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Brazil

"An Alliance with the PL and PMDB is a waste of time"

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Raul Pont is a founder of the PT, a member of its national leadership, a federal ex-deputy, an ex-prefect (mayor) of Porto Alegre and a militant in the Tendencia Democracia Socialista. He is an arch-enemy of Brazil's right-wing bourgeoisie and an important driving force behind the democratic Participatory Budget. A candidate for state deputy, he is one of the more important politicians in the PT's socialist left. The following interview, by the Porto Alegre daily, Zero Hora, appeared on Sunday June 23, 2002.

Q Are you in agreement with the new orientation of the PT leadership on the need to negotiate the external debt rather than to stop paying it, a position the party defended in the electoral campaign in 1994?

[https://internationalviewpoint.org/IMG/jpg/17_lulaoil.jpg] Lula

A The position approved in Recife (12th national meeting of the PT, December, 2001) kept much of the programme of the party. It noted the need to carry out an audit by the government so that we might know the exact size of external debt, the composition of which the Central Bank will not reveal to the Congress and of which Congress has no details...

The new thesis triumphed because today, the largest part of the debt is in the private and not the public sector. The other question is that the external part of this public debt is small. The larger problem is the internal debt, which does not involve dollars, and whether or not to buy bonds and the problem of interest rates. If in 1994, the defence of non-payment of the debt had a very simplistic and generic quality to it, now I understand that the definitions are more precise.

Q And when the P.T. defended not paying, did it not know then that the greatest part of the debt was private and not public?

A With today's thinking, no. The debt changed a lot, and the foreign indebtedness of the Federal Government diminished because of the existence of the deficit and there are no new investments in the economy. Parallel to this, the government has a high income, which gives it an enormous surplus. Our criticism is that the government assigns this money to pay the servicing of the public debt, which grows greater each day...

When we used to say 'don't pay the debt', it was much more within the feeling of a call for a moratorium, of warning that the country would be placed in danger with so much money going towards servicing the debt. To call for not paying was the simplification of a slogan that indicated that public resources must go to other ends. The Recife meeting concluded that we ran the risk of excessive flag-waving, without much depth or content. That's why the party decided to put forward the call for an audit of the external debt and the call for its re-negotiation, to reduce the impact that the thesis of non-payment was causing.

Q Did this thesis of negotiation change the point of view of the PT about the International Monetary Fund (IMF)?

A The IMF continues being what it always has been: an agency of the US government. There is no single international organism, a United Nations Organization for finance, for example. The IMF is an agency of US policy and it's no use trying to sweeten the pill. It's enough to see what's happening in Argentina, where the country is bankrupt and the IMF is imposing new demands. What they want is to liquidate MERCOSUR so they can impose the Free Trade Agreement of the Americas (FTAA) upon us...

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An electoral victory for the PT will not allow it to turn its back on the world. But it's essential to make clear that it's one thing to negotiate with a responsible institution, but quite another to negotiate with an agency of US policy. If a government led by Lula remains hostage to the IMF, it won't be able to bring forward the policies that the country needs and that we have been saying we will implement. If we remain hostage to the IMF, we'll not be able to bring forward a change in the profile of the debt, a change in the role of the state with incentives for economic activities to back the internal market, a change to better redistribute incomes and to permit the states and the municipalities to make their own financial arrangements. The IMF is opposed to all this which the country urgently needs. If we remain a hostage to their orientation, we won't be able change anything.

Q *Are you in agreement with the policy of an alliance with the PL and with the policy of rapprochement with the dissidents of the PMDB? Aren't there comrades of yours who don't want to even talk to them?*

A At no time or instance was it decided in the meeting that the alliances would have to be with the PL or with the PMDB.

I include myself in the list of the discontented. For me, talking about alliances with the PL and the PMDB is a waste of time. It would be more useful if Lula backed up Brazil's mayors, as it would be like a new federal relation with the municipalities that today are only allowed a ridiculous portion of the taxes collected. We must change this. If the states today have serious problems with the Federation, I believe that we should be saying we're going to change all that. We must tell the population how we're thinking about constructing the public budget. This is most important. We suggested amendments in Recife, but nobody in Lula's campaign is thinking about this.

Q *Do you think Lula's behaviour is troubling to PT militants, here in Rio Grande do Sul where the party has a different profile than in the rest of the country?*

A Not only here. Petitions are circulating. There have been declarations by municipal and state leaderships. Here in this state, we approved a document with a position opposed to any alliance with the PL and the PMDB. Throughout the country there's a large number of members who wish to see the PT going in another direction.

Q *If the decision to make an alliance with the PL is adopted, do you think it will damage the PT?*

A It could have very serious consequences. We saw this during the campaign in Sao Paulo, at the time of the second election of Luiza Erundina. Many militants of the PT didn't feel very enthusiastic about the way the campaign was run. In our case, when the militants don't go into the streets, it's difficult to carry a campaign.

Introduction and interview translated by Jess MacKenzie and Ernest Tate