# British Empire Behind Coup in Brazil

by Cynthia R. Rush

June 1—For at least a year, establishment media in Brazil, the United States and Europe have published one article after another, singing the praises of the *Lava Jato* (Operation Car Wash) investigation into bribery and corruption in Brazil, involving the state oil firm Petrobras, major national construction and engineering companies such as Odebrecht, and President Dilma Rousseff, or "Dilma" as she is known in and beyond

Brazil, who was impeached on May 12 and forced to step down to stand trial on charges of "administrative malfeasance." Sensationalist headlines scream of "massive corruption," payoffs, and money-laundering uncovered by *Lava Jato*, and the "culture of impunity" that let politicians, legislators, and businessmen off the hook. Aggressive young prosecutors and judges are hailed as heroes for fighting to restore "democracy" to Brazil.

All of these developments have been portrayed by the international media as internal, "compartmentalized" political developments in Brazil. In truth, however, the impeachment of President Dilma Rousseff, as well as the actions taken against former Argentine President Cristina Fernández de Kirchner, and the determination to extinguish the patriotic nationbuilding forces in those two nations, must be viewed within the context of the prewar mobilization now fully unfurled by the trans-Atlantic alliance of the Obama administration and the British Empire he serves. In addition to the destruction of the people of Argentina and Brazil, it is China and Russia who are the targets of London and Washington: Everything that is happening must be understood in the context of the NATO build-up in Eastern Europe

and the U.S. provocations against China in East Asia. This is all a prelude to global war.

### 'Clean Hands' in Brazil

Be clear on this. There is no "democratic" revolution taking place in Brazil. This is an international bankers' coup, a "color revolution," ordered by the British Empire with one goal: to plunge Brazil into un-



Casa Rosada Presidencia de la nación Argentina

Brazil's President Dilma Rousseff (left) and Argentine President Cristina Fernández at the Argentine Presidential residence on Feb. 4, 2012.



Brazilian Federal Judge Sergio Moro ran the coup operation against President Dilma Rousseff on behalf of London and Wall Street, and was in constant touch with the FBI and the Department of Justice of the Obama Administration.

governability that will be felt in the rest of South America, force it out of the BRICS or diminish its role there, and "realign" it with Obama's Washington and the corpse of the trans-Atlantic financial system. Interim President Michel Temer and his Foreign Minister José Serra, whose government is fragile at best, have already sworn fealty to Obama's insane policy outlook, preparing to scuttle the Mercosur customs union and embrace the Trans-Pacific Partnership (TPP) to advance Washington's free trade agenda.

There never was any evidence to justify Dilma's impeachment, other than that British imperial interests require Brazil's destabilization—it's the seventh largest economy in the world, with immense natural and human resources—to achieve their geopolitical goals. The majority of the senators who "voted their conscience" for Dilma's impeachment, are themselves under investigation on charges stemming from Lava Jato, or past misdeeds.

The modus operandi of choice here is the same mani pulite or "Clean Hands" operation deployed against Italy in the 1990s to dismantle its national institutions and facilitate the country's takeover by British-directed financial speculators. The State Department-trained judge running Lava Jato, Sergio Moro, who is even being mooted as a future presidential candidate, has publicly stated that he is following the mani pulite "model," which he favorably evaluated in a 2004 article, "Considerations on Operation Clean Hands." He is in constant touch with the FBI and the U.S. Department of Justice (DOJ).

According to sources cited by the May 21 edition of Brazil's Estadão, the DOJ maintains "constant contact" with Brazilian legal authorities "in search of information about corruption, and also to collaborate with Brazilian investigations."

# **Argentina's Role**

Lava Jato began to operate in Brazil as early as late 2014, just after Dilma was elected to a second term, defeating Wall Street's candidate Aecio Neves in November of that year. But it was the election of hard-core monetarist Mauricio

Macri in neighboring Argentina last November, and his own announced economic and foreign policy shift toward an alliance with the United States, that emboldened Lava Jato's operatives to go into high gear, knowing they could count on Macri's support. As soon as he took office in December, Macri immediately began to reverse the nationalist policies of his predecessor Cristina Fernández de Kirchner and let the Obama administration know that he would be an entirely trustworthy ally.

It was Macri and Obama who responded to Dilma's impeachment with almost identical statements, saying that Brazil's "institutional process" must be respected and allowed to play out, no matter the outcome. That stood in stark contrast to the regional Unasur organization, the Organization of American States, and other governments, which charged that the impeachment violated the rule of law.

One of Macri's first acts in office—indicating where his loyalties lie—was to make a deal with the vulture funds that had preyed on Argentina for more than a decade and whose demands Fernández and her late husband and predecessor, Néstor Kirchner, had ignored. Under investigation for his and his family's murky offshore business activities, as revealed in the Panama Papers, and challenged on his public defense of the Queen's drug bank HSBC, which is under indictment, Macri has launched his own mani pulite witch-hunt against the still very popular former President, using an allied faction of the judiciary to charge her, her family, and political allies with embezzlement, money-laundering, and fraud in hopes of jailing her.

