

## LATIN AMERICA

# Brazil-Peru Summit Puts Wrench In Kissinger's SATO

Nov. 5 (NSIPS) — President Ernesto Geisel of Brazil and Peruvian President Morales Bermudez today held a summit meeting, in the first such encounter between the two South American countries since they began developing as polar military opposites approximately ten years ago. While the official account of this historic rapprochement stresses the importance of establishing bilateral commercial ties between the two nations, in fact its critical purpose is geopolitical, aimed at defusing the Carter war faction's consolidation of a South Atlantic Treaty Organization (SATO) under Brazilian military direction.

SATO, first discussed openly last April at a meeting of Argentine, Brazilian and U.S. naval commanders, was conceived of by U.S. Secretary of State Henry Kissinger as an alliance of South American navies with that of South Africa, to serve as an interventionist fascist force against national liberation movements in southern Africa, "Soviet influence" in the Atlantic and Caribbean seas, and rebel nations on the continent itself. Within the context of Carter's drive for general war, the battle over SATO has become the critical element shaping the immediate political future of the Southern Hemisphere. Of critical importance as well is the potential role of SATO in providing hard military backup for Carter's recent profuse support of the racist South African regime.

The new rapprochement between Brazil and Peru further upsets the entire traditional geopolitical scheme of alliances on the Latin American continent on which the Rand Corporation scenario for regional wars is premised: the longtime Argentina-Peru vs. Brazil-Chile contending axes. The shakeup greatly strengthens centrist Morales' hold on power in Peru by undercutting the threat of a war provocation which would pit Peru against both Chile and Brazil. It has driven Argentina to launch a frantic axis-building "counteroffensive," including moves toward a rapprochement with Argentina's erstwhile geopolitical foe, Chile.

## Geisel-Bermudez Communiqué

*The following are excerpts from the joint declaration signed by Brazilian President Geisel and Peruvian President Bermudez on Nov. 5, 1976.*

(Brazil and Peru) Reiterate their firm adherence to the principles that rule international relations, consecrated in the United Nations Charter, in particular the principles of sovereign equality of states, their territorial integrity, faithful compliance with treaties, renunciation of the use or threat of force, non-intervention in the internal matters of other nations, the right to self-determination of peoples, and peaceful solutions of controversies.

In observance of these principles and with the responsibilities that originate from them, Brazil and Peru recognize the right of all states to independently follow their own political and

economic paths. Consequently, they reject any form or mode of imperialism and colonialism as being contrary to the positions proclaimed and sustained by their respective countries, and they reaffirm the observance of these principles as the precondition for peaceful coexistence and the development of nations on a sub-regional, regional and international level...

In proceeding to the evaluation of the recent developments and significant events in international affairs, both countries agree in declaring that the process of detente and cooperation that has been taking place between the great powers must take into account, as a high priority, the totality of developing nations, and to extend its effects to these nations in a real and effective manner. Otherwise, the objectives of peace and world security, resolutely defended by the governments of Brazil and Peru, cannot be achieved as long as a pronounced worsening of the conditions and factors that determine misery and backwardness — facilitating the emergence of new forms of domination and dependence — persist in these countries.

Realizing that the international economic situation tends to increase the gap separating the developing nations from the developed countries, and that it is unacceptable to conceive of the expansion of the world economy exclusively on the basis of an increase of economic interrelations among industrialized powers, Peru and Brazil affirm the necessity of an authentic qualitative transformation of the international economic system. Furthermore, they assert their common will to join efforts in the establishment of a just international economic order which, based on the equality of nations, will create the conditions favoring the effective exercise of the right of all countries to economic and social development. In this respect, in order to effect the gradual elimination of the imbalance between the developing countries and the highly industrialized nations, Brazil and Peru consider indispensable a just and equitable reformulation of the present structures of world trade and the full exercise of the principle of permanent and inalienable sovereignty of states over their natural resources, without any external obstacles.

