

# British Empire moves to take back Americas

by Valerie Rush

The Sept. 27 signing of an agreement between Great Britain and Argentina, opening up the waters around the contested Malvinas Islands for oil exploration, is but the latest move in what constitutes a wholesale invasion by British companies of the Ibero-American continent. As the world financial system teeters on the brink of collapse, it is the elite British firms, and their Canadian, U.S., and other allied companies in, especially, the area of raw materials and food processing, which are moving rapidly out of volatile stocks and bonds and into hard commodities. Just as the British Empire once owned this region directly, a century ago, so it would again.

The initialing of the Malvinas oil deal in New York by Britain's Foreign Secretary Malcolm Rifkind and his Argentine counterpart Guido Di Tella is being heralded by the Argentines as the beginning of a new era of relations with Great Britain. Indeed, in recent years, Argentina has been invaded by countless British firms and interests, seeking to buy Argentine companies and land.

For example, mining sources have told *EIR* that of 60 mining companies which set up operations in Argentina between 1992 and 1995, some 42 of them belong to the British Commonwealth, including such well-known entities as Rio Tinto Zinc and Barrick Gold. These sources say that foreign mining firms control approximately 17 million hectares of Argentine territory. The Mining Ministry has assured these companies that there "is no precedent for expropriation" in Argentina, and that they need not worry about obstacles to their operations.

## Sir Henry, the enforcer

In case there is any balking at this latter-day "recolonization" effort, British interests have their enforcer in the form of self-confessed British agent Sir Henry Kissinger, who just traveled to both Argentina and Brazil to make sure that the "privatization" of Ibero-America goes according to plan. In Argentina, Kissinger lobbied heavily against any retreat on privatizing, and was asked by Foreign Minister Guido Di Tella to give his personal imprimatur on the Malvinas oil deal with the British. Sir Henry, not unexpectedly, gave his blessing.

In Brazil, Kissinger virtually took out his brass knuckles and waved them in front of the television cameras—which have been following him rather too closely of late. According

to the daily *Tribuna da Imprensa* of Sept. 19, Sir Henry explicitly warned Brazilian President Fernando Henrique Cardoso that he had to dramatically escalate the pace of privatizations if he wanted a chance at reelection. "If you deal quickly with the issue of privatization, there will be no problem with your reelection. But the two things have to go together," he said. Kissinger also reportedly indicated just which foreign companies were to buy what. "For example, Citibank wants to buy [Brazil's state-owned utility company] Light. If they don't get control of that company, it is possible they won't work for your reelection!"

According to *Tribuna*, Kissinger also said threateningly, "We're going to deal with the Congress," referring to its slowness in approving the privatization of public-sector companies Petrobras, Vale do Rio Doce, and energy and telecommunications firms.

Kissinger went on to the industrial center of São Paulo, where he ordered Gov. Mario Covas—who is also a likely presidential candidate in the next elections—to sell off public sector companies CESP and Electropaulo, informing him precisely which foreign companies to sell them to. While Covas was reportedly left speechless by Kissinger's arrogance, Cardoso knew precisely whose orders were being transmitted. In statements to the press on Sept. 22, the Brazilian President publicly renounced his country's longstanding foreign policy of non-alignment, saying, "Brazil has given up rowing against the tide of history." His foreign minister, Luis Felipe Lampreia, followed up with a pledge before the United Nations that Brazil would not put "a new strain on international relations" by using the "pretext" of unemployment to create "new forms of disguised protectionism."

In Peru, where "the sale of the century" is being touted in all the financial media, British companies have been arriving in droves to stake out claims. Environment Minister John Gummer and a delegation of 24 British businessmen arrived on Sept. 14 in Lima, fresh from Argentina, where Gummer announced that Britain had the third highest foreign investment levels in the country. That same week, directors of the world's top mining companies gathered at an international convention in Arequipa to discuss Peru's "mining boom," and especially its "gold boom," and to praise the Fujimori government for having willingly "de-bureaucratized" regulations so that takeovers can move at lightning speed.

Cuba is another British target, with non-stop delegations, official and unofficial, descending on the island to facilitate its "return to a market economy." The Sept. 27 issue of the London *Financial Times* has a four-page feature on Cuba, and advertises an upcoming business roundtable discussion, to be led by the London financial elites' preferred magazine the *Economist*, and entitled, "Cuba: A Caribbean Tiger in the Making?" The event is, not surprisingly, sponsored by Sherritt, Inc., a "diversified" Canada-based company heavily involved in such minerals as nickel and cobalt. Cuba has one of the largest nickel reserves in the world.