

BRAZIL SCENARIO

April 11, 2022

Domestic Politics

Cabinet reshuffle

After the deadline for ministers to leave their posts to run for office, 10 cabinets went through changes. The Ineligibility Act establishes that ministers who wish to run for office should step down by April 2nd. Nonetheless, the ministries are not expected to suffer dramatic changes, since their substitutes are close to the former ministers. The maneuver is part of an strategy to fill out the federal legislative branch and state governments with candidates supported by President Bolsonaro.

Ministry of Education Dismissal

Amidst a corruption scandal in the Ministry of Education, involving preachers who are not part of the administration asking for bribes in exchange for supporting funding requests, the Minister of Education stepped down. The Supreme Court opened an inquiry to investigate the case.

Ministry	Candidacy	Substitute
Tourism - Gilson Machado	Senator – PE	Carlos Brito
Regional Development - Rogério Marinho	Senator – RN	Daniel Oliveira
Infrastructure - Tarcisio de Freitas	State Gov - SP	Marcelo Sampaio
Women, Family and Human Rights - Damares Alves	Senator – AP	Cristiane Britto
Labour and Social Security - Onyx Lorenzoni	State Gov - RS	José Oliveira
Agriculture, Livestock and Food Supply - Tereza Cristina	Senator - MS	Marcos Montes
Citizenship - João Roma	State Gov - BA	Ronaldo Vieira
Science, Technology and Innovation - Marcos Pontes	Deputy – SP	Paulo Alvim
State Secretary - Flávia Arruda	Senator – DF	Célio Júnior
Defense - Braga Netto	Vice-President	Paulo Nogueira

Economics



GDP

The government has lowered the GDP's growth expectation for 2022 from 2.1% to 1.5%. The number is greater than the market's forecast of 0.5%. The projections take into account the sustained rises in inflation and interest rate, and echoes the levels of indebtedness and consumption decline of the population.



All-time high in taxes

The tax load has reached the record level of 33.9% of the GDP in 2021, which represents an increase of 2.14% in comparison to the 2020 GDP (31.76%). It's the highest value in the historical series introduced in 2010. The information was released by the Public Treasury and must still be confirmed by the Federal Revenue of Brazil.



Inflation and Interest rate

The Central Bank has raised the inflation benchmark from 4.7% to 7.1%, which exceeds the target system's ceiling, which is of 5% in 2022. The interest rate, one of the highest in the world, is also expected to rise again, and it could reach up to 13%.



Income and Opportunity

The government has released a package of measures to boost the generation of income and to inject up to R\$ 165 bi in the economy, which should affect over 80 million people. One of the highlights is the authorization for workers to withdraw up to R\$ 1,000 from their Severance Indemnity Fund.



Changes in Petrobras

Bolsonaro has once again ousted the head of Petrobras. The repeated increases in fuel prices, alongside the hike in inflation, has been troubling the government.

BRAZIL SCENARIO

April 11, 2022

ELECTIONS SPECIAL 2022

Party window

During the period known as the ‘party window’, 122 deputies changed parties, which represents 23.8% of the Chamber of Deputies. President Bolsonaro’s current party welcomed the greatest amount of deputies, expanding its Parliamentary Group from 33 to 78 deputies, and becoming the largest party in the House.

Electoral campaign

Bolsonaro’s party filed a complaint in the Superior Electoral Court against the organization of the Lollapalooza Brazil festival, claiming that artists were carrying out an illegal electoral campaign in favor of Lula. The Court accepted the request and prohibited political demonstrations at the festival, but the decision was reversed days later, after severe criticism.

Young voters

Artists have been taking part in campaigns to encourage teenagers from 16 years old to issue their voter registration cards. In February, the Superior Electoral Court registered the lowest number in the history of teenagers with a voter registration card (830,000). The deadline to issue the card is May 4th. In March, there was already an increase of 26%.

Presidential Candidates

Bolsonaro announced his presidential bid and maintained a schedule of visits to the Northeast region. Lula prioritized meetings with social movements and announced pre-candidates to the governments of São Paulo and Bahia. As expected, Alckmin was announced as his vice president. Moro switched parties and raised doubts about his bid. After threatening to abandon the race, Doria confirmed his presidential bid. Ciro is still focused on building up his presence on social media.

Four centrist parties stated they should make an official announcement of one single third-way bid by May 18th to run against Lula and Bolsonaro.

Fight against misinformation

The Chamber of Deputies and the Superior Electoral Court have signed a cooperation term to fight misinformation during the elections. They expect to promote awareness campaigns against illegal practices and to disseminate official content produced by the Court.

Opinion polls

In a poll carried out between April 2 and April 5, the first one without Moro as a pre-candidate, Lula leads the presidential race with 44% of the voting intentions, followed by Bolsonaro with 30%. Ciro and Doria sum 9% and 3%, respectively, while Tebet has 2%. For the second round, Lula has 53% of the votes, while Bolsonaro gets 33%, a 4-point increase compared to the previous poll.

