

# Leadership Crisis Led Healthcare Debacle and Economic Turmoil in Brazil

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**Abstract:** The world was deeply impacted with the outbreak of corona virus in early 2020, Brazil was no different. In fact, Brazil was the worst affected among all the Latin American countries. More than three million people died till March 2021 due to COVID 19 infection. Healthcare service was stressed out and completely overwhelmed with daily rise in cases. President of Brazil, Jair M Bolsonaro received criticism from all corners of the world when his erroneous leadership pushed nation to an unprecedented health emergency and economic distress. He downplayed novel corona virus since the early phase of the spread, antagonized quarantine necessity and opposed lockdown measures in fear of economic loss. Vaccination drive remained abysmally low as minuscule 2 percent people were inoculated till March end of 2021. In majority of states in Brazil, hospital ICU bed occupancy rate exceeded 90 percent. With acute shortage of oxygen, medicine, beds and trained medical staff, healthcare system was in near breakdown situation. Loss of income, unemployment and poverty went high in the pandemic ridden time. However, the President remained busy in flouting social distancing norms and glorified military regime of 60s and 70s which raised skepticism of military coup amidst political, economic and healthcare turmoil. President's popularity plummeted downhill as his foolhardy decision devastated lives and economy like never before. Emergence of more than 90 new variants of fatal virus eclipsed any smooth recovery possibility. Cabinet reshuffle amidst health emergency to promote close associates didn't go down well either and Bolsonaro administration was shocked with resignation from military chiefs. The nation will hold general elections in 2022 and try to bring an end to the egoistic, erratic and excruciating leadership.

**Keywords:** Death toll, Economic loss, Govt. indecision, Healthcare crisis, Infection rate, Pandemic effect, Social hardship.

## 1. Introduction

Brazil located in south America underwent extraordinary healthcare crisis in 2021. The Latin American nation holds pride being 5th largest nation of the world and economic rank stands at 14th with respect to nominal GDP value but considering purchasing power parity it holds 8th rank as of October 2020 (IMF, WEO data). One of the former Portuguese colonies, Brazil is now a democratic federal republic. There were serious issues faced by Brazil in 21st century such as poverty, inequality, misgovernance and environmental crisis although it is regarded as one of the prominent emerging nations. Brazil is endowed with abundant natural resources and its economy rested on agricultural, manufacturing, mining and

service sectors. It had been top notch coffee producer of the world for long. People across the globe poured down to Brazil every year as it acted as favourite tourist destination but that tourist flow thinned out and virtually reduced to nil as COVID sparked a disaster beyond imagination. Although economy progressed remarkably in the first decade of 21st century but it slowed down substantially later on and unsettled issues like poverty, unemployment, government apathy and corrupt practices in nation's social, economic and political institutions surfaced repeatedly. There was environment crisis due to Amazon forest fire since 2019 and reached its peak in August 2020. There was a furore in 2010 for building of disputed hydroelectric dam in the Amazon rainforest. Amazon rainforest is considered as lungs of the planet earth as it absorbs huge level of carbon dioxide in the air. But clearing of land and extension of agriculture at the cost of forest made a dent in the environmental balance.

Year 2020 appeared as a devastating blow to Brazil which was in the grip of economic distress, political misjudgement and social hardship. Brazil had a brush with virus when Zika virus epidemic broke out in Northeast Brazil in May 2015 and spread to more than 50 other American countries later on. But Brazil seemed to have failed to take a lesson from prior experience. Brazil organised two mega events within a gap of two years such as FIFA World Cup in 2014 and Summer Olympics and Paralympics in 2016 where government funding was allocated for sports infrastructure bypassing the much-needed education and health. As the nation went through recession from 2010 to 2016 and austerity measure hit hard to common citizen with revised labour law, violent protest broke out in November 2016 across the nation against official graft, corruption, soaring unemployment and economic mismanagement. Incumbent president Dilma Rousseff had been impeached and removed from office in August 2016 on charges of manipulation of budget. Former president Lula da Silva was convicted on corruption charge and sentenced to prison for 12 years in April, 2018. The former army captain and far-right wing politician Jair Bolsonaro came to power after emphatic triumph in presidential election in October 2018. He secured mass support with his promise to combat and control crime and corruption at official establishments and govt. actions. With his disgraceful remarks on race, women and

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homosexuality along with pro-gun stance and populist tactic to politics Bolsonaro had been derided as "Trump of the Tropics".