Both governments further reiterate their common intention to strengthen the operational mechanisms of integration and economic cooperation of the Latin American Free Trade Association. In this regard, they expressed full support for the Latin American Economic System (SELA) as a flexible instrument for complementing and strengthening the cooperation underway and to revitalize the capacity for joint action of the region at the international level...

Peru and Brazil emphasize, at the same time, the importance of technical and scientific cooperation as a means of furthering their mutual knowledge and to promote horizontal economic cooperation to higher levels. They agree on the necessity to spur and expand this mutual cooperation, and express their satisfaction with the initial implementation of the basic agreement of technical and scientific cooperation, whose means of ratification were exchanged on this occasion.

## SATO Is Not In Latin America's Interest

*The following are excerpts from articles by Peruvian political strategist and ex-Foreign Minister Mercado Jarrin, as reported in the Peruvian news daily Prensa Latina Nov. 1 and Nov. 7.*

"We reject that possibility (SATO — ed.) out of hand. Such pacts would represent a substantial change in the present Latin American strategic balance ... and could have unforeseeable consequences for Latin America (by undermining the unity and solidarity of our countries) as well as for Africa, where it would place barriers in the way of the struggle against apartheid." Mercado Jarrin implies what those "unforeseeable consequences" for Latin America would be when he notes that "Chile...might tend towards an active participation in an eventual South Atlantic pact." It is well known, and Mercado has written extensively on the subject, that such a military bolstering of Chile by Argentine and Brazilian military strength would represent an encirclement of Peru by forces jointly far superior to its own, if ever a war developed between Peru and Chile. The threat of such a "Second War of the Pacific" has again and again been used to bludgeon the Peruvian nationalists into submission to Kissinger and his Rand Corporation advisor, Luigi Einaudi.

Mercado, resurfacing on the occasion of the Geisel-Morales meeting after several years of silence, seized the opportunity to propose a radical reversal in the political balance of forces on the continent which Peruvian nationalists and right-wing military alike can embrace: a regional pact with Brazil which would swing Brazil, if not toward support for Peru, at least into neutrality in any conflict between Peru and Chile. Mercado called for breaking "the Chinese Wall of Latin America" — the Amazon jungle region which separates Brazil from most of its Andean neighbors — and the laying aside of traditional fears of becoming "totally dependent" on the Portuguese-speaking giant.

Restating in his second article the rejection by both Brazil's Foreign and Navy Ministers of such an alliance with the Southern Cone, Mercado Jarrin makes the point that, "...Brazil can obtain a better advantage by maintaining a position of relative independence....Even though for certain leading circles in Brazil the consolidation of a Marxist regime in Luanda (Angola) constitutes a threat which facilitates a Soviet presence in the South Atlantic, for now, Brazil still finds it useful and effective to maintain a stance of pluralism.

"We don't believe that Brazil's joining or having any kind of relationship with NATO will become reality in the near future, both because it wouldn't offer any better advantages to Brazil and because Brazil is in no condition to participate in NATO's present "flexible response" strategy. Additionally, such an intervention would create obstacles in terms of Brazil's policy towards Africa and the Third World in general.

"While Brazil constitutes an emerging power in the world, the truth is that despite its dimensional differences (i.e., its immensity — ed.), its progress is inextricably tied ... to (the progress) of the rest of the Latin American countries. That we progress equally depends in large part on a coordinated effort from the rest of our countries, especially in the Andean area, so that the difference in size will not create domination in decision-making and we will be able to cooperate on our future.

"In any case, it is an undeniable truth that we should keep ourselves independent of pacts which derive from strategies foreign to our own Latin American region, whether they come out of the First or Second Worlds. Our road is our own and shouldn't be imposed by or derived from interests of other world

powers. The Iberoamerican community is the natural realm of our continental relations, the political and economic forms that we choose are still delineated by our own interaction. As such an Iberoamerican community we can maintain a Third World perspective on a planetary level...."

