tine-Brazilian relations as a government-to-government matter, rather than nation-to-nation. The Brazilians don't like this." Such tensions, reportedly fostered by the Socialist International faction of Alfonsín's government, where Kissinger has friends, come at a time when Argentine-Brazilian unity would crush the usurers' strategy.

Debt for equity

What is being held out to Brazil are easier terms, lower rates, and wider spreads, in return for adopting a Kissinger plan known as debt for equity. In August 1983 meetings in Vail, Colorado, Kissinger unveiled this arrangement, modeled on British East India Company methods of turning debtors into outright colonies during the 19th century.

Brazilian debt is denominated in dollars, but under the Vail proposals, could be paid in cruzeiros into blocked accounts at the Brazilian central bank. Made negotiable, these accounts could be marketed to prospective foreign investors—provided Brazil eliminates restrictions on foreign investment. Creditors would be positioned to buy up wholesale those industrial, agricultural, and mineral resources which could otherwise make Brazil a great world power in the next century.

"Brazilian law still favors loans over direct investments," the New York *Journal of Commerce* quotes a Bank of America officer in Rio. "He cited reports circulating among the banking community of pending legislative changes for the area. . . . One Brazilian banker estimated that debt-for-equity swaps could absorb up to a fifth [$20 billion] of the Brazilian debt."

Debt-for-equity amounts to: "Since you can't pay your mercilessly pyramiding debt, give us your country instead." From the standpoint of dollar-debt payments, "Brazil isn't going to make it," said one Wall Street banker. Behind the appearance of slightly more favorable treatment, Brazil is to be simply looted.

Operation Juárez?

Should Kissinger continue to dominate U.S. policy, "positioning himself to become Secretary of State again," as London's *Daily Telegraph* mused recently, neither Argentina nor any other Ibero-American nation will survive the period immediately ahead.

But recently, in an interview with Mexico's *Excelsior* March 17, Colombia's President Belisario Betancur declared "United we can do it, alone we will fail. . . . We can present ourselves to the international financial community as one great Latin American nation that needs to refinance its debt." With those words, he became the first head of state to publicly endorse the "debtors' cartel" proposition contained in Lyndon LaRouche's "Operation Juárez" policy. He did so on the eve of a tour of Colombia, Venezuela, Brazil, and Argentina by Mexican President Miguel de la Madrid, for discussions related to continental economic integration along "common market" lines—the other major plank of Operation Juárez.

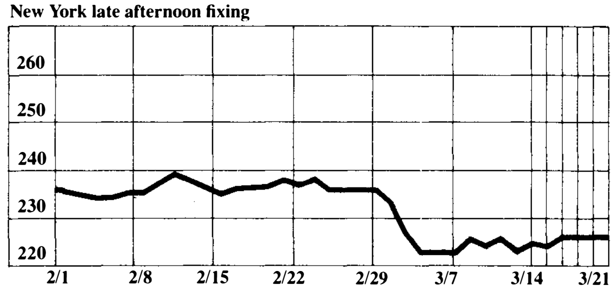
Currency Rates

The dollar in deutschemarks

New York late afternoon fixing

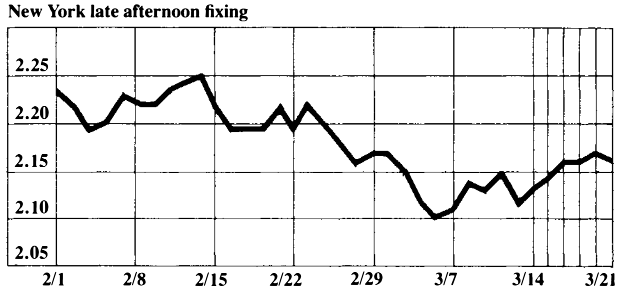
The dollar in yen

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing