

HIV/AIDS is half, in 2001, of what had been projected earlier in the 1990s; the death rate has fallen by about 50%; hospitalizations are down 75%.

### **UN: Health Care Is a Human Right**

A resolution presented by Brazil, entitled “Access to Medication in the Context of Pandemics Such As HIV/AIDS,” declaring that there is a universal human right to the highest attainable standard of physical and mental health, was voted up by all the members of the UN Human Rights Commission, except the United States, on April 12. Not coincidentally, the United States was subsequently removed from the Commission for the first time since its formation in 1947, by a vote of its members on May 1.

To ensure the enjoyment of that human right, says the resolution, all states should foster “public health policies which promote broad access to safe, efficient, and affordable preventive, curative, or palliative pharmaceuticals and medical technologies.” The resolution speaks to the issue of principle on which the battle over D.C. General Hospital in America’s capital city, is being fought.

The resolution notes that the HIV/AIDS pandemic had claimed 21.8 million lives by the end of 2000, with more than 36 million others infected. Then, it says, “Emphasizing, in view of the increasing challenges presented by pandemics such as HIV/AIDS, the need for intensified efforts to ensure universal respect for and observance of human rights and fundamental freedoms for all, including by reducing vulnerability to pandemics such as HIV/AIDS,” the signers “recognize that access to medication . . . is one fundamental element to achieve progressively the full realization of the right of everyone to the enjoyment of the highest attainable standard of physical and mental health.”

The resolution calls upon states to pursue policies which promote the “availability in sufficient quantities of pharmaceuticals and medical technologies used to treat pandemics such as HIV/AIDS,” and ensure their “accessibility” and “affordability” for “all without discrimination, including the most vulnerable sectors of the population . . . [such as] socially disadvantaged groups.”

Furthermore, states should “refrain from taking measures which would deny or limit equal access for all persons” to these medicines and technologies, including in other countries, and should “adopt all appropriate positive measures to the maximum of the resources allocated for this purpose so as to promote effective access to such preventive, curative, or palliative pharmaceuticals or medical technologies.”

By contrast, the contract signed by the District of Columbia Financial Control Board, handing over the capital city’s public health system to a corrupt, private contractor, takes the exact opposite approach. The fifth “Whereas” clause, on the very first page of the contract, declares that “this Agreement does not create an entitlement to health care in the recipients of health care services hereunder.”

## Alexander Hamilton’s Specter Stalks Brazil

by Silvia Palacios and Lorenzo Carrasco

The keynote speech given by Brazilian President Fernando Henrique Cardoso, at the Third Summit of the Americas held on April 20 in Quebec City, Canada, hit the entire Anglo-American establishment like a bath of ice water, by attacking the premise that a Free Trade Area of the Americas (FTAA) is the only direction for nations to go. The speech was stunning, not merely because it opposed the establishment’s neo-colonialist intentions, but because it came from Professor Cardoso, until now considered — as a founding member of the Inter-American Dialogue — the establishment’s most important and respected interlocutor in South America.

This turn in Brazilian foreign policy, as manifested in Quebec City, is a reflection of the new wave of economic nationalism that has surfaced in Brazil in response to Anglo-American zeal in establishing, at all cost, a system for economic looting in the hemisphere, that can save the elites from inevitable financial disaster.

Cardoso was clear in his opposition to the idea of domination: “Neither hemispheric integration nor the globalization process can mean an inexorable descent into cultural homogeneity. In this plan, diversity is a value in itself. But if we wish to move toward effective hemispheric integration, then we must undertake the task of eliminating that diversity which is unjust: the profound inequality of income and of living conditions, both within and among countries. Our objective should be that of a Community of the Americas. And ‘community’ presupposes an awareness of a common destiny and, therefore, the elimination of inequality and the guarantee of equal opportunities for all. It also presupposes recognition that the historic pathways taken by each people in molding their economic institutions may vary. There is no single way of thinking that can dictate the direction of nations.”

In openly questioning the FTAA, Cardoso declared that “we have successfully built Mercosur [the South American Common Market], which for Brazil is an absolute priority, a conquest that is here to stay, and will not cease to exist with participation in integration schemes of a broader geographic reach. The FTAA will be welcome if its creation is a step toward providing access to more dynamic markets; if it is effectively the path to shared anti-dumping regulations and reduced non-tariff barriers; if it avoids the protectionist misuse of good sanitation regulations; if, in protecting intellectual property, it simultaneously promotes the technological capabilities of our peoples. And further, if it goes beyond the

Uruguay Round [which established the World Trade Organization (WTO)] and corrects the imbalances crystallized there, above all in agriculture. Unless it is all this, it will be irrelevant or, in the worst case, undesirable.”

