

# The Bolsonaro Government in the Face of the Pandemic Neoliberalism at a Crossroad?

by

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*Neoliberalism is a normative system that endeavors to universalize competition and the generation of inequality as fundamental behavioral norms, not only encompassing corporate entities but extending to the whole society. The tenets of this system came under strain amid the coronavirus pandemic which, on one hand, has accentuated its more assertive traits, and on the other, compelled certain strategic concessions primarily in response to pressures coming from society. An assessment of a representative array of economic, political, and health care measures implemented by the neoliberal administration of Jair Bolsonaro during the critical period of 2020–2021, corresponding to the most acute phase of the pandemic, indicates that these measures were underpinned by a regrettable, misguided, and detrimental notion positing a dichotomy between economic prosperity and public health preservation. They were based on the idea that life is not a right for everyone, only for the strongest, and that individual freedom should prevail over the collective interest. The outcomes of this orientation, in aggregate, manifested themselves as a deleterious combination of high unemployment, declining wages, liquidity and solvency problems in businesses, and, most significant, a substantial loss of human lives.*

*El neoliberalismo es un sistema normativo que busca universalizar la competencia y la generación de desigualdad como normas fundamentales de comportamiento, abarcando no solo a las entidades corporativas sino extendiéndose a toda la sociedad. Los principios de este sistema se vieron sometidos a presión por la pandemia del coronavirus, la cual, por un lado, acentuó sus rasgos más asertivos y, por otro, obligó a que se hicieran ciertas concesiones estratégicas, principalmente en respuesta a presiones provenientes de parte de la sociedad. Una evaluación de una serie representativa de medidas económicas, políticas y de atención médica implementadas por la administración neoliberal de Jair Bolsonaro durante el período crítico de 2020–2021 (correspondiente a la fase más aguda de la pandemia) indica que estas medidas estaban respaldadas por una noción lamentable, equivocada y perjudicial que postula una dicotomía entre la prosperidad económica y la preservación de la salud pública. Se basaban en la idea de que la vida no es un derecho universal, sólo el de los más fuertes, y que la libertad individual debe prevalecer sobre el interés colectivo. En conjunto, los resultados de esta orientación se manifestaron como una combinación perjudicial de alto desempleo, una disminución de los salarios, problemas de liquidez y solvencia en las empresas y, lo más importante, una pérdida sustancial de vidas humanas.*

**Keywords:** *Neoliberalism, Pandemic, Economic policies, Normative measures, Brazil*

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The coronavirus (SARS-CoV-2) pandemic, which began in 2020, is one of the most dramatic and traumatic events in recent world history. From the first manifestations of the disease in the Chinese city of Wuhan in December 2019 until the end of 2021, more than 5 million people died, about 619,000 in Brazil alone (OWID, 2021). With the onset of the health crisis marked by the rapid global spread of the virus and mounting pressure on domestic health care systems, it became evident that a profound economic crisis was bound to follow. The sharp decline in private demand, resulting from the turbulence engendered by the pandemic and the imperative containment measures—such as the suspension or curtailment of nonessential economic activities and in numerous instances stringent lockdowns affecting both the supply of and the demand for goods and services—has contributed to a contraction of the global economy by approximately 3 percent in 2020, notwithstanding a subsequent 6.0 percent increase in the world gross domestic product (GDP) in 2021 (IMF, 2022).

In addition to the direct and indirect fatalities attributable to the COVID-19 pandemic, several adverse repercussions unfolded, encompassing heightened unemployment rates, increased disparities in income and wealth distribution, and liquidity and solvency challenges faced by households and firms. These circumstances plunged a substantial segment of the population into socioeconomic vulnerability, that was especially pronounced within peripheral countries. At the same time, these developments signaled an alarming upsurge in extreme poverty and accentuated inequalities (World Bank, 2020; 2022).

In response to the crisis, national governments adopted different policy actions in terms of their scope, intensity, and direction. They differed not only in the amount of financial resources allocated, both in absolute terms and relatively to GDP, but also in their strategic focus and timing of implementation.

Governments exhibited varying degrees of success in alleviating the repercussions of the pandemic on public health, employing a range of preventive measures and vaccination campaigns. Similarly, the economic aftermath concerning income, employment, and inequality significantly affected the material welfare of populations, showing pronounced disparities across nations primarily attributable to the diverse array of policy approaches embraced by each country.

The aim of this article is to assess, through the lens of a critical examination of neoliberalism, the economic and regulatory interventions, particularly in the realm of public health, undertaken by the Brazilian federal government in response to the pandemic during the years 2020 and 2021. In order to do that, we assume that public policies should have been oriented toward (1) support and implementation of indispensable public health measures, encompassing the widespread adoption of protective masks, observance of social distancing protocols, reinforcement of health care systems, and expeditious execution of mass vaccination initiatives; and (2) the unwavering commitment to safeguarding the financial stability of workers and corporate entities to ensure their sustained economic resilience.

This study demonstrates that the economic measures implemented by the Brazilian federal government in 2020 and 2021 were underpinned by a morally reprehensible, empirically flawed, and socially harmful conception which posited that economic performance and health preservation were mutually

exclusive objectives. These measures were mainly driven by a concern for maintaining economic activities and the belief that competition would select not only companies but also men and women (including the elderly and children) that were braver, stronger, and fitter for life. The numerous obstacles encountered in the local production and importation of vaccines, as well as in the efficient and timely execution of vaccination campaigns, were driven by this competitive logic that aimed to eliminate the vulnerable—the hallmark of neoliberalism. The overall outcome of this orientation was a perverse combination of high unemployment, declining labor income and wages, widening inequality, the bankruptcy of small businesses, and a significant number of deaths.

In addition to this brief introduction, the paper consists of two sections and a conclusion. The first section situates our subject amidst the broader framework of reflections on neoliberalism, exploring its genesis, its historical progression, and the tensions and crises it has engendered. The subsequent section critically examines the economic policy interventions implemented by the Bolsonaro government during the years 2020 and 2021 in direct response to the global pandemic. This analysis is complemented by an evaluation of the normative public health measures concurrently being undertaken at the federal level. To accomplish that, we initially provide a succinct historical overview of the performance of the Brazilian economy from the 2007–2008 global crisis to 2019, in order to identify the economic backdrop against which the pandemic unfolded. Subsequently, we present an overview of the economic measures implemented in response to the pandemic by the 20 major world economies (the G20) and analyze the main economic policies and normative measures adopted by the Bolsonaro government. In conclusion, we highlight the tensions, reactions, and potential limitations imposed on neoliberalism during this pivotal moment in recent history.

## NEOLIBERALISM AT A CROSSROAD

To comprehend the measures implemented by the Bolsonaro government during the critical period of the COVID-19 pandemic in 2020 and 2021, it becomes imperative to contextualize them within the framework of neoliberalism, which represents a defining characteristic of contemporary capitalist society. While public discourse and some critical intellectual circles often associate neoliberalism primarily with an ideology and a set of economic policies introduced since the 1970s, this perspective risks oversimplifying its complexities and practical ramifications. Neglecting the multifaceted dimensions and profound implications of neoliberalism can lead to misinterpretations of its underlying nature and scope.

According to Davies (2014: 310), despite the various interpretations of neoliberalism in the literature, there are four attributes that tend to be commonly shared among different approaches. First, neoliberalism is not a mere revival of Victorian (classical) liberalism; rather, it draws inspiration from it while representing a distinct creative and modernizing force. Secondly, the primary targets of neoliberal policies are institutions and activities at the fringes of the market,

including families, schools, religious institutions, universities, public education and health care systems, public administration, and labor unions. The goal is to either integrate them into the market, reinventing them, or neutralize and demobilize them. Thirdly, the state plays an active and indispensable role in producing, reproducing, and enforcing new rules and norms that align with a specific ethical and political worldview. This worldview centers on competition as a mechanism for generating inequality, giving rise to winners and losers—constituting the fourth attribute. Hence, under neoliberalism, inequality and even the marginalization of the most vulnerable are ultimately endorsed.

Amidst the various conceptualizations of neoliberalism that encompass these key attributes, the perspective put forth by Dardot and Laval (2016; 2019) can be considered emblematic. According to their view (2016: 17), neoliberalism fundamentally constitutes a rationality and can be defined “as the set of discourses, practices, and apparatuses that establish a new mode of governing human beings in alignment with the universal principle of competition.” By instituting unfettered competition as a norm of conduct for all individuals, aiming to shape a new subject and society, neoliberalism enforces and expands the logic of capital, wherein increasing inequality and even fatalities serve as indicators not of its weakness but of its strength (Dardot and Laval, 2016: 8; 2019: 5).

Neoliberalism emerged in response to the challenges faced by classic liberalism at the turn of the nineteenth to the twentieth century as global capitalism experienced significant transformations and accumulated heavy tensions. Its intellectual origins can be traced back to the 1920s and 1930s, when thinkers within the liberal tradition grappled with the future trajectory of Western capitalist societies. During this period, there arose a need to revitalize the tradition, moving away from both the *laissez-faire* approach and the socialist perspectives associated with notions of “collectivization” and “totalitarianism” (Plehwe, 2016; Dardot and Laval, 2016; Beddeleem, 2020). Since then, neoliberal thought evolved through influential forums like the Walter Lippmann Colloquium (founded in 1938), the Mont Pèlerin Society (established in 1947) and the Chicago School in shaping political and economic discourse during the 1970s and 1980s. Neoliberalism did not take the form of a monolithic ideology or a ready-made solution for economic policy. Instead, it has developed as an open and dynamic framework, addressing concrete challenges and issues related to establishing, sustaining, and enhancing a competitive capitalist social order (Mirowski and Plehwe, 2009; Dardot and Laval, 2016; Slobodian, 2020).

Over an extended period of intellectual exploration and development, a significant collection of ideas emerged and was later utilized, adjusted, and disseminated through networks of think tanks and diverse business associations, often supported by generous private funding and actively involving researchers, governments, and multilateral organizations<sup>1</sup> engaged in a continuous “war of position”<sup>2</sup> for “hearts and minds.”

In this context, against the backdrop of the social and economic turbulence experienced during the 1960s, 1970s, and 1980s, which marked the end of the Golden Age of capitalism,<sup>3</sup> the dissemination of neoliberal rationality gained momentum and led to the establishment of a “neoliberal hegemony” (Fraser, 2017; Fraser and Jaeggi, 2018) or “neoliberal hegemonic constellations” (Plehwe, 2016).

Across different regional and national contexts, the principle of competition solidified as the prevailing “common sense” regarding the norms and devices that should govern capitalist societies, naturalizing prevailing power relations to ensure consent to the perpetuation and reinforcement of their dominance.

During the 1970s and 1980s, in the midst of political and economic struggles in Western capitalist nations, neoliberal rationality diffused across diverse geographical and sociocultural contexts (including countries from the capitalist periphery), influencing subjectivities and social structures to instigate a profound transformation in capitalist “social and economic reproduction” (Fine and Saad-Filho, 2017). This multifaceted process, varying in pace and scope, encompassed economic liberalization, deregulation (or rather, reregulation, particularly in finance),<sup>4</sup> and attacks on welfare states and labor unions. The reorientation of the state's role emerged as a defining aspect of neoliberalism, with far-reaching implications in shaping this new capitalist society. Thus, it is crucial to reject the notion that neoliberalism advocates for a “minimal state” with marginal influence in the configuration and dynamics of society. On the contrary, the state assumes a pivotal role, not only in establishing and sustaining markets in areas where they were previously absent or restricted but also in internalizing neoliberal rationality into public institutions and disseminating its norms, mechanisms, and discourses across other spheres of society. Consequently, productivity and efficiency criteria characteristic of the market are imposed on the functioning of public institutions, as well as on individuals' behavior in their personal and professional interactions, reinforcing the neoliberal hegemony.

