

Report from Rio by Silvia Palacios

Zelia departs

The Anglo-American establishment has its finance minister in Brazil now: Marcilio Marques Moreira.

At the behest of the United States and international financial institutions, Finance Minister Zelia Cardoso de Mello, who for 14 months faithfully applied the neoliberal dogmas which sank the country into the worst depression in its history, resigned along with her entire staff on May 8. As her replacement, the Anglo-American establishment installed Brazil's ambassador in Washington, Marcilio Marques Moreira, a banker with close ties to Brazil's foreign creditors, who is expected to speed up the process of handing the country over to foreign interests.

The finance minister and her team were certainly committed to applying "free market" economic policies in Brazil; however, the creditor banks' steering committee didn't like the kind of pragmatic games Cardoso's team tried to play during recent negotiations with the International Monetary Fund (IMF), attempting to extract some concessions on payment of interest arrears. It was Cardoso's refusal to fully comply with the bankers' demands on payment of arrears that was a factor in her downfall.

Her team also failed to speed up the program to privatize the economy, a fact which provoked loud protests from the banks and their spokesmen. Finally, the Anglo-Americans decided that enough was enough: Their view was that Cardoso couldn't guarantee Brazil's alignment with the looting schemes embodied in George Bush's new world order.

The fact that Marcilio Marques Moreira was installed from outside as the new finance minister couldn't

have been more blatant. The most eloquent proof of this was provided by former Secretary of State Henry Kissinger, during an interview with TV-Bandeirantes on April 14. In a veiled reference to Brazil, Kissinger, in his role as the U.S. government's primary foreign policy ideologue, complained that the "countries of South America are much more doctrinaire than others" and for this reason have delayed the application of "liberal reforms."

On May 4, just a few days before the cabinet changes, Brazilian papers reported on statements by IMF director Michel Camdessus, attacking Brazil for "not knowing how to run its economy," and demanding that the pace of the privatization of the state sector be speeded up. This was apparently the signal for the ultraliberal faction of the Brazilian oligarchy to make its move to dump Finance Minister Cardoso. The May 5 issue of *O Estado de São Paulo* demanded that the economics team stop playing games with the IMF and, for the first time, openly requested the naming of a "Delfim Netto"-style minister—that is, an unconditional arch-monetarist, owned by the banks, like the tubby former Finance Minister Antônio Delfim Netto.

The recommendation that Marques Moreira be named as finance minister came from the business grouping linked to José Midlin, the primary Brazilian link to the Anti-Defamation League (ADL), who has been trying to forge an alliance between the Collor government and the social democracy led by Helio Jaguaribe and Sen. Fernando Enrique Cardoso.

Marques Moreira is the most prominent spokesman of the plan to internationalize the economy preached by the Trilateral Commission, whose meetings he has attended so religiously. To advance his career as part of the liberal establishment, upon taking office, Marques intends to create a council of notables, which will centralize all economic policy decisions. This council is to be made up of economists, congressmen, and other personalities who hold no official positions, such as Celso Lafer and Fernando Enrique Cardoso, members of the Inter-American Dialogue.

For President Collor, the decision to remove Zelia Cardoso is one more opportunity, on the eve of his trip to Washington, to show President Bush how he is willing to crawl in subservience to the new world order. As ambassador in Washington, Marcilio Marques Moreira was the person most involved in preparing Collor's visit. His primary thesis, as expressed in an interview in the April 29 *Folha de São Paulo*, is that in the supposed world tendency toward creation of blocs, "I think that we'll be closer to the United States."

The naming of Marques Moreira signifies the consolidation of the power of the "Universalist" faction inside the Foreign Ministry; this is a group aligned with the Anglo-American oligarchy, as reflected in the nomination of Rubens Ricupero as the new ambassador in Washington. With the new finance minister, the bankers won the fight which began in 1987; then ambassador Marques Moreira, together with presidential adviser Ricupero, conspired with the creditor banks to bring down then Finance Minister Dilson Funaro, a nationalist enemy of usury and architect of Brazil's debt moratorium. Since then, the bankers have considered the new minister to be their boy.