

Report from Rio by Lorenzo Carrasco

Institutional coma

President Itamar Franco's scandalous behavior is accelerating Brazil's political demise.

The drunken behavior of President Itamar Franco during the Rio de Janeiro Carnival parades, where he was photographed embracing and kissing a semi-nude samba dancer, have provoked a tremendous scandal both inside and outside the country. Not only are the President's personal weaknesses exposed, but the state of moral decomposition of the present democratic regime, as well.

While Franco's weaknesses lent themselves to scandal, however, the incident was not entirely spontaneous. The O Globo media network, owned by media magnate and Anglo-American asset Roberto Marinho, aided in setting up the President. The samba dancer who so attracted Franco's attention agreed to have O Globo TV tape a phone conversation in which Franco expressed his passion for her, which was then played on the evening news. O Globo is notorious for contributing to Brazil's cultural and political collapse through the trash it puts out in its media.

Accompanying the President in his colorful adventures were various of his key advisers, among them Justice Minister Mauricio Correa, who could be seen stumbling over his own feet in a state of total drunkenness while trying to chase after and embrace several journalists. Correa has, among other things, defended the legalization of *bicho*, a popular lottery game controlled by organized crime.

It is rather ironic that the Franco government came about as the consequence of an impeachment process against President Fernando Collor de Mello, who was tried and convicted precisely because of his "lack of deco-

rum" in the exercise of his presidential functions; that is, he headed up a gang of thieves who were stealing from the public coffers, all in the name of modernity, neo-liberal globalism, and free trade.

The Collor government fell thanks to an immense "movement for ethics in politics," and President Franco, at least to all appearances, halted Collor de Mello's frauds. But the injustices of the free-trade economic policies imposed under Collor continue to grow with the same intensity as the collapse of Brazil's national institutions. In fighting for its survival, the so-called "party-ocracy" has adopted the same phraseology about ethics, but divorced from any moral content. Ironically, the same Justice Minister Mauricio Correa who was caught in the glare of the media's cameras at Franco's side in the samba parade, headed up the very congressional commission of inquiry that condemned Collor.

More serious is the absence of any institutional reaction. No one, neither the Parliament, the judicial branch, nor the military, dared to publicly censure this dishonoring of the presidency, as if the country were submerged in an institutional coma in which no one is accountable to anyone for fear of unleashing the country's fatal unraveling.

The fact is that the Rio Carnival showed the country that President Franco is only a figurehead, who lacks even minimal qualities for governing. His overseer is Fernando Henrique Cardoso, the finance minister "on loan" from the Inter-American Dialogue, who is trying to ensure that

Franco's belated display of adolescent behavior doesn't ruin his political agreements to impose on Brazil the Anglo-American banking community's agenda for "stabilizing the economy." A key aspect of this is adopting the U.S. dollar as the national currency.

Cardoso is currently negotiating congressional approval of the Social Emergency Fund (FSE), the size of which will barely address the effects of an economic austerity shock implied in the 20% cut in this year's federal budget. This will signify a new earthquake in the public sector's already shattered structure. Now, the approval of the FSE, on which the government has made itself dependent for its political existence, implies greater concessions to free trade groups. The latter are demanding that a reform of the existing Constitution include eliminating large state monopolies in the telecommunications and energy sectors, particularly the enormous and lucrative state oil concern, Petrobras.

If this institutional vacuum continues, the coming months in Brazil will see an orgy of economic looting and the uncontrolled entry of speculative capital in search of depreciated public patrimony. Perhaps for some, it is a consolation that the inflation rate remains "stable" at 40% a month, or that real interest rates are fixed at 70% annually, at the same time as the unemployment and misery of 40 million Brazilians also remains "stable."

And in this coma-like "stability," the only ones who show signs of life are the financial speculators, who circle like vultures over the remains of the state sector, or the followers of the Workers Party (PT) and its presidential candidate, Luis Inacio "Lula" da Silva, whose growing influence is encouraged by the rate of national decomposition.