### **Hamilton and the ‘American System’**

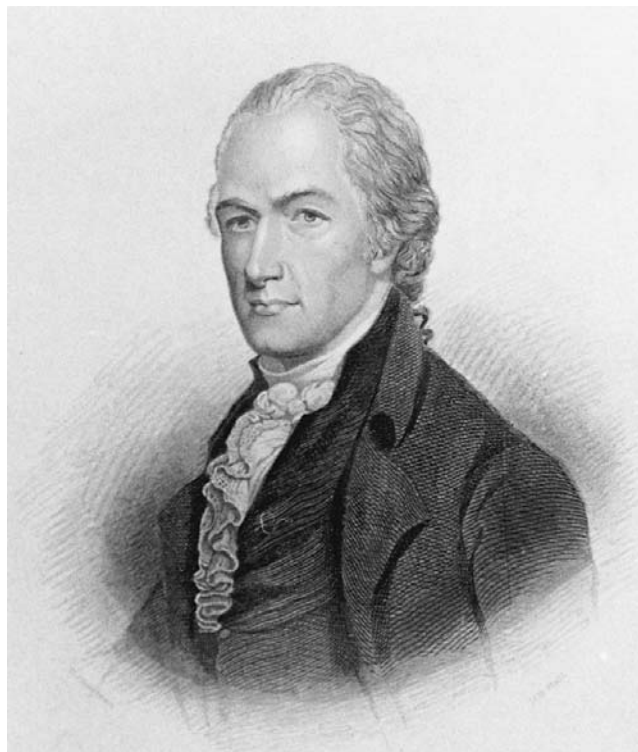
At the conclusion of his speech, President Cardoso surprised his listeners with an unexpected reference: “At the dawn of the 19th Century, men like Thomas Jefferson and the Luso-Brazilian diplomat Correa Serra already dreamed of an ‘American System.’ Since then, we have followed a path not always free of mistakes, but which left a legacy: the vision of an American continent defined, not by asymmetry of power, but by a community of values. It will depend on us, on our work and our decisions, to make this vision a reality. It will depend on political leaders—heads of state, of government, legislators, and leaders of civil movements—to realize the greatness of our hemisphere.”

The reference to the “American System” is not fortuitous, or merely a rhetorical turn of phrase, but rather, reflects the intense discussion ongoing about the protectionist policies associated with Alexander Hamilton in the early industrialization of the United States. For example, sociologist Helio Jaguaribe, known as the only Brazilian member of the Club of Rome, a personal friend of both the President and Foreign Minister Celso Lafer, as well as an intimate of the Anglo-American establishment, stated in an April 21 television interview with journalist Roberto Davila, that the FTAA constituted national “suicide,” and acknowledged the nationalist resurgence which he, like President Cardoso in the past, had mocked. To the surprise of many, Jaguaribe went back in history to state that the industrial power of the United States derived from “the tariff model of Hamilton and McKinley.”

Another example of this debate over the need to return to a protectionist system, is seen in an article by Nelson Brasil de Oliveira, vice-president of the Brazilian Association of Chemical Industries (ABIFINA), which was published in the Feb. 16 issue of *O Globo* newspaper. In his article entitled “Cairu and Hamilton,” he polemicizes against the liberal ideas championed by Cairu Viscount José da Silva Lisboa, an apologist for Adam Smith. Cairu was responsible for the free trade agreements and the opening up of Brazil’s ports to England in 1808, which made Brazil at its birth, a colony and slave plantation. De Oliveira contrasts Viscount Cairu to his contemporary, U.S. Treasury Secretary Alexander Hamilton, “responsible for the explosive economic growth achieved by the United States in the 19th Century, starting from the same economic level at which Brazil found itself at that time.”

### **Delfim Netto’s Hamilton Polemic**

The De Oliveira article is part of a debate in which influential former Finance Minister Antonio Delfim Netto is also participating. In a signed article published Feb. 28 in the



*Brazil is fighting for its national survival, and leaders are looking to the “American System” protectionist policies of Alexander Hamilton.*

newspaper *Valor Econômico*, and also titled “Cairu and Hamilton,” Delfim Netto looks at the lives of Hamilton and Cairu, and refers to Hamilton’s “immortal *Report on Manufactures*, presented to the U.S. Congress on Dec. 5, 1791. It is a small jewel of political cunning and economic knowledge, which dialogues with, and combats, Adam Smith.”

The polemic continued with an interview with Delfim Netto, published in the April 2001 monthly bulletin of ABIFINA, in which he asserts that the “elegant position among the great Brazilian economists, is to believe that the market is capable of miracles, that the market cannot suffer interference, any government action. The ‘market god,’ by itself, will produce economic development. . . . This is not economic theory, this is pure ideology. . . . In Brazil, we are experiencing a highly curious situation. We train our professionals with American texts, which ‘teach’ a supposed economic theory to be applied in underdeveloped countries, but which has very little to do with reality in those countries. If we observe the U.S.A. once again, we will verify that, until the Second World War, the bulk of the income of the American Treasury came from customs tariffs. And further: the United States practiced a strongly protectionist policy against England. . . . The United States was created with the clear awareness that it would have to realize its own development, and that free trade did not exist in reality.”

Delfim concludes that “with regard to Brazil, instead of simply accepting the ideology they sell us, what we should do is copy the example that they give us in defense of their national interest.”