The Macri-owned judge Claudio Bonadio has already indicted Fernández in one case, but others are expected to follow. On May 19, the London *Financial Times* quoted an executive from the New York-based Eurasia Group lamenting that Argentina lacked the ability to carry out "a serious and extensive investigation" of the kind *Lava Jato* is doing in Brazil.

In discussion with his associates May 12, the day Dilma was impeached, *EIR* Founding Editor Lyndon LaRouche warned that if the British Empire doesn't achieve its goals through coups or by jailing Dilma and Cristina Fernández on criminal charges, it will resort to assassination.

# It's the British, Stupid

Dilma is correct in asserting that she is the victim of a coup, but errs in identifying its authors as only her domestic political enemies—although she undoubtedly knows otherwise. British paw-prints are all over Brazil's

destabilization. At its heart, find the London-steered Obama administration, its DOJ, and the FBI, which have been running the *Lava Jato* dragnet from the getgo, coordinating directly with U.S.-trained, local "antifraud" prosecutors, to establish a government of, for, and by speculative vulture and hedge funds.

Add to this that the leaders of the "social movements" organizing this color revolution, such as the Free Brazil Movement (MBL), are Margaret Thatcherloving proponents of the British Empire's fascist "Austrian School of Economics" associated with the infamous Friedrich von Hayek. The Austrian School's Atlas



mises.ord

The sign "less Marx, more Mises" at a demonstration against President Rousseff in Brazil, was sponsored by the British empire's fascist Austrian School of Economics.

The Koch brothers financed the training of many of the "social movements" that were used to carry out the color revolution in Brazil.



Agencia Brazil

Foundation—generously financed by the U.S. Koch brothers, the neocon billionaire oil magnates—reported last year that many MBL members "have passed through Atlas Network's premier training program, the Atlas Leadership Academy, and are now applying what they learned on the ground."

The MBL, which has dominated the anti-government marches in São Paulo this year, the center of the opposition nationally, is one of an array of Kochfinanced entities—including the Institute for Humane Studies and Students for Liberty—that make up the anti-government shock troops. Brazil's Ludwig von

Mises Institute was ecstatic with the release of 10,000 balloons with the slogan "Less Marx, More Mises," at one of the anti-Dilma demonstrations in São Paulo.

While these hit squads were amping up the anti-Dilma witch-hunt on the streets, Arminio Fraga former executive at the Quantum Fund founded by British agent and global drug-legalizer George Soros was maneuvering behind the scenes to ensure that the right Wall Street-vetted individuals were brought into the shaky "National Salvation" government of Michel Temer, who is not only hated, but is also under investigation by *Lava Jato*, as is half his cabinet.

Fraga has already given his stamp of approval to the "dream team," as Goldman Sachs called it, put together by Finance Minister Henrique Meirelles, formerly of FleetBoston Global Bank, who has been given special powers to impose the draconian economic policy demanded by London and Wall Street, starting with cutting pensions, reducing workers' rights, and social programs. The social explosion to follow will further Brazil's descent into chaos.

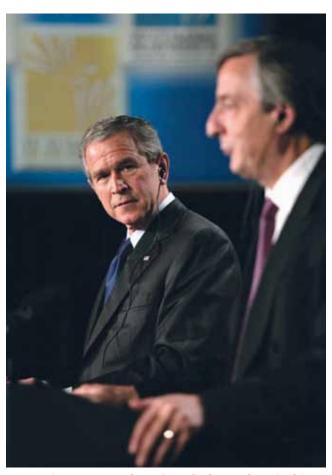
Rounding out the picture is the role of the powerful *Rede Globo* media network, which used its significant clout to spread lies and slanders against Dilma, declaring her guilty and demanding her removal. *EIR* has previously documented <u>Rede Globo</u>'s ties to the highest levels of British imperial interests, including its links to depopulation fanatics, the World Wide Fund for Nature (World Wildlife Foundation), founded by Royal Consort Prince Philip and Prince Bernhard of Holland, a full-fledged member of the Nazi Party.

## Taking the 'B' Out of the BRICS

Regime change in Brazil is intended to usher in an era of fascist coups in Ibero-America with the accompanying London- and Wall Street-directed free trade policies to carry out the British Empire's policies of depopulation and economic destruction.

In 2005, at the Americas Summit held in Mar del Plata, Argentina, then President Néstor Kirchner and his Brazilian counterpart Inácio Lula da Silva crushed George W. Bush when he proposed that member nations adopt the Free Trade Area of the Americas (FTAA) for Ibero-America. Bush was humiliated and the FTAA never went anywhere.

