

Chapter 8: Lulismo and the Brazilian Dream

In February of 1980, Brazil saw the rise of a unique political party called, the Partido dos Trabalhadores (PT) or the Worker's Party. Pt would go forward to become Latin America's most successful and most original socialist party to date. Their original commitment was for equality in a crusade for "citizenship" for all Brazilians. Lead by Jose Dirceu, it would grow more powerful and competitive than anyone would have ever thought.

Inflation was no longer Brazil's, number one fear, it was now unemployment. Lula would use this stage to become elected and govern Brazil into its next chapter of democracy. Lula's victory was a huge win for the Latin American left, promising stability and change to the nation. Brazil rejected the old model of National developmentalism and looked for reform. Lula gave the people just that. Lula seemed to bridge the gap between left and right, and portrayed himself as the man who could do just that. Lula called for six reforms, including , pensions, tax labor, the political and financial system and land ownership.

Lula appointed Meirelles as his Central Bank Chief, and gave him operational independence, but always stood behind his decisions. He lead the way in many monetary reforms. The government pushed through pension reforms by raising retirement ages and capping the amount of money retirees would receive. The reforms continued with the retiring of much of its dollar debt and replacing it with their own currency, something that is much easier to pay off. These reforms helped the economy by creating a boom of credit and moving the world's economy ever so more into the good graces of Brazil.

Unlike the financial reform, Lula stumbled with social policy in the start, but soon got it back on track. He tried to eliminate hunger, by implementing a program called Bolsa Familia or Family Fund. This combined two pre existing social programs into one unified effort. It was an instant success and by 2006, 11 million people benefited from the program.

PT was over represented in Lula's first cabinet, and caused much turmoil in its wake. A political boss, Roberto Jefferson, was accused of corruption and taking kickbacks and bribes. This upset and exposure resulted in Dirceu resigning as Lula's chief of staff as well as twelve other senior officials in the cabinet, and the entire top layer of the PT party. Criminal charges eventually found their way to over three dozen PT officials. Soon Lula would also be on the chopping block but narrowly escaping by the denial of any foreign campaign money coming in under his knowledge.

Lula soon replaced Dirceu, with his minister for energy and mines, Dilma Rousseff. Lula in his second term adopted a more statist economic approach. The economy grew and investors began to look favorably on the new Brazil and the opportunities that lie within it. These new investors and favorable economy caused an economic boom. A public works program was introduced during this time called the Growth Acceleration Program, with Dilma at the helm. With a hefty 500 billion dollar cost, this program made enormous stride in the advancement of Brazil. Streetlights were introduced, drainage systems were installed, irrigation was developed and older programs already in place were revamped.

Foreign Oil strikes only bolstered the economy of Brazil and added to the new found pride and power the nation was feeling. In 2008, Brazil was awarded an investment grade credit rating. This means that the debt was safe enough to be dependable for foreign investors to exchange and deal with. Brazil saw slight trouble after the fall of Lehman Brothers in 2008, trade lines took a hit, but Brazil was able to recover. It was explained that the crisis was caused by the white man, who was regarded as being all knowing but in reality has many faults of their own.

Lula kept his integrity by respecting the constitution and not manipulating it for personal gains and a third term. Instead he groomed Dilma to be his replacement for the 2010 election. Dilma brought a fighting feminist spirit to the table, and won the election to become the first

women president in Brazil's history. She created many formal sector jobs and left her first term with an outstanding approval rating.

Her second term she brought with her more ambitious social policies, to advance both the poor and women. Dilma was not as charismatic or personable as Lula, but she had a strong persona about herself, claiming to be a "Brazilian democratic socialist." She gathered a staff of all walks of life, encouraging equality in government, and set off the make her spot in history. Dilma kept a stable economy, advances slightly social benefits. She did not accept any once of corruption and her legacy has yet to be seen. She opened the eyes of Brazil t many worldly issues, but seemed to lack on the closure of many.

It is my belief that Lula, was the president that Brazil needed at this time. He was a relatively straight shooter with a good head on his shoulders and a good moral compass. He reformed what he could and tried to better the country for the people, not for himself. Lula was a breathe of fresh air for the left, and the best fit for the time.