

## Report from Rio by Silvia Palacios

### Armed Forces win concessions

*Is the besieged President buying the support of the Armed Forces . . . or is he just buying time?*

On Aug. 8, the office of the presidency granted the Armed Forces Joint Chiefs of Staff (EMFA), the National Department of Mineral Production, and the state company which controls the nation's electrical system the final say on creation of new environmental conservation units, otherwise known as indigenous enclaves.

The presidential action was surprising, especially in light of the fact that action on the so-called "Indian question" has been one of the few decisive government moves to be taken in the midst of the shipwreck that the Fernando Collor de Mello government is suffering due to the corruption scandal engulfing his administration. It was, evidently, one more on a growing list of concessions that the government has begun to grant the Armed Forces.

As is well known, the Brazilian Armed Forces have repeatedly raised an outcry in the past two years against Collor's sell-out to George Bush's "new world order" strategems, such as the creation of the Yanomami Indian reserve in November 1991, which established a semi-autonomous enclave in a zone considered of maximum national security concern to the Brazilian military.

However, because of the instability created in Ibero-America by the military coup attempt in Venezuela last February, and its impact on the dynamic of decay of the "International Monetary Fund (IMF) democracy" presided over by Collor, the Brazilian liberal establishment, in alliance with Washington, has moved to soften its tense relations with the military.

The result has been that the military has begun to take a pragmatic approach to negotiating compliance with several of its more immediate demands. Not only the recently granted right to intervene in the heated issues of Indian affairs and the environment, but other aspects as well, such as the government's willingness to accept that the Armed Forces will not get involved in fighting drugs.

The Armed Forces also got the National Congress to pledge not to cut the budget for the nuclear submarine project of the Navy. Further, in July, Economics Minister Marcilio Marques Moreira gritted his teeth and authorized the Banco do Brasil to provide the Brazilian Aeronautics Co. (Embraer) assistance in facilitating the production of 80 Tucano training airplanes that had been pre-sold to the French Air Force. Embraer had been on the verge of breaking that contract because of financial warfare unleashed against it, as prelude to its privatization.

There is also the concession of substantial wage increases which, had they not been granted, would have turned the barracks into powderkegs of protest, as was threatened in early May. Thus, in the first week of August, President Collor finally sought and received congressional approval to meet the military's longstanding demand for salary equivalence with officials of the other branches of government, as the national Constitution promises.

While the pressures may have lessened somewhat, it would be an illusion to think that imposition of the An-

glo-American new order, with all its catastrophic implications for Brazil, has been stopped. Inevitably, a new confrontation will emerge to the extent that Collor's monetarist free trade program stays on course. What Washington's allies in Brazil have done is little more than a diversionary tactic designed to distract the military's attention from the real face of the enemy, and to force myopic and pragmatic agreements based on the assumption that the racist Anglo-American elite has softened its considerations with regard to Brazil.

Exemplary is the behavior of former Economics Minister Antônio Delfim Netto, an arch-monetarist with extensive influence among liberal layers of the Armed Forces, which he uses to reinforce existing fear of challenging the creditor banks and their monetarist policies. Setting himself up as a link between the U.S. State Department and the Brazilian Armed Forces, Delfim Netto told *Gazeta Mercantil* on July 25 that "there is, actually, a tendency toward military realignment with the United States, which [relations] have been problematic since the Geisel government," but now "everything indicates that the State Department is backing off."

More significant was the surprise visit to Brazil of Vernon Walters, a Kissingerian "specialist" on the Brazilian Armed Forces. In an Aug. 4 interview published in *Jornal do Brasil*, Walters answered a question on the significance for Brazil of the end of the communist threat: "Instead of my country sacrificing people and money to contain expansionism, we are going to concern ourselves more with our friends, helping them to achieve a better life." He even put a price on that promise of help. Brazil, he stated, should guarantee "the preservation of democracy," that is, of Collor and his corruption.