

# Smashing Brazil High On Anglo-American Agenda

by Cynthia R. Rush

If Brazil doesn't accept the Anglo-American 2005 timetable for creating the Free Trade Area of the Americas (FTAA), "it risks finding itself isolated," warned Kenneth Maxwell, of the New York Council on Foreign Relations (CFR), in an article in the Dec. 15, 2000 edition of the Brazilian magazine *Notícia e Opinião*. During the Clinton Administration, Brazil has fashioned an "alternative policy" to the FTAA, he complained, causing the plan for a free-trade zone "from Alaska to Tierra del Fuego" of former President Sir George Bush, to languish.

This will all change "once the United States focusses again on the project of hemispheric free trade," as it "will surely do" under a George W. Bush Administration, Maxwell threatened. Brazil's current trade partners in the Common Market of the South, or Mercosur, which includes Brazil, Argentina, Paraguay, and Uruguay, will begin to jump ship, "to grab the bigger prize offered by access to the vast NAFTA [North American Free Trade Agreement] market." So, the CFR official warns, Brazil would do well to act with "foresight and initiative," and drop its resistance to FTAA, instead of acting "like the proverbial King Canute the Great," the Viking ruler who tried to hold back the tide, and was, "of course, quickly swamped as a consequence."

Maxwell is one of many spokesmen for the Anglo-American policymaking apparatus shaping the agenda of the incoming Bush Administration, who are prepared to "swamp" Brazil should it not agree to fully embrace free trade and slave labor—at the cost of its existence as a sovereign nation-state. It's not that Brazil has even broken with globalization, either. President Fernando Henrique Cardoso's plan has always been to strengthen Mercosur and forge bilateral trade deals with other Ibero-American countries, to enhance Brazil's negotiating position with the United States regarding FTAA, which is scheduled to go into effect in 2005.

But, as the world financial and strategic crisis deepened in the recent period, Cardoso has begun to consider other options, including expanding diplomatic and trade initiatives with South Africa, Russia, and India, and certainly keeping one eye on the trade and economic cooperation agreements which several Asian nations have concluded among themselves as self-defense against financial and currency crises.

The Anglo-American financial oligarchy wants to make

sure Brazil goes no further in this direction. The Inter-American Dialogue (IAD), the Washington think-tank run from Wall Street, in its Dec. 15, 2000 report, "A Time for Decisions: U.S. Policy in the Western Hemisphere," worries that Brazil has become much more assertive in foreign policy, and that the South American giant sees FTAA as "a second-order priority." The United States must have Brazil's backing for many crucial issues in hemispheric affairs, the IAD demands. Above all, if the United States and Brazil can't find "common ground," free trade is doomed.

## The Markets Will Run the Show

According to Robert B. Zoellick, mooted to become Bush's Trade Representative, Bush will get back on track with an agenda of "free trade and democracy," multilateralism, and even biodiversity. In remarks prepared for the CFR last October, he said that Bush will place "fast-track" legislation before the U.S. Congress immediately, so that, at the April Summit of the Americas, in Quebec, the hemisphere's leaders will know that it is already under discussion.

A protégé of former Secretary of State James Baker III, and praised by Federal Reserve Board Chairman Alan Greenspan as "one of the most efficient officials in Washington," Zoellick called for the creation of a "North American Community . . . emphasizing the private sector, non-governmental organizations, markets, and the ability of private groups to organize themselves to overcome problems." Who needs large infrastructure projects, or state control over credit, to be directed to industrial development projects? In the 21st Century, Zoellick said, the private sector "will equal or exceed governmental power in many areas." Hence, the new President will promote the formation of an "inter-American civil society," made up of NGOs, churches, private charities, and so on.

The message here is that the "market," not the sovereign nation-state, will run the show. Maxwell recommended that Brazil split the trade portfolio off from its Foreign Ministry, Itamaraty, which organized the historic August 2000 summit of South American Presidents in Brasilia, which so rattled Wall Street. Brazil needs an "aggressive, high-powered, and business-oriented negotiator in charge of its FTAA team," Maxwell said, "who can mobilize Brazil to act with the self-confidence the Mexicans displayed" when they joined NAFTA, "and made it what they wanted, all in their national interests"—a baldfaced lie.

Gary Becker, a Nobel Prize winner in economics and a vociferous promoter of the fascist Mont Pelerin Society's views, went further. In an article in Colombia's *El Tiempo* on Dec. 31, he recommended that the United States isolate Brazil by breaking up Mercosur, through separate free-trade agreements with member-nations Argentina and Uruguay. These would be stepping stones for the creation of a hemispheric NAFTA. The "great success" of the existing NAFTA, he gushed, "is the best argument, politically and economically, for its hemispheric expansion."