## Argentina Reacts To "Encirclement

*Nov. 7 — The following are excerpts from the Buenos Aires Daily La Opinion on geo-political alliances on the continent.*

The trip that Argentine president Videla has undertaken continues the process of breaking through the geopolitical encirclement that Argentina has suffered from 1973 to 1976.

The alternatives of government which arose in March of 1973 (when Juan Peron was restored to power — ed.) moved the military regimes of the frontier countries to view with distrust the successive crises that culminated in the chaos and vacuum of power on the eve of March 24, 1976 (the military coup against President Isabel Peron — ed.). The strategy undertaken by the Brazilian foreign ministry during this period of time was to take advantage of the lack of an Argentine foreign policy to advance its own hegemonic designs, distancing Buenos Aires simultaneously from its natural allies.

Thus, the planned strategy of the (present) military government (of Argentina) should deal with two essential objectives: 1) destroy with enemy within and 2) break the encirclement without.

*Nov. 7 — The following are excerpts from a La Opinion column by Alfredo Becerra, "Argentina and Chile Must Work Together in the Face of Poland's Decision to Establish a Base in the Antarctic."*

...Even if it should be only for its expansionist history since (Brazil) formed its territory at the expense of its neighbors, in diplomatic circles it is feared that the Polish precedent will stimulate Brazil. Although it is European and socialist, Poland awakens fewer suspicions than Brazil, which is South American and capitalist. It is true that there were doctrines of Antarctic sovereignty in Brazil, but it is also true that, without such doctrines, Poland is going to the Antarctic and Brazil has not gone yet. Which shows, by the way, the difficulty of aspiring for the Amazon and the Antarctic simultaneously.

## U.S. Cannot Ignore Significance of Chile's Position

*Nov. 7 — The following are excerpts from an editorial in the Chilean daily Mercurio.*

...(Chile) must promote, through the most qualified personalities, an intense diplomatic activity aimed at convincing large layers of American politicians that the essential problem of Chile is its strategic position and that, despite the denunciations of violations of human rights, our territory has been rescued from the military influence of the Soviet Union. Anti-Chilean propaganda has confused the minds, describing our country as an inferno of cruelty, but it is essential that the key figures of North American politics and of the world come to recognize the strategic American importance that Sept. 11 (day of Pinochet coup — ed.) ... represents.

...Attacks against Chile will no longer yield political dividends. On the contrary, the strategic position of Chile and the reality of South American military governments are facts that U.S. strategists and politicians cannot afford to ignore, whatever be their ideology.

Mr. Carter, besides, has the prospect of not only his constitutional four years, but of a total of eight years which his reelection would mean. The Democratic Party of course feeds his legitimate expectations of remaining in power. With this long-term perspective, the maintenance and progress of governments that resist communist totalitarianism, that are amenable to a friendly relationship with North America and that seek to solve the social and economic problems of their

people through liberal and humanitarian means must be considered in a different light than that imposed by the narrow framework of a short term electoral debate ... a lack of North American solidarity with the only possible defenders of the continent which are simultaneously endowed with strength and popularity, would constitute an error absolutely incompatible with the proposals of lasting greatness that the new government of the United States claims to stand for.

## Brazil Draws the Line on Its "Economic Miracle"

Nov. 9 (NSIPS) — On the eve of Brazil's Nov. 15 national elections for mayors and municipal councils, international observers are predicting that Brazil's President Geisel may be overthrown. The London Daily Telegraph Nov. 8 commented that the possibility of electoral victories by the opposition party Movimento Democratico Brasileiro (MDB), could result in a right-wing military backlash and the installing of a heavy-handed repressive regime which would oust Geisel. The municipal elections are serving as the focal point of a months-long campaign to bring the Brazilian government into line with the continent-wide drive for militarization and economic looting prescribed by the International Monetary Fund and New York banks.

