Attempted Coup in Brazil Seeks to Reverse Election Results

By Mark Weisbrot

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If you are following the news of political turmoil in Brazil, it may be difficult to get a grasp of what is really going on. This often happens when there is an attempted coup in the Western Hemisphere, and especially when the U.S. government has an interest in the outcome. Usually the information about that interest, and often Washington's role, is the first casualty of the conflict. (Twenty-first century examples include Paraguay in 2012, Haiti in 2011 and 2004, Honduras in 2009, Ecuador in 2010 and Yenezuela in 2002.)

First, there is no doubt that this is a coup in progress. It is an attempt by Brazil's traditional elite — which includes, as one of the most important players, most of the major media — to reverse the outcome of Brazil's 2014 presidential elections. Exhibit A is the grounds on which they hope to impeach President Dilma Rousseff of the Workers' Party (PT by its Portuguese initials). It has nothing to do with corruption, or any serious offense. The charge is that the government used borrowed money in 2014 to maintain the appearance that the primary budget surplus was within its target. But this is something that other presidents had done, and is hardly an serious offense. A comparison: When the Republicans in the U.S. Congress threatened to shut down the government over the debt ceiling in 2013, the Obama administration used a number of accounting tricks to extend the deadline, and there was little controversy over this.

The charges against Lula are also dubious, even if they turn out to be true. Most importantly, the accusers have not shown any connection to the big "Lava Jato" (car wash) corruption scandal — or any other corruption. Lula is accused of owning some beachfront property, which he denies owning, that was renovated by a Brazilian construction company; and of receiving money from various corporations for speeches. Most importantly, however, these are things that took place after he left the presidency. Although Bernie Sanders has rightly made an issue of Hillary Clinton's receipt of millions of dollars from corporations for speeches, it is not illegal in the U.S. — or Brazil.

The main judge investigating these cases, Sergio Moro, had to apologize to the Supreme Court for leaking to the press wiretapped conversations between Lula and Dilma, as well as between Lula and his attorney, and between his wife and their children. The detention of Lula for questioning, with advance leaks to the media and involving 200 police despite the fact that Lula had always voluntarily submitted to questioning, also left no doubt as to the political nature of the investigation. If Moro had any evidence linking Dilma or Lula to actual corruption, it is likely that some of it would have been released by now, given that he has leaked personal and private wiretapped conversations just to embarrass them.

Brazil's anti-democratic, corrupt elite is trying to take the country back to its predemocratic past, when the electorate could not interfere with their choice of leaders. Unfortunately, that is not all that long ago: The dictatorship that lasted until 1985 was installed in a 1964 U.S.-backed coup, to which the current efforts bear some resemblance.

About the U.S. role today: It is no secret that Washington would <u>like to get rid of all of the left governments</u> in the region. In President Obama's trip to Argentina last week, and other public statements from U.S. officials, they made it clear <u>how happy they were</u> to welcome the new right-wing government there. They also <u>reversed their policy</u>, implemented against the prior, left government, of blocking loans to Argentina from international lenders like the Inter-American Development Bank and World Bank. Of the coups mentioned above, evidence of the U.S. role is documented beyond a reasonable doubt in all of them except Ecuador, where there is no hard evidence. But since there has almost never been a coup in this hemisphere against a left government without some U.S. involvement, it is no wonder that many Ecuadoreans believe the U.S. was (and remains) involved there, too.

And such speculation is not unreasonable in Brazil, where Washington intervened in 2005 in support of a legislative effort aimed at undermining the Workers' Party government. The massive spying on Brazil —and especially Petrobras — that Edward Snowden and Glenn Greenwald revealed in 2013, also points in this direction. It could be a coincidence that all this information about Petrobras was gathered by the U.S. government just prior to the scandals at the state-controlled oil company; or perhaps Washington shared some information with its allies in the Brazilian opposition. And there is no doubt that, like President Mauricio Macri in Argentina, the biggest players in this coup attempt — people like former presidential candidates José Serra and Aécio Neves — are U.S. government allies.

Of course the PT government would not be in so much trouble today, even with the media leading the charge, if the economy – which shrank by an estimated 3.8 percent last year — were in better shape. And that, unfortunately, is due mainly to their own mistakes; beginning at the end of 2010, they embarked on a series of spending cuts, interest rate increases, and other measures that stalled the economy,, followed by even harsher austerity in 2015 that caused a deep recession with no end in sight . Unemployment has risen from a record low of 4.3 percent in December 2014 to 8.2 percent today. This didn't have to happen; with more than \$360 billion in foreign currency reserves, Brazil is not constrained by the balance of payments, and therefore could recover with expansionary macroeconomic policies.

Dilma and Lula are on the ropes and up against some powerful enemies, but it would be premature to count them out. They have faced tougher battles; unlike their adversaries and the big media companies that supported the dictatorship, they were imprisoned during its rule. If they can survive the current coup attempt, they will have a chance to fix the economy and return to their legacy — which is, after all, one of considerable economic and social progress.