

Report from Rio by Silvia Palacios

Bankers promote Collor's return

Washington has initiated a kind of "guerrilla warfare" against the Franco government to keep it off balance.

The Anglo-American elites are keeping intact the umbilical cord that unites them with their creation Fernando Collor de Mello, the first corrupt Ibero-American "democratic" President to fall to an impeachment vote. The embarrassment notwithstanding, Washington and the international banks are determined not to allow the pawn who served them so well in the execution of their fascist new world order to fade away quietly.

They have launched a propaganda campaign mooted the return of Collor de Mello to the presidency. After being out of the news for a number of weeks, the name of the disgraced President has again begun to appear in the newspaper headlines, and it is being said that Collor has readied a team to coordinate his reemergence.

As a result of the January timing for Collor's trial, which will determine whether the Sept. 29 impeachment is confirmed or reversed, an unhealthy period of political limbo will be created which could be exploited for the purpose of overturning the political process that led to Collor's repudiation by the majority of Brazilians. As respected journalist Heraclio Salles warned in his Oct. 22 *Jornal do Brasil* column, "It would be historically disastrous were the Senate to allow itself to be bound by procedures and artifices . . . permitting the 180-day deadline to slip away [and] the inadmissible return of a President separated from the post he dishonored."

In particular, the threat of Collor's return is intended to pressure Presi-

dent Itamar Franco to the point of paralysis, as a way of preventing his taking drastic measures that could reverse the devastating neoliberal legacy that Collor de Mello and his economic team left the country. According to information leaked to the Brazilian press, Franco has acknowledged in private that Collor is promoting a guerrilla movement to sabotage certain actions of his government.

The truth is that, in the face of economic disaster, Franco could well decide to toss overboard Brazil's deals with the International Monetary Fund (IMF) and creditor banks. Hinting at this possibility were Franco's statements of Oct. 26, admitting that the country is on the verge of social convulsion, and severely criticizing neoliberal economic prescriptions. "The social fabric could . . . explode. . . . I have questioned the economists. We have maintained high interest rates; the country is facing a deep recession, worsening unemployment, and high inflation. Why then keep rates at such levels?" He added, "we definitively have a policy of recession. Is that what it means to be modern?"

One week earlier, Franco's economic and planning ministers suggested that they do not consider the agreements with the IMF sacred, and that there is a possibility that some of those commitments will not be met. Specifically, they mentioned that if there are not sufficient tax revenues in the last quarter of 1992 to meet the government's payroll—and there are not—then the government will use the

resources of the Treasury deposited in the central bank, whose use has been strictly prohibited by the IMF in the name of enforcing austerity.

Those who are betting on Collor's return to the presidency only visualize such a thing happening in the event of an internal worsening of the economic depression. Alexandre Barros, State Department intimate and "Brazilianist," suggested just this to the *New York Times*, immediately following the impeachment vote. By January, when inflation has gone past the 40% level, everyone will want Collor back, he insisted smugly.

Numerous spokesmen for the Anglo-American establishment have begun to offer alternative proposals for perpetuating the policies of Bush's Enterprise for the Americas initiative and the new world order in Brazil. Especially active in this process is the Inter-American Dialogue, mouthpiece for the Anglo-Americans, which served a key role in the destabilization of Panama's Gen. Manuel Noriega. In December, the Dialogue will be holding a seminar in Washington on "Post-Collor Brazil," which will be attended by Brazilian Foreign Minister and Dialogue member Fernando Henrique Cardoso.

The seminar is already being propagandized by the current Brazilian ambassador in Washington, Rubens Ricupero; a member of the neoliberal "universalist" club at the Brazilian Foreign Ministry. In an Oct. 25 interview with *Jornal do Brasil*, Ricupero affirmed that whoever wins the U.S. presidential election, Washington's policy toward Ibero-America will not change one iota, since Bush appropriated the Democratic agenda which, in its turn, was first elaborated by "the Inter-American Dialogue, which published an open letter on Latin America and many of whose ideas Bush adopted."