Now the goal is to impose some updated version of the failed Bush scheme on the entire continent. To achieve that, imperial financial interests have to take the "B" out of the BRICS, by plunging Brazil into insti-



Former Argentine President Néstor Carlos Kirchner (right) at a Nov. 4, 2005 press conference in Argentina. Kirchner and then-president of Brazil Lula da Silva crushed President George W. Bush's attempt to impose a Free Trade Area of the Americas.

tutional chaos and wiping out its advanced scientific and technological capabilities which, like Argentina's, are vital to both national and regional development, particularly in the context of the BRICS paradigm.

The BRICS dynamic in Ibero-America really came to life at the July 2014 BRICS annual summit in Fortaleza, Brazil, hosted by Rousseff. There, almost all the nations of South and Central America and the Caribbean, through their representative regional organizations (the Union of South American Nations, Unasur; the Common Market of the South, Mercosur; and the Community of Latin American and Caribbean States, Celac), embraced the BRICS, seeing in its New Development Bank and the offers of Chinese President Xi Jinping and Russian President Vladimir Putin for cooperation in physical economic development, a real alternative to the austerity and "green" agenda offered by



creative commons

The BRICS dynamic surged forward at the July, 2014 BRICS annual summit in Fortaleza, Brazil. The five BRICS heads of state at that summit are shown here (left to right): Russian President Vladimir Putin, Prime Minister of India Narendra Modi, Brazil President Dilma Rousseff, China President Xi Jinping, South African President Jacob Zuma.

the Obama administration, the World Bank, and the IMF.

Before and after that summit, Xi, Putin, and Chinese Premier Li Keqiang toured several nations of the region separately and signed important agreements, including for financing—several of them for major infrastructure projects in the areas of nuclear energy, transportation, manufacturing, communications, and technology transfer. Two of the mega-projects put on the table—which inspired great enthusiasm because of their potential to transform the entire region—are the Nicaraguan Grand Interoceanic Canal and the proposed transoceanic railroad from Brazil to Peru, including possibly a route going through Bolivia.

# Plea Bargain Heaven

It was to destroy this win-win perspective that *Lava Jato* was put into motion, with direct coordination between the U.S. DOJ, the FBI, and Judge Moro and his team of young, hotshot prosecutors, several of them trained at Harvard.

Moro isn't just any ambitious judge. In 2007, at the urging of then U.S. Ambassador to Brazil, Clifford Sobel, Moro was granted a "scholarship" to spend three weeks in the United States, which included a training program

at the State Department. Sobel, previously a managing partner and founder of the Valor Capital Group in New York and Brazil, was very well connected to international financier circles Condoleezza Rice ran the State Department at that time under President George W. Bush, whose economic policies were no different than those espoused today by the Atlas Foundation's shock troops in the streets of São Paulo-and by the Obama administration.

Aside from boasting that he has modeled his witch-hunt on *mani pulite*, Moro praises the virtues of the FBI's plea bargain system, which for *Lava Jato* is the centerpiece of its *modus operandi*. Using pre-trial arrests

of targets to extract plea bargains, and selective passing of innuendos and information extracted in the plea bargains to major media, what started out as an attack on Petrobras now has 230 Brazilian companies and an untold number of politicians as its targets. No banks or hedge funds have been touched!

The FBI and DOJ justify their central role in *Lava Jato* by using the pretext of the U.S. Foreign Corrupt Practices Act (FCPA), which states that any foreign company that issues bonds in the U.S. market can be investigated or monitored. Carlos Fernando dos Santos Lima, a Cornell University-educated member of the prosecutorial team working under Moro in the city of Curitiba in Paraná state, bragged to Reuters in November 2014 that Brazilian prosecutors had been coordinating "for months" with the DOJ, the U.S. Securities and Exchange Commission (SEC), and the FBI. That was less than a month after Dilma Rousseff was re-elected President, impeding, for the moment, the all-out attack on Brazil.

By August 2015, a decisive meeting was held involving the lawyer for jailed money-launderer Alberto Youssef, who arranged a plea bargain with *Lava Jato* prosecutors in exchange for providing information. In the meeting were an FBI agent, but also representatives



Jailed money launderer Alberto Yousseff made a plea bargain agreement with U.S. officials, worked out by the FBI, the U.S. DOJ, and U.S. and British hedge funds, which provided "information" that was used to impeach President Rousseff.

of U.S. and British hedge and pension funds that had filed class action suits against Petrobras, in hopes of winning billions for alleged "losses" resulting from the corruption scheme! It was agreed at that August meeting that Youssef would sign a plea-bargain with U.S. not Brazilian—officials.

On September 22, Youssef's lawyer, Antonio Figueiredo Basto, flew to the United States to work out specific terms for his client's "cooperation" with the FBI and DOJ.