Neoliberal rationality, comprising a complex interplay of practices, devices, and discourses, finds support in diverse power relations and institutions at both national and international levels, giving rise to diverse expressions of neoliberalism. While the pioneering neoliberal governments of Pinochet (Chile, 1973–1990),<sup>5</sup> Giscard d'Estaing (France, 1974–1981), Thatcher (England, 1979–1990), Reagan (United States, 1981–1984), and Kohl (Germany, 1982–1998) can be acknowledged, their differences underscore the malleability of neoliberal rationality, particularly in the face of crises like the COVID-19 pandemic. In this context, Dardot and Laval (2019: 6) contend that neoliberalism “is nourished by the economic and social crises it generates.” At the same time, in different societies and to different degrees, tensions accumulate, creating fissures by the very dissemination of this rationality and its socioeconomic effects. These tensions stimulate reactions to neoliberal hegemony and shape the emergence of new power configurations that may either reinforce its characteristics or create spaces for contestation and the development of alternative paradigms. Thus, Fraser and Jaeggi (2018) posit that, although *neoliberal policies* persist, *neoliberal hegemony*—in its diverse *constellations*—currently confronts a state of crisis.

In this sense, to adequately analyze the pandemic period and its unfolding perspectives, it is imperative to contextualize the historical events that occurred in the first two decades of the twenty-first century. The global financial crisis of 2007–2008, along with the subsequent eurozone crisis, provided the complex background in which the COVID-19 pandemic has emerged. Moreover, these events served as catalysts for exposing vulnerabilities in neoliberal hegemony.

Indeed, the 2008 crisis and its aftermath not only synthesized the structure and socioeconomic dynamics that characterized the capitalist world from the 1970s on but also sparked profound social tensions. International social movements like Occupy Wall Street and the Arab Spring emerged to challenge the existing order, specifically addressing issues of political and economic underrepresentation. These movements can be viewed as manifestations of tensions arising from growing inequality, sluggish economic growth, unemployment, precarious labor conditions, and environmental degradation.

Within this historical context, numerous scholars argue that the dissemination of neoliberal rationality correlates with the erosion of liberal democracies (Dardot and Laval, 2016; Brown, 2019; Chamayou, 2020). In this sense, it is crucial to comprehend that the ubiquitous logic of competition dismantles the bonds of social solidarity, leading to a diminished collective sense of citizenship. It paves the way for the rise of the “entrepreneurial man,” an individual who believes that society owes one nothing and subscribes to the notion that “one must work hard to achieve one’s desires” and “work even harder to earn more” (Dardot and Laval, 2016: 381).

Wendy Brown (2019) highlights that the neoliberal assault on “the social”<sup>6</sup> generates a concerning synergy: a citizenship less committed to democratic values legitimizes and empowers an increasingly antidemocratic state. In the guise of promoting individual freedom, as redefined by neoliberal conceptions, extreme right-wing factions justify actions that marginalize and infringe upon the rights of certain groups. This seems to be one key element for the rise of extreme right-wing governments such as those of Trump (United States), Orbán (Hungary), Erdoğan (Turkey), and Bolsonaro (Brazil). While implementing neoliberal policies, including tax cuts favoring the affluent, labor reforms, privatizations, and deregulations, these governments embody what Dardot and Laval (2019) refer to as a “new neoliberalism.” Their authoritarianism reflects the “absolutist and hyper authoritarian character of neoliberalism” that they embrace in enforcing and extending the logic of capital (Dardot and Laval, 2019: 7).

However, Fausto (2020a; 2020b) argues that the rise of far-right governments in the past decade should not be conceived as an expression of neoliberalism, even though, in fact, such governments present neoliberal traits. Paraphrasing the title of Brown’s book (2019), he says that these movements “are born in the ruins of neoliberalism” and “overflow” it, drawing on “illiberal authoritarian” groups. While these groups may adopt certain neoliberal policies in their current society project, they should not be equated with neoliberalism. Regardless of the divergent evaluations of these contemporary developments, both analysis underscore the authoritarian tendencies present in governments backed by extreme right-wing forces, thereby bringing attention to the vulnerabilities within neoliberal hegemony (see also Rugitsky, 2020). Within this context, political forces aligned with the left are often portrayed as “tyrannical” for championing social justice, leading to accusations of curbing individual freedoms and causing the “disintegration of moral fabrics” (Brown, 2019: 10). Even before the pandemic, this intense polarization of political forces and social practices was already evident in several countries, revealing cracks in the

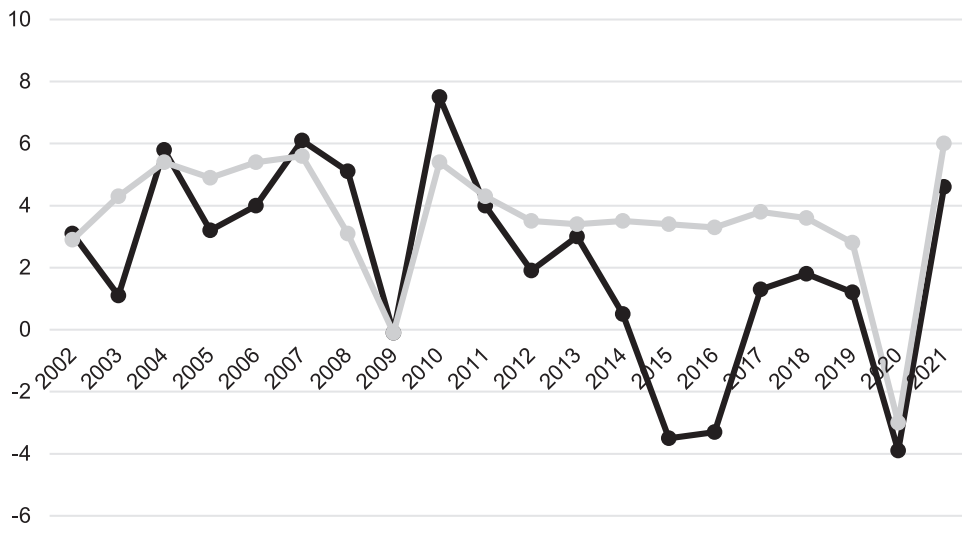


Figure 1. Annual rate of growth, real GDP, Brazil (black) and the world (grey) (%), (data from IMF, 2022).

