

## Report from Rio by Lorenzo Carrasco and Silvia Palacios

### Election results could destabilize Sarney

*Sao Paulo governor Franco Montoro, a small man with pharaonic ambitions, is to blame for a defeat with grave implications.*

What could have been routine municipal elections in Brazil's state capitals and the previously designated national security zones, turned into a tough test for the government of the "New Republic," and President José Sarney. The triumph of ex-President Janio Quadros in Sao Paulo, which is the power base of the main governing party, the PMDB, threatens to destabilize Sarney's government: He will now have to confront growing radicalization between right and left, and thus, the threat of early presidential elections in 1986, reducing his mandate to only two years.

The PMDB, despite sweeping the elections in most of the contested cities, was the big loser, only winning 8 million of the 18 million votes cast, and losing the big capitals: Sao Paulo, Rio de Janeiro, Porto Alegre, Recife, and Fortaleza. Ballot victors, besides Quadros, were the PDT party; Rio de Janeiro governor Leonel Brizola, the self-proclaimed "Willy Brandt of Brazil"; and the PT of metalworker union leader Luio Ignacio Da Silva, known as Lula, an anarcho-syndicalist whose power comes out of the "Marxist-Christian dialogue" sponsored by Fidel Castro and the Jesuits. Besides a significant vote total, the PT got a surprising 20% in Sao Paulo, together with a victory in Fortaleza.

EIR has learned that there is concern in political and military circles that the situation may be headed for a replay of the 1961-64 period, which culminated in a military takeover. That

process began when then-President Janio Quadros's government resigned, plunging Brazil into an institutional crisis. Vice-President João Goulart gave free rein to the disintegration that served as the pretext for the military coup in 1964. By a cruel irony, those strengthened in the recent municipal elections, were those who threw away democracy in Brazil: Janio Quadros himself; Leonel Brizola, as political heir to Goulart; and Lula. Though these men do not share federal power now, at least Brizola and Lula are sounding out the possibility of a 1986 presidential election. In addition, the resurgence of Quadros and Brizola, according to Aeronautics Minister Moreira Lima, "reflects the 20 years of authoritarianism, when no new leaders were formed."

Janio Quadros won due to the support he received from a broad spectrum of political forces, ranging from the pro-fascists of Tradition, Family, and Property (TFP), to former minister Delfim Netto and corrupt Paulo Maluf, to the more moderate forces discontent with various policies of the governing party. But the greatest blame lies with the PMDB, and the popular dislike which the governor of Sao Paulo, Franco Montoro, has accumulated in his three years in power.

Montoro, a promoter of the Club of Rome's zero population growth theories, has carried out a big publicity campaign selling the sophistry that great economic infrastructure projects are synonymous with "authoritarian-

ism," and "dictatorship," while small projects and mini-businesses represent "democracy." The governor personally runs the ecologist campaigns that have earned him the hatred of many industrialists, and promotes the creation of a "Green Party" within the PMDB. (There is speculation also that the phantom Humanist Party, fanatic and nature-worshipping, is financed from Montoro's offices.)

PMDB candidate Fernando Henrique Cardoso was not able during his campaign to step out of the shadow of the hated Governor Montoro. This was all to the advantage of ex-President Quadros, who presented himself "as the symbol of seriousness, security, and order" (in the words of the Tradition, Family, and Property fascists) and defeated the strong PMDB candidate with manipulation and demagoguery.

But the decrepit Janio Quadros is not an independent political phenomenon, as he pretends. Those who will gain the most from the victory of Quadros are the economic arch-liberals around former Planning Minister Delfim Netto and the president of the Sao Paulo Trade Association, Guilherme Afif Domingos, who see in Janio's victory the chance to reverse the timid anti-monetarist policy of President Sarney, and his finance minister, Dilson Funaro. Delfim Netto, Afif Domingos, and the editors of the newspaper *O Estado de São Paulo* are fighting for the privatization of all the Brazilian state sector industries, such as Vale del Rio Doce and Petrobras, as part of their plans to implant a Brazilian version of the Argentine Austral Plan. These forces want to engulf Brazil in a catastrophic economic recession and new waves of domestic austerity, while they support sacking the country by exporting its national wealth to pay the debt.