The highest levels of the Brazilian government are severely factionalized around recent international financier dictates to further "rationalize" the economy to pay Brazil's enormous \$26 billion debt. Since 1964, the ruthless enforcement of a Nazi labor policy of wage indexation, labor recycling, and food-for-work slavery has earned Brazil its reputation as an "economic miracle" and the international model for IMF rule. The repayment now of the country's astronomical debt, expected to reach over 100 per cent of all net revenue by next year, requires the liquidation of the nationalist sector and the creation of a cannibalistic war economy through which Brazil would enforce the same process on the rest of the Latin American continent. But on the issue of destroying the state sector, the nationalist interests in Brazil have drawn the line against Wall Street. These forces of nationalist self-interest are also key in Brazil's refusal so far to participate in Secretary of State Henry Kissinger's proposal for a South Atlantic Treaty Organization of outlaw states like South Africa to police the genocide of both Latin America and Africa.

Pressuring for both SATO and the opening of the state sector of the economy to foreign corporations, and increased taxing of the population are several "technocrat" cabinet representatives allied to the Rockefeller banking interests, and the military and civilian forces associated with the right-wing ex-president Garrastazu Medici. It is the Medici forces who are attempting to rally the forces to enact a coup against Geisel, or to sufficiently weaken him so that he will be forced to impose the drastic measures required of the U.S. "special partner" in the Southern Cone of Latin America. The rallying cry of the Medici forces is the fight against the infiltration of "international communism" in the government. In that regard, they are accusing Geisel of betraying the "principles of the 1964" coup.

Last week Sival Boaventura, a spokesman for the Medici forces, stood up in Congress to denounce two of Geisel's ministers, Commerce Minister Severo Gomes and Foreign Minister Da Silveira, of being "agents of International Com-

munist," for suggesting that the time has arrived for Brazil to "change its economic model," and for "publicizing the bankruptcy of the Brazilian model and preaching the immediate adoption of ... marxism." Severo has repeatedly stressed the importance of preserving the national state sector of the economy, and was the key organizer behind President Geisel's recent trip to Japan, where U.S. economic pressures on other countries were denounced and Japan agreed to major investments in Brazilian state sector projects. The Brazilian State Department under Da Silveira, attributed Boaventura's charges to "our foreign policy ... a policy approved by the President."

### Geisel-Morales Summit

An important new affirmation of that foreign policy took place on Nov. 5 when Geisel met with Peruvian President Morales Bermudez on the border of the Amazon jungle. The two presidents stressed in a joint communique that "a just and equitable reformulation of the present international economic order ... (is necessary) to assure the right of all countries to economic and social development." Only assured economic development can "guarantee world peace and security and the sovereignty of states as well as the self-determination of peoples," in the present conjuncture of inequitable relations between advanced and developing countries. With this statement, the government of Brazil, since 1964 the principal trojan horse of Wall Street in the Third World, sounded its rebellion.

The call for restructuring the world economic order affirms the policies of Severo Gomes and the growing sentiment among state industry layers that the line must be drawn against Wall Street policies of further looting of the economy. In his speech at the summit, Geisel furthermore stressed that Brazil's principal foreign policy must be directed "towards our neighbors" — a direct support of Foreign Minister Da Silveira's rejection of Brazilian participation of the extracontinental SATO.

The meeting with Morales Bermudez and the affirmation of these bold principles for a country like Brazil, however, represent only temporary stalling. In a major spread on Brazil a few weeks ago, the London Financial Times noted that Brazil "is carefully watching motion in the Third World towards generalized debt moratorium," but does not at this point have the strength to be the first to take that step. Thus, the nationalists find themselves in an increasingly weakened position at home, and have been forced to publicly retract previous positions against greater austerity.

Economically, the Brazil-Peru summit agreed to form joint projects in the "development" of the Amazon jungle as well as bilateral commercial accords. For both countries, this is indicative of the dangerous capitulation to austerity-based labor-intensive methods which are the only alternative to debt