However, the person who has truly catalyzed the debate against Brazil’s entrance into FTAA is Ambassador Samuel Pinheiro Guimarães, until recently the director of the Foreign Ministry’s Foreign Policy Research Institute. Pinheiro Guimarães was dumped by Foreign Minister Celso Lafer, in a failed attempt to try to discipline the ongoing diplomatic revolt. His ouster turned Pinheiro Guimarães into a sort of spokesman for national discontent, especially among the country’s business layers. In one of his most recent articles, published April 20 in *Journal do Brasil* under the title “FTAA, Neo-Colonial Control,” Pinheiro Guimarães writes: “The corollary of the process of negotiated loss of sovereignty will be, naturally, the diminishing of Brazil’s ability to promote and defend its interests across the board. . . . After the FTAA, there will no longer be—for all practical purposes—a Brazil with the possibility or vision to build a more democratic, more just, and more prosperous society.”

### **Inter-American Dialogue Agenda in Crisis**

Although there can be no consolidated change in Brazilian foreign policy as long as the financial agreements guaranteed by Finance Minister Pedro Malan and, above all, by Central Bank President Arminio Fraga, are maintained, Brazil’s efforts to rescue its national purpose has already created a split in the Inter-American Dialogue’s agenda, Minister Celso Lafer’s dumping of Ambassador Pinheiro Guimaraes notwithstanding.

When the Dialogue was founded in 1982, following the deliberate rupture in the order of hemispheric security provoked by the Malvinas War, the Anglo-American Establishment undertook to forge a new Pan Americanism, in which the nation-states of the continent would be subjected to a sort of hemispheric commonwealth, without their own national projects. From this stemmed the need to eliminate the continent’s armed forces, and any nuclei of institutional power that could oppose this neo-colonial project of world government.

This project, which was hegemonic through November 1999, suffered its first serious setback with the failure of the WTO Millennium Round in Seattle, where liberal fantasies that Brazil would benefit from such “economic opening,” especially its agricultural products, were quickly deflated. From that moment onward, the Brazilian diplomatic establishment undertook to strengthen South American unity, as the only means to defend itself from the now-evident Anglo-American neo-colonialism.

This realization led to the organization of the South American Presidents summit held last Aug. 31-Sept. 1, in Brasilia. There, then-Peruvian President Alberto Fujimori put out the idea of building a United States of South America, as a means

of defending the principle of national sovereignty in the region, an idea the U.S. State Department considered intolerable to the intrinsic plans of the Inter-American Dialogue. Brazilian diplomacy which, until then, had collaborated in overturning the Paraguayan regime of Raúl Cubas, run by the U.S. Embassy in Asunción as a way of destroying the popularity of Gen. Lino Oviedo, would now turn, if hesitantly, against Anglo-American interests.

Brazilian resistance to the Anglo-Americans’ agenda has by no means been absolute. When Wall Street and the U.S. State Department, in September 2000, decided to overthrow Fujimori (for, among other reasons, what he said at the Brasilia summit), Brazilian diplomacy offered no resistance. The result can be seen today in Lima.

But the nationalist insurgency in Brazil is flourishing in 2001, in part the result of U.S. attempts to isolate the country by trying to break the Mercosur regional bloc, and of Canada’s absurd accusations that Brazil was risking a “Mad Cow” epidemic—all part of dirty warfare designed to hurt its trade interests, especially those of Brazilian livestock and agriculture. The violent reaction of all of Brazilian society, which understood these attacks as attempts to break the pride of the country, truly frightened the Anglo-American elites.

These are the developments that help explain Brazil’s position at the Quebec City meeting. The clumsiness of the Bush Administration’s diplomacy, which produced friction during the meeting with President Cardoso in March, was expressed another way by the commentaries of U.S. Trade Representative Robert Zoellick. When questioned by the Brazilian newspaper *Gazeta Mercantil* the day after Cardoso’s keynote speech in Quebec City, Zoellick limited himself to saying, “I wasn’t at the opening ceremony.” Later, in a collective interview, he attacked “the business community of São Paulo, which benefits from protection,” unleashing a flood of attacks from São Paulo business leaders, who are growing increasingly opposed to the FTAA by the day. The president of the powerful São Paulo Industrial Federation (FIESP), Horacio Lafer Piva, wrote an article entitled “Provocation and Rhetoric,” published April 24 in *Folha de São Paulo*, which begins by saying that Zoellick’s statement “is so simplistic that it doesn’t do justice to his pedigree as a negotiator.”

Brazil’s vulnerability to the pressures that the U.S. State Department will bring to bear in coordination with the Wall Street crowd, lies in the enormous flow of capital necessary to cover its growing balance of payments deficit, a flow which late last year began to decline significantly, and which is likely to cause an insolvency crisis in the short term. This dynamic will define the direction of Brazilian diplomacy in the period immediately ahead. Clearly, if the policy is to financially asphyxiate Brazil, the only response is that of a domestic Hamiltonian solution, while trying to bring all of South America along with it, and, at the same time, seeking political allies and trade partners in Asia and other regions of the world.