

## Report from Rio by Silvia Palacios

### Military discontent builds

*Intensification of the Finance Ministry's free trade economic policies is dividing the Armed Forces.*

Implementation of the most recent free trade measures imposed by Finance Minister Fernando Henrique Cardoso in the name of the international banks, measures which will end up dollarizing the largest economy in Ibero-America, has already triggered a severe crisis among the republic's three constitutional branches of power, which are disputing among themselves how to define the limits of the new austerity measures resulting from the conversion of wages to the new dollar-tied indexing system, the Relative Value Unit.

On March 18, the country's four military ministers, alarmed by the generalized discontent in the barracks caused by the decision by the Chamber of Deputies and Supreme Court to substantially raise their own salaries, demanded an emergency meeting with President Itamar Franco.

The meeting with the President, which ended up including other members of the cabinet as well, began with the reading of a manifesto by a group of retired military officers demanding that the national Congress be shut down for 90 days. At the same time, the military ministers informed the President that the temper of the regional commands was one of "indignation." Commented one of the ministers, "One cannot demand sacrifice from some, while others sleep in a splendid bed."

In hope of reasserting control over the situation in the military through an exercise of Executive authority, President Franco has severely criticized the Congress and Supreme Court for put-

ting the "economic stabilization plan, and even the democratic regime, at risk" with their self-decreed salary increases.

The crisis escalated further when President Franco, showing unusual aggressiveness toward the judiciary, declared that he would not permit the release of funds to the federal Supreme Court for the salary hikes. The response of Supreme Court President Octavio Galloti was to ignore the presidential diatribe and order payment of the salary increases, posing an impasse which will now have to be resolved by the attorney general's office. As has been shown historically in Brazil, these kinds of institutional crises often end up being resolved with guns.

The Armed Forces, without legal power to raise their own wages, has been one of the institutions most ravaged by the economic crisis the country has been suffering for over a decade. Thus, predictably, various military groups are making their voices heard in repudiation of the Congress and the Supreme Court.

However, the military's response is fundamentally myopic, as it is still refusing, as an institution, to question the economic program which is the root cause of the crisis. Instead, it has limited itself to trying to manage the crumbs left over after payment of the public debt, an attitude which effectively supports the free trade and economic austerity program of Fernando Henrique Cardoso and the international banks which back him. This situation has emboldened Cardoso in the midst of this

clash of institutional powers.

Perhaps most serious of all is the fact that the military command structure is out of tune both with the concerns of the middle command forces and with the troops, who have nothing good to say about either the programs or the person of Minister Cardoso. For example, an Army colonel in Brasilia commented recently that "if the commander of a mechanized squadron in Brasilia were, in a fit of insanity, to surround the Congress with his tanks, the entire city would support him."

Similarly, Brig. Gen. Murillo Santos (ret.), a former adviser to the Brazilian delegation to the United Nations, recently issued a statement strongly criticizing the military command for abandoning a defense of the Armed Forces' operational and training capability, and for concentrating instead solely on the issue of wages. "When the chiefs are busy pleading for higher wages and the highest body of military advisers to the supreme commander cannot demonstrate our defense policy to the nation, but instead occupies itself calculating bonuses or working out cutbacks in the operating budget, I clearly see an attitude of beggars."

He added, "Operational capability was lost some time ago, then motivation was lost; not long ago our morale disappeared, and now, I am certain, shame itself is gone."

Despite these open expressions of discontent, Army Minister Gen. Zenildo Gonzaga de Lucena did not hesitate to grant an interview to the magazine *Istoe* in which he stated, "There are politicians today whom I also admire greatly, such as Minister Fernando Henrique Cardoso."

In view of such continued support for the government's austerity policies, Brazil's military ministers are ill-prepared to handle the growing restlessness in the ranks.