

Report from Rio by Silvia Palacios

Genocide-for-nature swaps?

The World Bank and U.S. State Department are promoting genocide in the name of "preserving nature."

The World Bank and the U.S. State Department are in the middle of an international campaign against Brazil's national sovereignty. Although purporting to protect the environment, the campaign has cut off all new loans to Brazil—of which there are precious few in the first place—until Brazil agrees to allow international supervision over the Amazon region, and to make sure that millions of Brazilians are not born during the coming years.

At a recent meeting in Manila, World Bank President Barber Conable asserted, "Poverty and excess population are not problems unique to the Philippines. They also exist in Mexico, Brazil, India, and Kenya. And wherever they are present they have a direct and destructive impact on nature and on the quality of life." He made it clear that the Bank's future lending policies would be explicitly linked to both population control and ecology issues.

The World Bank has interfered with Brazil's population policy many times before. It has now turned itself into the spearhead of a new worldwide eco-fascist movement. In response to these intense pressures, the Brazilian government has accused the U.S. State Department of being among those responsible for the international campaign, and for preparing the loan cut-offs, debt-for-nature swaps, and even the abrogation of national sovereignty.

While hundreds of international "indigenists" and greenies were gathered in the jungle region of Altamira Feb. 20-25 to stop completion of a major hydroelectric project on the

Xingu River, the president of the Brazilian Institute for Environment and Natural Resources, Fernando Cesar Mesquita, told the press that the environmentalist campaign against Brazil is "a maneuver of the United States' State Department." He said the Brazilian foreign ministry had a report proving that the United States is interested in blocking Brazil's economic development.

If that charge can be proven, it could be the straw that breaks the camel's back of the tenuous relations between Brazil and the United States. "All we talk about with the United States is trade sanctions," President José Sarney complained in an interview published in the *Folha de São Paulo* daily Feb. 8. "We have no project in common."

Pressures from the World Bank and organizations like the World Wildlife Fund have already caused new loans to Brazil to be suspended. At the end of 1987, Brazil, with the backing of then-Treasury Secretary James Baker III, made an agreement with its creditors with which the Sarney government has more than complied. In return for renouncing the moratorium decreed in February 1987, Brazil has received measly amounts of new money with which to pay interest arrears and generous quantities of humiliation.

The tribulations peaked last December when the World Bank froze a \$500 million electrical sector loan on the pretext some of it might help build nuclear power stations, and claiming ecological motives. Private bank creditors then refused to disburse \$600

million which are tied to World Bank loans. These are rather insignificant amounts with which to try to blackmail Brazil when compared to the \$12 billion it paid just on debt interest in 1988, at the expense of increased infant mortality.

On the one side, the World Bank and the banks are strangling Brazil's loans. On the other, their spokesmen offer small carrots so that Brazil, out of weakness, accepts debt-for-nature schemes like those imposed on Bolivia through Citibank and on Costa Rica through the friends of Henry Kissinger at American Express.

The strongest lobbies trying to impose malthusian policies on Brazil are to be found in the United States. Sen. Albert Gore (D-Tenn.), after traveling through the Brazilian Amazon, filed draft legislation Jan. 25 which proposes, among other things, that the World Bank revise its plans based on ecological considerations, and that U.S. directors of multilateral development agencies ensure that any loan to Brazil depend on respect for the environment (see *Congressional Closeup*).

The pressures on Brazil, it would appear, are now coming directly from the White House. According to Japanese sources, President Bush brought up the issue of Brazilian deforestation during his meeting with Japanese Prime Minister Noboru Takeshita, after learning that Takeshita had just offered \$1 billion in new credit to President Sarney.

According to the *Washington Post* of Feb. 24, "Questions have been raised about whether Japanese interests are financing" a road-building project from Brazil to Peru "that some environmentalists say is leading to further deforestation of the Amazon." The Japanese have apparently assured Bush that they are not financing the project.