legitimacy of neoliberal hegemony. However, with the onset of the pandemic, this polarization seems to have reached a pinnacle.

## THE FEDERAL GOVERNMENT'S RESPONSES TO THE PANDEMIC

### THE BRAZILIAN ECONOMY FROM 2008 TO 2019

Before analyzing the economic policies implemented in Brazil during the 2020 and 2021 pandemic response, it is crucial to revisit the economic performance of the country from 2008 to 2019, considering the significance of the 2008 crisis in shaping the cracks in neoliberal hegemony. Despite its important effects on the central economies—a 2.5 percent decrease in the United States and 4.2 percent decrease in the European Union (IMF, 2022)—in Brazil the global financial crisis led to a minor contraction of GDP in 2009 (0.1 percent) consistent with global economic trends. Subsequently, the country experienced a notable expansion of 7.5 percent in 2010, surpassing the global economic growth of 5.4 percent (Figure 1).

Starting from mid-2010, inflation in Brazil began to rise due to an upsurge in international commodity prices and heightened distributional conflicts. In response, the Central Bank started a rate-hiking cycle. In late 2010, the government implemented fiscal adjustments, curbing the growth rate of public spending. In August 2011, the trajectory of rising interest rates was halted as the international economic scenario deteriorated, particularly because of the eurozone crisis. Nonetheless, the government maintained the slower pace of public expenditure growth, arguing that a more substantial and lasting reduction in interest rates would only be achievable with a “sound” fiscal policy (Serrano and Summa, 2012; Loureiro and Saad-Filho, 2019). The “new”

Brazilian macroeconomic policy relied on the reduction of interest rates and its expected impact on the exchange rate, with the aim of initiating a cycle of private investment.

In light of sluggish local and international demand, both private investment and exports failed to meet the anticipated growth rates. Brazilian GDP exhibited slower expansion than the world GDP during 2011 and 2012, with figures of 4 percent and 1.9 percent, respectively, compared to 4.3 percent and 3.5 percent globally. In an attempt to revitalize the economy, tax breaks, concessions, and public-private partnerships for public services and infrastructure were employed. However, these stimulus measures did not elicit the desired response from private investment, ultimately leading to a significant decline in economic growth.

At that time, the prevailing belief in the government was that the fiscal stimuli provided until 2010 had been excessive, leading to an inflation surge, and then the fiscal policy started to be reoriented. Not surprisingly, the economic growth of the Brazilian economy in 2013 was a modest 3 percent compared with the global growth rate of 3.5 percent. The situation worsened in 2014, with Brazil's GDP growing only 0.5 percent, while the world's GDP expanded by 3.5 percent. Faced with this underwhelming economic performance and in a politically turbulent environment, the reelected government of Dilma Rousseff decided to double the bet toward fiscal austerity. After experiencing a gradual rise during the initial term of Dilma Rousseff (2011–2014), public expenditures began to decline from 2015 on, extending into 2016 (Chernavsky, Dweck, and Teixeira, 2020). In this period, Brazil's GDP contracted by 3.5 percent in 2015 and 3.3 percent in 2016—the year of Dilma Rousseff's impeachment—while the global GDP maintained an approximate growth rate of 3.5 percent per year.

Following President Rousseff's impeachment in 2016 and the ascent of the Temer government, the trajectory of the neoliberal project that had been gradually asserting itself in Brazil since the 1990s intensified, but not without tensions, resistance, and contradictions. This marked a profound restructuring of the state's role, a redefinition of its operational principles and an attempt to open new opportunities for capital valorization. Key milestones in this endeavor were the labor reform of 2017 and Constitutional Amendment 95 of 2016, which imposed a cap on public spending in real terms until 2036. According to the proponents of these measures, they would positively influence expectations and then private investment would flourish, but it did not happen as anticipated. Instead, the Brazilian economy experienced sluggish growth in 2017 and 2018, reaching a mere 1.3 percent.

Upon assuming office in January 2019, President Jair Bolsonaro, alongside his minister of the economy, Paulo Guedes, expressed their intention to terminate the decades-long trend of increasing public spending relative to GDP (Ministério da Economia, 2019). To accomplish this, the new government swiftly presented a comprehensive set of reforms to the National Congress, with particular focus on the social security reform, which ultimately received Senate approval in October 2019. The administration's rationale rested on the belief that by demonstrating its commitment to addressing the primary "fiscal issues," it would restore market confidence and stimulate private investment. Nevertheless, the empirical evidence continued to contradict this assertion:



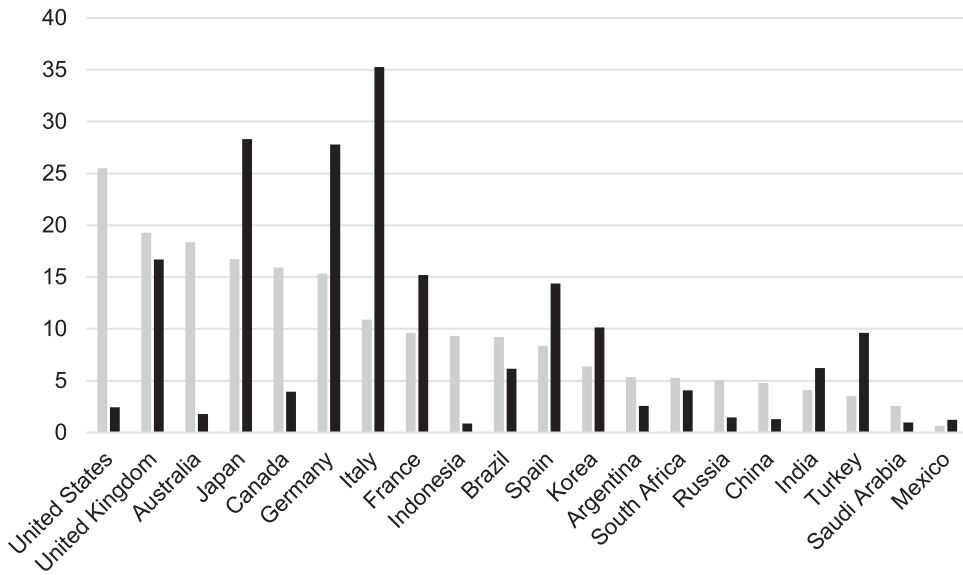


Figure 2. G20 fiscal measures in response to COVID-19 (US\$ billions as of GDP 2020): additional spending and foregone revenues (grey bars) and liquidity support (black bars) (data from IMF, 2022).

Brazil's economic growth in 2019 reached a mere 1.4 percent, lagging behind global growth of 2.7 percent.

#### G20 ECONOMIC RESPONSES TO THE PANDEMIC

As the global health crisis unfolded, it became apparent that it would be accompanied by a profound economic downturn due to the impact on both the supply of and the demand for goods and services caused by the suspension of nonessential economic activities and, in some instances, lockdown measures. Confronted with this dual health and economic crisis, with no immediate resolution in sight, governments worldwide implemented a diverse array of policy responses. These measures varied not only in the magnitude of financial resources allocated, both in absolute terms and as a percentage of GDP, but also in their strategic orientation.

The G20 countries' ranking, based on additional spending and foregone revenue as a proportion of GDP, showed the United States at the top position (Figure 2). Following closely were the United Kingdom (19.3 percent), Australia (18.4 percent), Japan (16.7 percent), and Canada (15.9 percent), displaying considerable percentages of their GDP dedicated to these measures. Brazil occupied the tenth spot in this ranking, with a comparatively lower proportion of 9.2 percent.<sup>7</sup> Regarding liquidity support, which encompasses equity injections, loans, and asset purchases or debt assumptions, Italy held the leading position among G20 nations, with Japan and Germany trailing closely behind. Additionally, a noteworthy trend globally was the reduction of the basic interest rate.

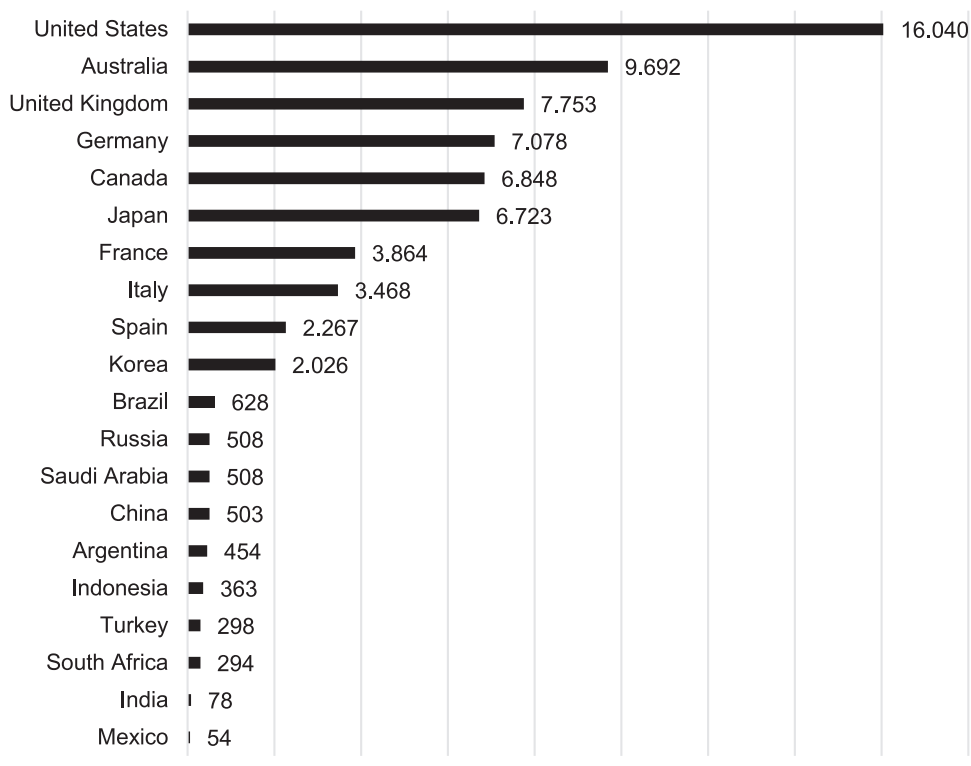


Figure 3. G20 additional spending and foregone revenues per capita in response to COVID-19 (US\$), 2020–2021 (data from IMF, 2021; 2022).

The analysis of additional expenditures and foregone revenues during the pandemic in per capita terms reveals substantial variations in response intensity (Figure 3). The United States ranked first with an expenditure and foregone revenue of US\$16,040 per person, followed by Australia with US\$9,692. A third group consisting of the United Kingdom, Germany, Canada, and Japan recorded additional expenses and foregone revenues ranging from US\$6,720 to US\$7,760 per person. In this ranking, Brazil occupied the eleventh position in the ranking.