## 2. Case Presentation

Brazil suffered worst ever health crisis in its modern history in 2020 and 2021. The count of country's death toll from coronavirus exceeded 360,000 in mid-April 2021. Average deceased cases reached beyond 3000 per month during same time period sometimes even going beyond 4000 deaths per day. Country reached this gruesome milestone due to foolhardiness and flawed guidance by right winged Bolsonaro administration. President Bolsonaro downplayed dreadful coronavirus since beginning of the virus outbreak. As a far-right populist and former army captain, he undermined pandemic as a trivial syndrome and disregarded it as minor flue. He even suspected about effectiveness of using mask and maintenance of social distance. He flouted COVID 19 norm amidst sharp spike in infected cases when he held rally on May 25, 2020 with political supporters and disobeyed social distancing, responded to cheering group with handshake and embrace. World Health Organisation (WHO) sent red alert with a premonition of Brazil to be the impending hotspot. He however showed audacity over WHO caveat and stockpiled anti-malarial drug hydroxychloroquine for his 94-year-old mother though international authority dismissed its usage for coronavirus infected ones.

Most of the cases centred around São Paulo, business hub of Brazil. The rate of infection appeared high in the state of Amazonas where approximately 490 people in every 100,000 turned COVID-19 positive. Brazil death toll became second highest in the world trailing behind United States. Public health reached the tipping point and country's private and public hospitals remained packed to capacity with surge in COVID-19 infections across the nation. Medical experts and paramedical staffs fought an overwhelming challenge at the backdrop of swelling cases, shortage of medical supplies, equipment crunch, deficit of ICU beds and absence of lockdown measure during second wave. Hospitals were in deep trouble to tackle cases when essential supplies such as oxygen, anaesthetics, and intubation drugs for the cure of patients with COVID-19 were few and far between. Brazilian state senate launched an inquiry into tackling of COVID-19 pandemic by reining president which resented medical experts across the board. As per Lancet report of April 2021, Brazil constitutes 2.7% of the world's population but registered cases reached 11.8% of world aggregate since onset of pandemic. Brazilian bar association commission blamed president for callousness and colossal failure to prevent virus threat that turned the nation into republic of death. Such misdemeanour was assessed as crime against humanity. There was sluggishness in vaccination drive for citizen as vaccine ran out of supply before covering entire masses. There was denial of subscribing to the Pfizer vaccine in the first place. The slow pace of immunisation can add fuel to the third wave and extend the pandemic. President committed a cardinal sin when he denounced wearing mask, social distancing, avoidance of public congregation under the pretext that social isolation might hamper economic prospect. But

economy deteriorated with defective perception and wrong policy measure by ruling government under inept leadership. The dire straits of economy emerge clear with following diagrammatic representations and descriptive analysis.



Fig. 1. Real GDP growth (Annual percent change), Unemployment trend  
Source: IMF Datamapper, April 2021

In the above diagram on the left, we find that GDP growth rate y-o-y basis plummeted sharply at Brazil. GDP declined from record high \$ 2.61 trillion in 2011 to \$1.45 trillion in 2020 owing to COVID driven economic contraction. Real GDP growth became -4.1 percent with respect to previous year in 2020. GDP per capita in current price went down from 13.3 thousand in 2011 to 6.78 thousand in 2020. Service sector tumbled by 7.8 percent due to COVID related restrictions in 2020. This downslide is even worse than the recession impacted year 2016 when service sector underwent a squeeze by 5 percent. Segment related to in-person activities such as tourism, restaurant, transportation, education service, professional and administrative service ended up registering negative growth. Unemployment went high as people were out of their occupation in a restrictive environment. Unemployment rate from lowest in decades at 6.8 Percent in 2014, reached 13.2 percent in 2020 as it is portrayed in upper left diagram. As per IMF predicted data, It might reach to 14.5 percent in 2021. To make the matter worse, consumers had to deal with steady rise in commodity price as inflation rate below 2 percent in May 2020, scaled above 6 percent in March 2021. Brazilian currency Real came under pressure and lost its value against US dollar since March 2021. There was erosion of Brazilian currency in June and December of 2020 as well. Poverty level also spiked as people lost their wherewithal in pandemic pandemonium. Brazil's poverty rate reached 21 percent in 2020 as people fought for basic necessities during crisis time. Economic turmoil rattled Brazilian social life to great extent. People had to deal with evil vices such as unemployment, poverty, hunger, deprivation and hopelessness under the shadow of economic uncertainty owing to unscientific attitude and irrational decision by government.

