

What are the lessons to be learned from the current political and economic crisis in Brazil

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During early 2016, Dilma Rousseff, elected Brazil's president in 2014 was ousted by an assembly of politicians and ruling class representatives, including media moguls. Her impeachment ended a period when Brazil was able to combat hunger, raise wages - particularly minimum wages, create employment and diminish income inequality. Now, the current government along with the majority of Congress are rolling back those advances. More generally they are trying to dismantle social protections and have adopted recessive policies, widely proved to be the wrong way out of a crisis.

This paper aims to examine both the positive economic policies that made possible a wage-led regime during 2003-2014 and the limits of those policies (including the political limits). We consider this as a first step towards the design of alternative economic policies that can rally together social movements and political parties to bring a progressive democracy back to Brazil.

We will use a two-pronged approach to achieve our objectives. First, using economic data, we will examine the policies pursued by Lula and Dilma during their presidential terms, also discussing the limits of these policies. Then we will analyze the political actors that brought down Dilma in 2016, along with the political limits of PT policies during these years.

Next, we will discuss the limits to the current government's policies, aimed to transform Brazilian economy back into an enclave, "market-friendly economy", and at the same, diminishing or simply abolishing social rights and protections.

After this discussions, we will delineate a minimum program for economic recovery, along with a discussion of the social agents that might make it possible to get back a democratically elected government with progressive policies.