5-9-1991

Brazil: Guarantees On Reducing Inflation Not Possible In Current Economic Circumstances

Barbara Khol

Follow this and additional works at: https://digitalrepository.unm.edu/notisur

Recommended Citation

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in NotiSur by an authorized administrator of UNM Digital Repository. For more information, please contact amywinter@unm.edu.
Brazil: Guarantees On Reducing Inflation Not Possible In Current Economic Circumstances

by Barbara Khol
Category/Department: General
Published: Thursday, May 9, 1991

On April 28 in Washington, Central Bank president Ibrahim Eris told US Treasury Secretary David Mulford that the Brazilian government cannot provide guaranteed inflation reduction targets under current economic conditions. After stating that there will be no major changes in the government's economic policy, Eris said the priority objective continues to be inflation reduction. Economy Minister Zelia Cardoso de Mello reiterated Eris's statements, pointing out that establishing a 1% target is pointless, "because it isn't going to happen." According to daily newspaper Correio Braziliense, the officials' statements mean that including extremely low inflation targets in a future agreement with the International Monetary Fund to obtain a $1.5 billion loan is simply not viable, and thus will not be considered by the Brazilian government. (Basic data from Folha de Sao Paulo, Correio Braziliense, 04/29/91)

-- End --