CEPAL), other interrelated factors have a negative impact on Brazil (and many Latin American countries): (1) the decline in the economic activity of the main trading partners, first and foremost China, and thus the decline in exports; (2) the fall in the price of commodities, the main export product; (3) the interruption of global value chains for the industrial sector, the largest in the region; (4) the rising risk aversion and tighter international financial conditions; (5) the depreciation of the national currency, that is, the real against the dollar. For 2020, Brazil is expected to experience negative economic growth of 5.2 per cent.

The government and Parliament have adopted a series of economic aid measures. According to CEPAL calculations, these measures together represent only 4.6 per cent of Brazil's GDP. The remedies are aimed at strengthening the health sector, supporting precarious households, helping financially weak workers in the formal and informal sectors, and protecting enterprises (especially small and medium-sized ones). The aid consists, among other things, of increased, expanded, and new financial transfers, the distribution of food and medicines, and the provision of free services. However, various circumstances have hindered this assistance from reaching the target populations: poverty; a significant proportion of the population being outside the banking system (30 per cent of adults); a large informal sector (around 41 per cent of the labour market and 17 per cent of GDP); and widespread corruption.

Even before the outbreak of the pandemic, Brazil's economic situation was anything but rosy. Since 2017, annual economic growth has been between 1.3 and 1.1 per cent. Due to a historic budget deficit, the Brazilian government's public debt in 2019 amounted to 75.8 per cent of GDP. The political instability and damage to Brazil's international image that Bolsonaro has inflicted — and continues to inflict — on the brand *Brasil* are discouraging foreign investment.

The Perception of the Situation in Society

Meanwhile, the population's concern about the situation is growing. Although the first cases of infection had been registered among the higher social classes that travel internationally, the virus is now seeping down through the social pyramid and spreading rapidly across the bottom. The pandemic and many crisis management measures are distributed unequally along structural asymmetries and are exacerbating them. Extremely vulnerable to the spread of the pandemic are the densely populated slums *(favelas)*, where sanitary conditions are poor and organised crime frequently dictates the management of the corona crisis. Inmates are exposed to a similar risk, since prisons — where poor and black citizens are overrepresented, and human right violations occur on a daily basis — are operating at 168 per cent of their capacity.

In a survey conducted by Datafolha in May, 45 per cent of those surveyed said they were very afraid of becoming infected with Covid-19. The map of fear corresponds to the geography of social inequality in Brazil: More women (51 per cent) than men (38 per cent) are very afraid; the poor (50 per cent) more than the rich (35 per cent); those living in the poorer north-east (51 per cent) more than those from the richer south (35 per cent). When asked for their assessments of Bolsonaro's statements on the pandemic, a large majority (89 per cent) responded that the use of hydroxychloroquine as a treatment option should be the decision of health professionals and not policymakers. Furthermore, the majority disagreed that people should be armed in order not to be enslaved (71 per cent).

Also in May, Datafolha registered the worst approval ratings for Bolsonaro since he took office: 43 per cent rated his governance as poor, 22 per cent as mediocre, and 33 per cent as good.

The strong political polarisation around the figure of Bolsonaro shapes society and is also evident in the streets. On the one hand, a significant mobilisation took place on 19 April, Armed Forces Day in Brazil, when Covid-19 infections skyrocketed. The President's supporters demonstrated in several cities across the country, calling for the closure of the Parliament and the Supreme Court and for the introduction of a military dictatorship with Bolsonaro at its head. He joined the mobilisation in Brasilia and improvised an ambiguous populist speech, which was broadcast live via social media, in front of the Armed Forces Headquarters. It was once again military figures, such as Defence Minister General Fernando Azevedo, who subsequently reaffirmed the commitment of the armed forces to democracy and the full application of the Constitution. Some 3,000 active and retired members of the armed forces occupy civilian positions in present-day Brazil.

On the other hand, protests against Bolsonaro have been raging since March: Domestic *panelaços* — loud pot banging from windows, balconies, and terraces — express dissatisfaction with his corona crisis management, mostly in middle-class neighbourhoods. People have also taken to the streets against the demands for a military dictatorship and in defence of democracy. But no large crowds have taken part in the pro and contra demonstrations — possibly due to the pandemic — and the opposing groups seem to be roughly in balance: In an April Datafolha survey, 45 per cent of those interviewed were in favour of Congress initiating an impeachment process against the President, 48 per cent were against it.

The Spectre of Impeachment

The debate about possible impeachment proceedings against Bolsonaro has intensified since Sérgio Moro, head of the Ministry for Justice and Public Security, left the government on 24 April. In his resignation speech, he accused the President of attempting to interfere in the personnel policy of the federal police in order to slow the investigations into his own family. Bolsonaro reacted by making a public appearance,

throughout which he spent a good 45 minutes on dismissing Moro's accusations and harshly criticising him. During this time, almost the entire cabinet was lined up behind him.

The enmity between the two men becomes particularly explosive in light of the fact that Moro, as a federal judge, had strongly promoted the criminal proceedings in Operação Lava Jato. These trials influenced the public's mood to move in favour of Dilma Rousseff's impeachment. They also provided the basis for the conviction of Luiz Inácio Lula da Silva and his banishment from the list of candidates in the 2018 presidential elections.

