

Report from Rio by Lorenzo Carrasco Bazúa

Fascism through chaos

The Anglo-American financial elites want to crush the national institutions of debtor nations through chaos.

With the headline "Hyperinflate, Brazil! It's the only way to get a horrendous government off Brazilians' backs," the London *Economist* magazine revealed the intentions of the Anglo-American financial oligarchy to use hyperinflation and resulting economic and social chaos to impose a fascist shock program on this country.

In its mid-November 1989 issue, the magazine wrote: "Argentina, and previously Bolivia, are a lesson for all of Latin America: Only hyperinflationary shock can produce the necessary conditions for a sensible economy." The *Economist* continues: "Our electoral wish for the Brazilians is a sudden take-off of hyperinflation, to crush the power of the politicians who have ruled so badly."

With Fernando Collor de Mello confirmed as the next President of Brazil, Anglo-American bankers are now moving to impose a draconian austerity program along the lines of what President Carlos Menem has attempted to impose in Argentina. According to the *Economist*, Menem "began a program of privatizations that goes far beyond the dreams of any Thatcherite, while recruiting his economic ministers from the largest multinational of Latin America."

In Brazil, the viewpoint of the *Economist* has been best expressed by two of the most important local representatives of the oligarchy, Helio Jaguaribe and Roberto Campos.

On Nov. 15, Jaguaribe, a super-malthusian sociologist and Brazil's only official member of the Club of Rome, told the magazine *Veja* that "The predictions are of a great mass

upheaval, worse than a revolution, by those who have nothing, [who will go out into] the streets to survive . . . assaults on supermarkets, stores, houses. . . .
tion can be ended without recession, without unemployment, without belt-tightening. Drastic, overwhelming, ferocious measures will be necessary."

Former minister Roberto Campos, who bears much of the responsibility for the imposition of the unjust economic and financial model which has brought Brazil to its current calamitous state, also believes that social chaos must be used to dissolve the state, beginning with the dismantling of the state sector companies. Campos, who does not hide his admiration for the Thatcherite model, told the London *Financial Times* on Dec. 7 that to the extent the crisis takes on "apocalyptic dimensions," he is confident that President-elect Fernando Collor de Melo will impose a strictly liberal program. Campos elaborated that program in his Dec. 10 weekly column appearing in various Brazilian newspapers, in which he called for doing away with "the imbecility of excluding privatization and conversion of the debt of 'supposedly' strategic sectors, like oil, electrical energy, or telecommunications."

Jaguaribe and Campos come out of the same group and the same economic thinking, but sow their ideas in different political camps. The idea of creating political chaos to impose fascist policies dates back at least to 1983, when the circles of former U.S. Secretary of State Henry Kissinger de-

cidated to launch a strategy of financial strangulation of the nations of Ibero-America, to force them to impose suicidal austerity measures.

That strategy, which is followed to this day by the leading creditor banks, was decided upon in a private meeting of the American Enterprise Institute held in Vail, Colorado in August 1983. At that meeting, bankers led by Kissinger determined that a total suspension of new credits would force the debtor countries to open their economies up to direct foreign investments, while putting even their most strategic state companies on the sale block. In statements to *EIR*, a spokesman for Rockefeller's Council of the Americas attending the Vail meeting declared: "Somehow, in Latin America, the concept of bankruptcy has to be introduced into the public sector. There must be a change in the state laws of Argentina, Brazil, Mexico, and other countries. First, no state subsidies to public companies. . . . Then, either they are allowed to go bankrupt, or, if they need new money, open them up to private foreign investment. This goes for a company like Petrobras in Brazil as well."

The spokesman continued: "I don't feel confident about Brazil's ability, for example, to survive its current domestic situation. But there is no substitute for the austerity process. It is very true that it causes social chaos, but mass protests can be used to promote changes. There will be tremendous public pressure, due to unemployment, on these governments to change their laws to get access to new credit. We have to use the austerity and social chaos to crack the social institutions of the country, to change the laws."

So the catastrophic predictions of such "intellectuals" as Helio Jaguaribe and Roberto Campos are hardly original.