

Brazil: What's at Stake in the Second Round

By Emir Sader | October 12, 2006

What is at stake in the second round of Brazil's presidential elections is not only if state-owned oil company Petrobras will be privatized—as Mendonça de Barros, advisor to presidential candidate Alckmin affirmed to *Exame* magazine—and, along with it, Banco de Brasil, Caixa Econômica Federal, and Electrobras.

What is at stake in the second round is not only if social movements will once again be criminalized and oppressed by the federal government.

What is at stake in the second round is not only if Brazil's foreign policy will continue to prioritize alliances with Argentina, Bolivia, Venezuela, Uruguay and Cuba, along with other countries in the global south, instead of policies of subordination to the United States.

What is at stake is not only the possible return to privatizing education.

What is at stake in the second round is not just whether cultural policy will be based on private funding.

What is at stake in the second round is not only if we will have more unstable jobs, or more or less jobs in the formal sector.

What is at stake in the second round is not only if there will be more or fewer government investments in energy, communications, roads, basic sanitation, education, health, and culture.

What is at stake in the second round is not only if we will continue to diminish Brazil's inequalities through social policies—microcredit, increasing the real buying power of the minimum wage, lowering the costs of basic needs, the family assistance program and rural electrification, among others. Or if we will return to the politics of the Liberal Front (PFL) and Social Democratic (PSDD) parties of former president Fernando Henrique Cardoso.

What is at stake in the second round is all of this, which in itself is very important and marks a huge difference between the two candidates. But most of all what is at stake is the form of Brazil's international integration and the direct consequences it will have for the country's future.

Under Lula, policies that favor Mercosur, regional integration and south-south alliances will prevail over the Free Trade Area of the Americas (FTAA). Under an Alckmin government, free trade will be the priority: FTAA, signing a Free Trade Agreement with the United States, the isolation of the Bolivarian Alternative for Latin America (ALBA), and the weakening of Mercosur, the South American Community, alliances with South Africa, India, and the Group of 20.

What is at stake in the second round is whether Brazil will subordinate its future to free trade policies or put its money on the regional integration processes. This marks a fundamental difference for the future of Latin America and Brazil. To adopt free trade and fully open the economy to the huge international monopolies—especially U.S. companies; to reject all internal regulation, including environmental laws, currency controls, tariffs, etc; and to condemn Brazil to permanent dominance by market policies, would mean perpetuating the same inequalities that make our country the most stratified in the world.

What is at stake in the second round, then, is if we will have an unequal country or a more unequal one; if we will have a sovereign nation or a subordinate one; if we will have a more democratic society or a less democratic one; if we will have a



country or become just a speculative market, and consolidate as a conservative country run by oligarchic elites (a mix between Daslu and Opus Dei). If we will be a country, a society, a nation—democratic and sovereign—or be reduced to a stock market, a shopping mall surrounded by poverty on all sides.

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Everything is at stake in the second round. Facing this situation, no one can be neutral, no one equidistant, no one can be indifferent.

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