## 3. Discussion

Brazil went through a humanitarian tragedy and paid the price of leadership indiscretion with thousands of lives in 2020 which aggravated in 2021. President Bolsonaro undermined virus threat since outbreak of coronavirus in March 2020 and antagonized lockdown measure under the pretext that it might hamper economic prospect. Contagious virus was on a rampage and dealt mortal blow to millions of vulnerable people. The accelerated infections were attributed to the P.1 coronavirus

variant found in Brazil that was considered to be 2.5 times more transmittable than the original version. Only 13 percent vaccinated people didn't appear convincing to withstand the sweep of second wave when state authority failed to impose stringent containment measures and endorse masking up outdoor. The shortage of vaccine will have its negative fallout. Situation might deteriorate if president insists on restoring business activities to dispel imminent economic hardship. The following diagrams bear the horrid testimony of pandemic wreckage.

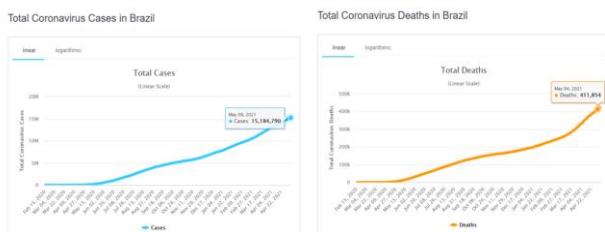


Fig. 2. Coronavirus Cases in Brazil and death toll count till April 2021

Source: Worldometer, April 2021,

<https://www.worldometers.info/coronavirus/country/brazil/>

In the above two diagrams we find the steady growth of total infected cases and mounting death rates due to infection caused by pernicious coronavirus. Healthcare facility was caught off guard and stood ill prepared to handle medical emergency. Patients swarmed in great number since May 2020 and didn't show any sign of reversal trend. Hospital ICU beds had 90 percent occupancy rate in most of Brazilian states. Doctors, nurses and other medical staffs were in fire-fighting mode for long. Frontliners at essential services also had a tough time to deliver bare necessities to people. There was shortage of medical supplies such as lifesaving medicines, oxygen, sedatives, respirators and PPE. Medical staffs became exhausted treating never ending stream of patients and underwent acute psychological and emotional trauma working in pitiable condition. Patient suffered being untreated due to shortage of medical facility and trained professional. Situation was unfortunate when foreign health staffs and Brazilians with foreign qualifications were denied to operate in Brazil. Second wave in 2021 wreaked havoc and was on damaging spree when social restrictions slackened and vaccine rollout slowed down in April 2021.

#### 4. Conclusion

Pandemic taught the lesson that ignorance is no bliss. It is more relevant when novel virus claimed lives at an unprecedented scale and rendered catastrophic impact on economies of the world. Brazil like US, UK, Mexico, India had to pay heavy price with lives of people when its head of the state Jair M. Bolsonaro took the pandemic lightly and went against precautionary measure and containment guidelines. Too many people were sent to grave untimely and unceremoniously. His foolhardy stance and reluctance to lockdown measure earned criticism from all corners of the globe. Economic loss was not averted. Struggle and suffering of Brazilians scripted a sad saga

in modern history. Hunger and food scarcity are impending crisis for unfortunate poor in Brazil post staggering death tolls, crammed hospitals and ascending caseloads. Lives ripped apart with surging unemployment, slash in social welfare program, sharp spike in staple food price. Brazil never confronted healthcare collapse of this magnitude triggered by political degradation, disgraceful complacency and betrayal of people for vested interest. Mr. Bolsonaro, a close ally of former President Donald J. Trump trivialized COVID 19 as a minor flu, went against scientific truth, endorsed inappropriate anti-malaria and anti-parasite drugs, rejoiced clinical trial setback for Chinese-made vaccine CoronaVac and ridiculed pharmaceutical companies with silly joke. Myths and lies went berserk in media and public domain under Bolsonaro's leadership. He successfully inserted mistrust about vaccine, lockdown and social distancing in the mind of the people. He however faced deficit of trust from armed forces and common people. Also the dismissal of the defense minister led to resignation by heads of the army, navy and air-force in March 2021. Speculation was rife that President Bolsonaro, a former army captain, might try to bring back military regime when he praised about 1964 coup in commemoration ceremony on 31 March, 2021. This unscrupulous strategy to thwart criticism with military coup hinted at an upended political turmoil. Congress of parliament threatened Bolsonaro with impeachment move and former Brazilian President Luiz Inacio Lula da Silva expressed desire to make a comeback to tackle suffering, disease and poverty. A year is lost and the nation seems to be at crossroads. Three ministers of health have already made a departure since the outbreak of the pandemic on being frustrated about illogical tyranny. No miracle can cure virus ridden problem in Brazil. Government goodwill, necessary actions like lockdown measure, compulsory wearing of mask, maintenance of hygiene protocol, social distancing, rapid vaccination can save lives trembling on the brink. The faster government and public realize the truth, brighter the prospect of recovery would be for Brazil.

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