The federal judiciary took Moro's statements as a reason to investigate Bolsonaro. In this context, in May it published the video of the cabinet meeting that had taken place two days before Moro's resignation. It shows a very irritated Bolsonaro, who, with crude language and a raised voice, promises that he will not simply allow his family and friends to be "harmed" just because he cannot replace someone in the security sector; if he were not able to, he would just replace his or her boss, or even the minister. Among others, Bolsonaro's son Carlos, a member of Rio de Janeiro's City Council, is currently under investigation. He allegedly led a criminal network to disseminate fake news in the 2018 presidential election campaign, which could provide the judiciary with the justification to annul the elections. Bolsonaro's personnel policy, with which he is trying to influence investigations, as well as his corona policy are the main arguments currently being used by those who are advocating impeachment. This is the case of the impeachment motion filed by the Workers' Party (PT) in March — the 35th against Bolsonaro. However, an impeachment motion only has a chance of success if the President of the Chamber of Deputies and then a special committee consider it before accepting, thereby initiating the impeachment process.

The Corona Crisis As a Magnifying Glass

The corona crisis is currently neither spreading authoritarianism in Latin America (the number of authoritarian regimes in the region has continued to remain stable) nor currently deepening it in the case of Brazil, as there is *no* evidence of *increasingly* authoritarian governance in connection with the pandemic (for a different position on this, see SWP Comments 35/2020). Bolsonaro's authoritarian and right-wing populist views, arguments, and actions are not a recent phenomenon but have been well-known since his election campaign — and they continue to resonate deeply among parts of society. Also, the outbreak of the pandemic has not correlated with an increase in repressive measures by the national government. This is because the President relativises the health hazards posed by Covid-19, cultivates a purely macroeconomic interpretation of the corona crisis, and has therefore neither declared a state of emergency nor imposed curfews. Instead, he boycotts the corona restrictions that are introduced by governors and recommended by other institutions.

The corona crisis is embedded in a confrontational political context that preceded it. However, cracks in Bolsonaro's camp and institutional conflicts are now becoming more palpable in the crisis. The pandemic is revealing the limits of certain political alliances, for example, as it is raising the costs for governors to continue their alliances with Bolsonaro (whose poll ratings are falling) or follow the isolationist and anti-Chinese foreign policy approach of Foreign Minister Araújo. The corona crisis thus increases the pressure on them to distance themselves from the executive branch in Brasilia. Such a dissociation is institutionally possible, or being made possible. This includes the intensified foreign policy activity of the state governments, which had already begun in 2019 with governors travelling to China and the establishment of state agencies for foreign trade and location marketing in Asia. Now the governors

are seeking to exchange experiences with — and get aid from — China.

However, the vertical and horizontal confrontations (not only corona-induced) are evidence of the diffusion of power through federalism and the separation of powers — whether the motives of the actors involved are republican or opportunistic, oriented towards the common good or particularistic.

The President, who left the Social Liberal Party (PSL) at the end of last year to found the (still insignificant) Alliance for Brazil, is losing political support, repeatedly encountering resistance from the legislature and judiciary, and falling into the looming dark shadow of a dramatic economic situation, growing violent crime, and allegations of corruption. The spectre of impeachment even made him break another election campaign promise, namely not to seek parliamentary majorities by means of co-optation. Now he hopes to gain political support of the *Centrão*, a heterogeneous group of "pragmatic" parties that take the best offer, by handing over positions with access to financial resources.

Nevertheless, a successful impeachment procedure seems unlikely at present for various reasons. The constitutionally required two-thirds majority in both chambers of Congress represents a very high hurdle in view of the strong party fragmentation (with 30 parties in Parliament). The largest opposition party, the PT, has only about 10 per cent of the seats in Parliament; moreover, it would potentially fare better in elections following a (chaotic) Bolsonaro government than if, after a successful impeachment, former general and current Vice President Hamilton Mourão were to complete Bolsonaro's term of office. In addition, the massive level of public pressure for encouraging impeachment is lacking as of now, although the public demand for it, the legal justification for its commencement, and the political motivation of the members of Congress for its implementation are often at odds with each other (as in the case of Rousseff). Nevertheless, social pressure commonly turns into a tailwind for Congress, or it acts in its slipstream. But old and new enemies of Bolsonaro do not trust each other and are not building a united opposition today. Last but not least, there is a lack of experience — or perhaps instead a lack of imagination — in envisaging an impeachment process in the midst of a corona crisis.

Dr Claudia Zilla is Senior Fellow in The Americas Division at SWP.

SWP
Stiftung Wissenschaft und Politik
German Institute for International and Security Affairs

Ludwigkirchplatz 3—4
10719 Berlin
Telephone +49 30 880 07-0
Fax +49 30 880 07-100
www.swp-berlin.org
swp@swp-berlin.org

ISSN 1861-1761
doi: 10.18449/2020C36

(English version of SWP-Aktuell 53/2020)