The evaluation of the effects of these measures requires careful consideration of their timing relative to the pandemic's progression, their alignment with other policies—especially public health measures like social distancing, contact tracing, and mass vaccination (which economic measures should support)—as well as their scale and composition.<sup>8</sup> Important to highlight is that successful international responses to the pandemic have been observed wherein effective coordination between health policies, particularly social measures, and economic interventions played a crucial role (Greer et al., 2021).

Also, there was a negative correlation between the estimated GDP growth rate for 2020 and the total number of deaths per million inhabitants up to January 31, 2021 (Figure 4). Countries that were more successful in preserving lives during the pandemic tended to exhibit better economic performance, and vice versa. These findings, albeit partial, suggest that policies prioritizing

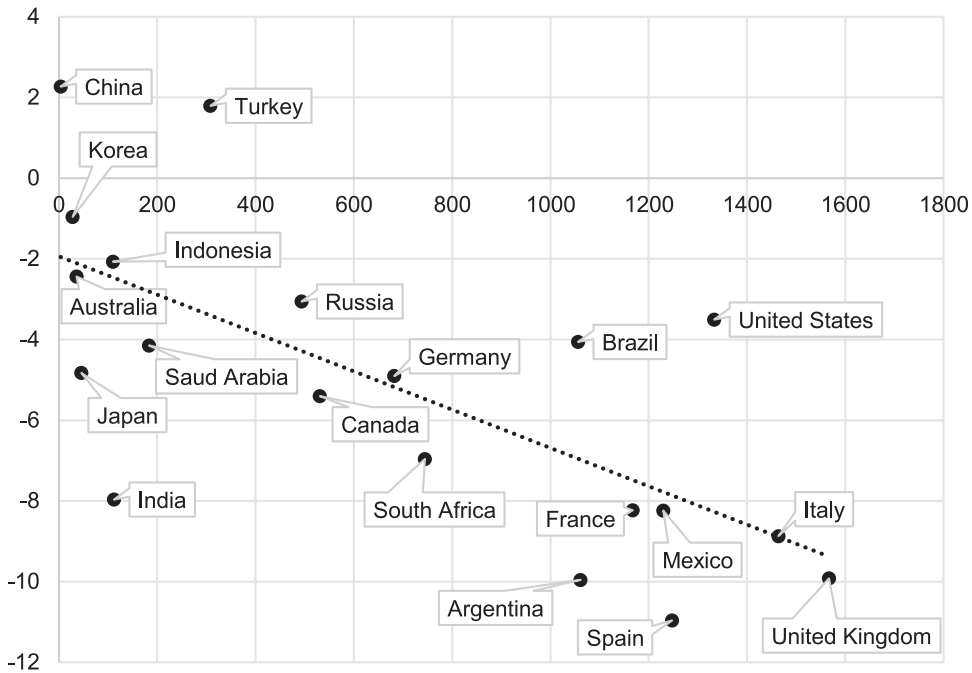


Figure 4. G20 estimated rate of GDP growth (%) and total number of deaths per million, January 31, 2021 (data from IMF, 2022; OWID, 2022).

economic activity during the pandemic, rather than those focused on preserving life, were evidently misguided.

### ECONOMIC AND NORMATIVE RESPONSES OF THE BOLSONARO GOVERNMENT

Among the overall expenditures of the Brazilian federal government during 2020–2021 in response to the COVID-19 pandemic, more than 50 percent were allocated to emergency aid to families (Figure 5). This significant allocation explains the observed fluctuations in total expenditures when the aid amount was reduced by half (from R\$600 to R\$300 per month in September 2020) and when new emergency aid measures were introduced in 2021. Undoubtedly, the emergency aid program was the most crucial economic measure undertaken by the federal government for preserving lives and was also highly effective in providing support to the economy.

Three essential observations must be made regarding the emergency aid measures. First, the National Congress determined the initial value of the aid for 2020 at R\$600, representing a victory for opposition parliamentary forces, as the executive had initially proposed R\$200. Secondly, while the federal government's stated objective in implementing this policy was to preserve economic activity rather than to preserve lives, the provision of a minimum income to the most vulnerable segments of the population contributed to saving lives

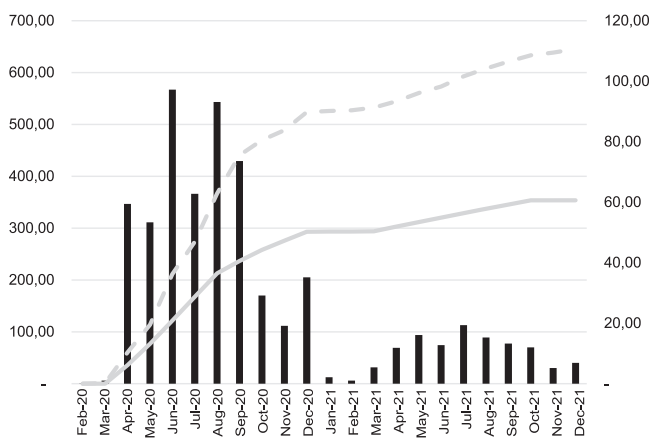


Figure 5. Brazilian federal government expenditures on COVID-19 (R\$ billions), February 2020–December 2021: total monthly value (*right axis*), total accumulated value (*left axis, top*), and accumulated value of emergency aid (*left axis, bottom*) (data from Tesouro Nacional, 2022).

by facilitating social isolation. Thirdly, the end of the initial version of emergency aid in December 2020 occurred during a period of rising COVID-19 death tolls. This decision was ostensibly driven by concerns that continued disbursements would lead to economic disaster due to excessive public indebtedness, underscoring that preserving lives was not the primary consideration guiding the government's actions. In April 2021, the emergency aid was reinstated, albeit in a reduced amount and for fewer beneficiaries. Originally intended to be provided in four installments, the renewed aid was extended until October 2021, totaling seven installments, with monthly payments ranging from R\$150 to R\$375 depending on family composition. Moreover, the revised policy only permitted one family member per household to receive assistance. Consequently, the number of beneficiaries decreased significantly, with 45.6 million people benefiting, 22.6 million fewer than during the previous emergency aid program in 2020.

In the allocation of federal government's expenditures on COVID-19 in 2020 and 2021, emergency aid constituted the largest portion, accumulating to 54.8 percent of the total disbursements. Aside from direct health care expenditures, other categories were included, such as operations and credit guarantee fund quotas (9.77 percent) and the emergency employment and income maintenance benefit (6.38 percent). Allocations for increasing hospital bed capacity, contracting medical services, and procuring vaccines represented a fraction of the remaining expenses, with additional expenditures by the Ministry of Health and other ministries accounting for 10.61 percent, financial assistance to states, municipalities, and the Federal District 12.12 percent, vaccine acquisition 3.73 percent, and other purposes 2.60 percent. It is noteworthy that a significant portion of the resources was allocated to credit programs, particularly to support micro, small, and medium-sized companies.<sup>9</sup>

Disregarding the transfer of resources to states and municipalities, only approximately 14.33 percent of the total expenditures in response to COVID-19

during 2020 and 2021 can be directly attributed to measures aimed at combating the disease.<sup>10</sup> This observation aligns with the assessment made by the Federal Court of Auditors in August 2020, suggesting that the pandemic spending largely reflected “a political choice by the Federal Government to prioritize economic protection” (TCU, 2020a: 6). This understanding was further reinforced in December of the same year, particularly concerning expenses related to communication about COVID-19 (TCU, 2020b: 53; see Asano et al., 2021: 18).

In addition to analyzing federal government spending during the pandemic, it is important to consider the normative acts related to COVID-19 as outlined by Asano et al. (2021). This study, conducted in 2020 by the nongovernmental organization (NGO) Conectas Human Rights and the Center for Research and Studies on Sanitary Law (CEPEDISA) at the Faculty of Public Health, Universidade de São Paulo, focused on three main axes: (1) normative acts of the federal government, encompassing the publication of norms by federal authorities and bodies, and presidential vetoes; (2) actions obstructing state and municipal governments’ responses to the pandemic; and (3) propaganda against public health, defined as “political discourse that employs economic, ideological, and moral arguments, along with misinformation and unverified technical information, to discredit health authorities, undermine public adherence to scientifically based recommendations, and promote political activism against necessary public health measures to contain the spread of Covid-19” (Asano et al., 2021: 6). The findings of this study are striking. Rather than revealing incompetence in handling the pandemic and prioritizing lives, the different actions demonstrate a consistent pattern of neglecting life in favor of maintaining economic activities.

One notable observation is the significant normative activity of the Ministry of the Economy, which ranked second among the issuers of norms, even surpassing the National Health Surveillance Agency. An examination of the normative acts of the federal government sheds light on noteworthy examples of action, particularly on the first axis.

On March 20, 2020, a provisional measure was introduced granting the president the authority to determine public services and essential activities through decrees. It is important to note that the Supreme Court issued an injunction ensuring that this measure did not preclude concurrent jurisdiction or the implementation of normative and administrative measures by states and municipalities. Nonetheless, several decrees were subsequently issued throughout the year to broaden the scope of activities deemed “essential” during the pandemic. This included the inclusion of beauty salons, barbershops, sports academies, religious activities of any kind, industrial activities, and civil construction among the essential services, which diverged from the scientific community’s call at the time to promote staying at home. Furthermore, on this first axis, notable measures were taken to promote the use of hydroxychloroquine and ivermectin for treating mild and moderate COVID-19 symptoms, as indicated in protocols issued by the Ministry of Health and collegiate resolutions from the National Health Surveillance Agency.<sup>11</sup>

In addition, there were instances discouraging the use of masks in rules issued by the federal government. For instance, a presidential veto was imposed on 25 provisions of Law 14.019, which sought to mandate mask-wearing in

religious temples, schools, and other enclosed spaces where gatherings took place, along with the requirement for the provision of 70 percent alcohol gel near entrances, elevators, and escalators. Fortunately, the National Congress overturned this presidential veto on August 19, 2020.

Moreover, concerning the normative acts of the federal government, it is important to acknowledge measures that aimed to restrict vulnerable populations' access to protective measures. Among these actions, for instance, was the veto of 14 provisions of Law 14,021 (July 6, 2020), which constituted an emergency plan identifying protective measures for indigenous communities during the pandemic and extending them to maroon communities, artisanal fisherfolk, and other traditional communities. Additionally, there was the veto of the specific emergency budget allocation to ensure indigenous health and the veto of the creation of a particular financing mechanism for state and municipal governments. On August 19, 2020, the National Congress decisively overrode these presidential vetoes.

Numerous instances exemplify the second axis, which involves obstructing the efforts of states and municipalities. Among the most noteworthy actions were those leading to the expiration of COVID-19 testing and the federal government's lack of response to vaccine purchase offers. Adding to this distressing scenario, actions from the third axis—propaganda against public health—exacerbated the prevailing issue. This encompassed statement made by the president himself, such as downplaying COVID-19 as a mere “little flu” and insinuating that those vaccinated might undergo a transformation into “alligators.”<sup>12</sup>

## FINAL REMARKS

The global pandemic underscored the vital role of the state in ensuring the survival of billions of people through its direct actions and coordination capacity. Particularly, the significance of public social protection systems came to the forefront. However, these systems had experienced erosion in the previous decades due to the diffusion of the competitive principle and the pursuit of fiscal balance associated with it. In this juncture, the health emergency called for decisive action and greater involvement of the public sector, while also opening opportunities for questioning long-standing neoliberal practices and policies that had been pervasive for decades. Given this context, a pertinent question arises: can it be argued that neoliberalism is losing strength?