In that meeting it was arranged that Patrick Stokes, then head of the FCPA unit at the DOJ (now Senior Deputy Chief of Fraud), would travel personally to Curitiba in October or November, to meet for four days with Judge Moro, his prosecutorial team, and Youssef, on where the Lava Jato case could go next. That October, the head of the Brazilian Chamber of Deputies, Edwardo Cunha, himself a target of Lava Jato, announced that he was initiating impeachment proceedings against Rousseff.

The continuing FBI role in the case is so flagrant, that George "Ren" McEachern, head of the FBI's Washington Field Office International Corruption Squad, was just in Brazil two weeks ago, where he was the featured speaker at the May 17-18 "Fourth Anti-Corruption Congress" in São Paulo, organized by Thomson Reuters and the LEC (Legal, Ethics, Compliance) company. Billed as the biggest "business compliance" meeting in Latin America, Lava Jato was its big theme this year.

It is also relevant that the DOJ and FBI both recently offered to Argentine Justice Minister Germán Garavano their expert assistance in "clarifying" two cases in which Macri-allied prosecutors and judges have tried to implicate Cristina: the 1994 bombing of the AMIA Jewish social center, blamed on Iran, and the suspicious January 2015 death of federal prosecutor Alberto Nisman, who had been investigating Cristina for the alleged coverup of the Iranian role in the AMIA bombing.

On Jan. 20, 2015 Nisman was scheduled to present to Congress a flimsy dossier he had concocted of supposed evidence that Cristina Fernández had covered up Iran's role in the AMIA bombing, but he was killed one day before his scheduled appearance. Immediately, media that speak for Wall Street and London, both inside Argentina and internationally, put

out the word that Cristina was implicated, even though three different federal judges subsequently threw Nisman's dossier out of court for lack of evidence.

#### **Economic Destruction**

So far, the Lava Jato wrecking ball has succeeded in paralyzing Brazil's economy, particularly targeting those scientific and high-technology capabilities so fundamental for physical-economic development, while putting an estimated two million people out of work in 2015. It has placed the father of Brazil's nuclear program, Admiral Othon Luiz Pinheiro da Silva, under house arrest for corruption, and threatens the continued existence of oil giant Petrobras, as well as the Odebrecht engineering and construction firm, the largest in South America, whose top executive, Odebrecht family scion Marcelo, has been sentenced to 19 years in jail.

Aurelius Capital Management—the vulture fund that litigated against Argentina for years, and whose president Mark Brodsky is a protege of vulture fund kingpin Paul Singer—has been up to its eyeballs in efforts to destroy Petrobras. Just a few days after Dilma's Jan. 1, 2015 inauguration, Aurelius tried unsuccessfully to force Petrobras into default, which would have had devastating consequences for the economy. At about that time, it also began buying up Petrobras shares, as their value kept dropping, today holding an estimated five percent of the company's total shares.

Lava Jato has also targeted Brazil's Economic and

Social Development Bank (BNDES), for decades the national center for directed credit to infrastructure, as well as for many of the recent agreements signed with BRICS member China. The bank is accused of participating in bribery and corruption associated with Petrobras, and calls are already circulating for its privatization, or shutting it down altogether.

Mauro Santayana, a figure of some prominence in nationalist and socialist circles, now in his eighties, warned in a May 24 article in *Rede Brasil Atual* that *Lava Jato* is an instrument of fascism, something that neither Dilma nor other coup opponents have dared to say publicly. *Lava Jato*, he warned, is the "permanent criminalization of politics and the bringing down of all parties and public men, using 'justice' and the population which ... can only strengthen ... the fascism" which threatens the country.

# **Pre-War Maneuvering**

The developments related here must not be viewed as either merely a fight over "economic" policy, or as simply a "timeless" commitment of Wall Street and London to fascist economic looting. Rather—as in the case of the struggle now being waged inside Japan, and the recent signs of resistance to the NATO war build-up in Germany—what we are seeing is a series of intense "theater" battles within a global strategic war.

Far from enjoying a position of unchallenged power, from which to conduct economic looting and financial speculation, the trans-Atlantic empire is facing imminent financial bankruptcy and rapid physical-economic destruction. The BRICS perspective, the Eurasian New Silk Road, and China's "One Belt, One Road" initiatives have confronted the dying trans-Atlantic world with the reality of the complete loss of global hegemony. Its response, so far, has been to take the world further down the path toward global war.

This is what Obama is doing. This is what the British are doing.

What we are witnessing in Brazil and Argentina, and the persecution—or worse—of Dilma Rousseff and Cristina Fernández de Kirchner, is just the precursor in a series of escalating attacks that threatens to take the whole world into hell. That is the lesson, and the strategic reality, which must be understood at this moment of crisis.

"You know, the Earth can only carry 1 billion people."





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