God was Brazilian during the Lula administration

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In Brazil there is a popular saying, “God is Brazilian”, through which people express their belief in good luck. Cacá Diegues, from a João Ubaldo story, made a wonderful movie about the subject, where God, tired of men's errors, tries to find a saint in the Northeast of Brazil to replace Him while He takes a well-deserved vacation. I don't know whether God is really Brazilian, but I am sure that He was Brazilian for president Luís Inácio Lula da Silva during the eight years of his administration. In those years Brazil changed, and for the better. And the president left in triumph, with a popular approval rate of 87%.

Lula was very lucky – more than his predecessor. Both failed in one point – both were impotent against the cyclic tendency to the overvaluation of the exchange rate. Nevertheless, whereas exports increased 50% in the eight years of Fernando Henrique administration, they increased 200% in Lula's eight years. Thanks to the Holy Spirit, thanks to the increase in commodity prices. The abundance of dollars corrected the country's foreign accounts, but did not create demand for enterprises. The demand was sustained and growth was assured as a result of government decisions: the increase in the minimum wage and the transfers for the poor.

We should not, therefore, underestimate Lula's merits. He knew how to help his luck. His government was good. A center-left government that benefited the poor (reduced their number in half) and the public bureaucracy, but, contrarily to what the hegemonic consensus stated, did not bring inflation nor adversely affected growth. A government that did not fear to displease the rich. That was fiscally responsible, except for the last year. That reacted well to the 2008 global financial crisis in spite of the Central Bank's delay in lowering the interest rates. A government that finally succeeded in lowering the real interest rate in nearly half, to the present 5% per annum, despite the orthodox warning that the “natural” interest rate, below which inflation would explode, was of 9%. That did not succeed in preventing the exchange rate overvaluation, but that had the courage to establish controls over capital inflow. A government that after all remembered that there is such a thing as the entrepreneur and the national enterprise, or, in other words, that there is a nation, whose strength and ability to compete with the other nations will depend on the clarity and cohesiveness of the political coalition between entrepreneurs, public bureaucracy and workers. A government that projected worldwide the image of an independent and balanced Brazil.
In one of his last speeches, Lula declared, deeply moved: “My coming to power had to change the level of governance. I had to prove every day that I could govern as well or better than all the doctors who held the presidency.” Comparisons between governments are always very relative, and Lula made an excessive use of them. He did not receive a “cursed heritage” from his predecessor. And he does not leave a blessed heritage to president Dilma Rousseff: the overvalued exchange rate still has no solution in sight. But in those eight years he exercised extraordinary leadership, proved to have a republican spirit, and was successful. God was Brazilian during his administration.