As the pandemic affected societies with varying degrees of tension stemming from economic and political crises engendered by neoliberal capitalism, it sparked significant reactions. In Brazil, the government's actions during the pandemic, which reinforced a competitive and individualistic approach, strained the established neoliberal arrangement under the Bolsonaro administration. This was evident in the proliferation of expressions of repudiation of the president's statements and public policy directives during the pandemic, leading to calls for impeachment proceedings (see, e.g., CNS, 2020; G1. 2021a; 2021b). These reactions raise questions about whether a substantial portion of Brazilian society, including part of its economic elite, no longer aligns itself

with the ethical and political worldview that has upheld competition and inequality as fundamental social values or whether there are cracks in the neoliberal arrangement as manifested by the Bolsonaro government.

Throughout the pandemic, the core tenets of neoliberal rationality remained largely unchallenged, and the focus of contention was a particular arrangement or prevailing hegemonic configuration of neoliberalism. Despite these challenges, neoliberal rationality managed to adapt and find shelter within alternative power structures, ultimately giving rise to a new hegemonic constellation.

The Bolsonaro government's policies were primarily driven by a prioritization of economic activity, which was perceived to be at odds with public health concerns (Di Cunto and Murakawa, 2020; *Forbes Money*, 2020). The president actively championed “freedom” from mask-wearing and endorsed unproven treatments, while questioning the effectiveness and safety of vaccinations during conflicts with local authorities (Gaspar, 2021). Against the backdrop of a progressively fragmented and economically stagnant society with significant income and wealth inequality, Bolsonaro leveraged the fears of the vulnerable population and promoted a policy of death that abandoned them to their fate. The underlying fragility of the Brazilian economy, shaped by a nonlinear process of neoliberal state restructuring, facilitated not only Bolsonaro's rise to power but also the acceptance of his discourse centered around the “fear of hunger.”

During a live online announcement on February 11, 2021, when Brazil recorded 1,452 COVID-19 deaths in 24 hours, President Bolsonaro declared, “Life goes on, we have to face adversity. It's no use staying at home crying, you won't get anywhere. Let's respect the virus, go back to work, because without the economy there is no Brazil” (Bolsonaro, 2021). The president's promotion of competition as a societal norm, coupled with his reluctance to acknowledge the decisive role of Brazil's public health system, contributed to the country's accounting for 11 percent of global COVID-19 deaths despite representing only 3 percent of the world's population (OWID, 2022). Notably, the fatalities were disproportionately concentrated among vulnerable populations, including women and black individuals (Marinho et al., 2022). The data regarding the relationship between GDP fluctuations and COVID-19 death rates on the international level demonstrate that viewing the preservation of economic activity and life as opposing objectives was a flawed approach. Keeping the economy “alive” at any cost was the message that enveloped this “politics of death.”

## NOTES

1. Such as the International Monetary Fund (IMF) and the World Bank, mainly through their activities in peripheral countries in the 1980s and 1990s.

2. The term “war of position” refers to Gramsci's approach to hegemony, related to the long-term strategic nature of the dispute for political leadership through consent obtained from the dissemination of a certain vision of how society should be structured.

3. A phenomenon limited to a very restricted set of advanced capitalist countries (Hobsbawm, 1995).

4. According to Braga et al. (2017), contemporary capitalism, as a result of the transformations of capitalist institutions within the scope of the aforementioned historical movement, is characterized by financialization, understood as a systemic pattern of wealth—that is, by the condition in which capitalist wealth increasingly materializes in financial assets.

5. According to Plehwe (2016: 67), the Pinochet dictatorship, however, does not fit the Gramscian notion of hegemony, as it relied heavily on brutal force rather than consent.

6. For Brown (2019: 27), "Situating conceptually and practically between state and personal life, the social is where citizens of vastly unequal backgrounds and resources are potentially brought together and thought together. It is where we are politically enfranchised and gathered (not merely cared for) through provision of public goods and where historically produced inequalities are made manifest as differentiated political access, voice, and treatment, as well as where these inequalities may be partially redressed."

7. Intervention became viable solely through the circumvention of the spending ceiling, achieved by means of a proposed constitutional amendment referred to as the "war budget" amendment. This amendment established a special fiscal regime intended to address the challenges posed by the pandemic.

8. The IMF (2022) explicitly cautioned against utilizing the grouping of measures in its database for comparing economies, as these responses are influenced by specific circumstances including the local progression of the pandemic.

9. The main programs were the Emergency Employment Support Program, the National Support Program for Micro and Small Businesses, the Emergency Credit Access Program, and the Working Capital Program for the Preservation of Companies. Together, the amounts totaled approximately R\$155 billion in 2020 (BCB, 2021).

10. The portion including additional expenditures of the Ministry of Health and other ministries (10.61 percent) and expenditures on vaccine acquisition (3.72 percent). Most of this expenditure occurred in 2021. In fact, spending on vaccines in 2020 represented only 0.42 of the total disbursed.

11. Hydroxychloroquine and ivermectin have not been scientifically proven effective against COVID-19, leading to a misconception about their use and discouraging preventive measures such as social distancing and mask-wearing.

12. On April 27, 2021, the Senate established a parliamentary commission of inquiry with the objective of scrutinizing the actions and omissions of the Bolsonaro government during the pandemic. The initial areas of investigation encompassed the procurement and distribution of vaccines, inputs, tests, and PPE, as well as the provision of medical beds. Additionally, the commission focused on examining the production, distribution, and recommendation of chloroquine, the failures in purchasing "intubation kit" medicines, the attribution of responsibilities and competences in handling the crisis, the health collapse in Amazonas, indigenous health, and the criteria for the allocation and utilization of federal resources (G1, 2021c). A pertinent source of information for this inquiry lies in the denialist speeches given by the President of the Republic (Chaib and Machado, 2021).

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