

AN ASSESSMENT OF THWARTED EXPECTATIONS

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The Virtual Frontiers of Globalization

What is happening today in Brazil may be more readily understood if we take into account what is now going on as a world and Latin American trend. Globalization, fruit of immense technological progress, brings improvements both in the social & economic and in the cultural & political spheres. The problem is that, so far, we have only known globalization through a wholesale liberalization of the economy, also called neoliberalism, whose seeming intent is to solve all the world's problems through the extended invisible hand of a worldwide marketplace. This affects every dimension of individual and collective life. As great changes have shown, there are indeed models whereby technical progress, with competence and speed, can provide everyone access to the minimum needs for survival by rationally poising the use of benefits.

Decisions, however, ever less pass through the democratic sieve of majority will. The hegemony of financial globalization – intensified over the last few years and associated with a speculative flow of moneys that knows no borders – has greatly reduced the role of national States and of the social and democratic control by citizens and an organized civil society over the steerage of public policies.

In the early 1990s, expectations were enormous regarding utopias of public weal. These, however, were gradually replace by the realism of measures that aimed

to enforce the hegemony of money and consumption, undermining national States and promoting large corporate mergers.

There exists a strong cultural and political component in the origins of every thwarted expectation. The world expected a decade of better wealth distribution, fulfillment of basic needs, great social development and technological progress at the service of positive answers for the well-being of individuals and societies.

The great United Nations world conferences, held after the fall of the Berlin Wall, expressed some of these expectations. The major ones were: *Rights of Children* (New York, 1990); *Environment* (Rio de Janeiro, 1992); *Human Rights* (Vienna, 1993); *Demographic Growth* (Cairo, 1994); *Social Development* (Copenhagen, 1996); *Rights of Women* (Beijing, 1995); *Human Habitat* (Istanbul, 1996); *Food and Nourishment* (Rome, 1996); *Climate Changes* (Kyoto, 1997).

The cycle of great global crises that have affected the world economy since 1987 – and that have been increasingly frequent and virulent (1987, 1994, 1997 and 1998) – seems to be running its course again this month, April 2000, with a new catastrophe¹, one that actually was foreseen and announced by the wizards and savants of the financial system itself. “On December 5, 1996, Alan Greenspan expressed his concern over ‘the irrational exuberance of the marketplace’. Less sibylline than usual, the statement by the president of the US Central Bank, the FED, caused a small panic. After this declaration, the Dow Jones industrials rose more than 70%”².

Recent analyses had been indicating that overvalued stocks might cause a sudden “holdings shift”, stressing that the American economy was emphatically living a reality that was much more virtual than real. Today, the overvaluation of the so-called *new economy* is created especially by companies associated with the Internet. “The prosperity of the new economy seems so fragile that we are reminded of the economic boom of the 1920s, to the point that some are even referring to a ‘risk of bankruptcy’ and hint at the specter of 29 [...]”³. Stock prices are dictated by electronic addresses

1. Morgenson, Gretchen. “US\$2 trilhões ‘evaporam’ das bolsas”, *Folha de S.Paulo*, Apr. 16, 2000, pp. 2-3; Grimbaum, Ricardo. “Mercado Complica Cenário do FMI”, *Folha de S.Paulo*, Apr. 16, 2000, pp. 2-3.
2. See Warde, Ibrahim. “Dow Jones, plus dure sera la chute”, *Le Monde Diplomatique*, Oct. 1999, p. 28.
3. Ramonet, Ignacio. “Nouvelle Economie”, *Le Monde Diplomatique*, Apr. 2000, p. 1.

that create this market virtuality, “where startup Internet societies take advantage of the fantastic overvaluation of the stock prices to make spectacular acquisitions”⁴.

Many other observations were made by economists attempting to explain and justify this *new economy* that Greenspan fears. Some, like M. Wayne Angell, former head of the US Central Bank (the FED), state that “there is no bubble: we have simply reached the economy of the new age, where information technologies and healthy monetary policies nurture long-term, non-inflationary growth”⁵. According to this logic, stock prices would still be below their par.

Recent collapses⁶ of US stock exchanges; news⁷ about the US commercial deficit; the growing interference of the “financial economy upon the real economy”⁸; and “the existence of grave asymmetries in the ‘free’ flow of capital between coun-

4. The writer Ibrahim Warde refers to the recent case of Yahoo!, “whose stock prices increased 250-fold in one year” by means of typical virtual transactions characterized as “transactions on bonds representing the virtual value of a virtual industry”, quoted in the *Financial Times* on April 8, 1999 and by Ibrahim Warde in “Dow Jones, plus dure sera la chute”, *Le Monde Diplomatique*, Oct. 1999, p. 28.
5. See Warde, Ibrahim, “Dow Jones, plus dure sera la chute”, *Le Monde Diplomatique*, Oct. 1999, p. 28, quoting Angell, Wayne D. “The bubble won’t burst”, *The Wall Street Journal*, Feb. 3, 1999.
6. “Inflação e Greenspan derrubam NY”, *Folha de São Paulo*, Oct. 16, 1999, p. 2/1. See also Teixeira, Mauro. “Mercado Vê mais Turbulência em NY”, *Folha de S.Paulo*, Oct. 17, 1999, p. 2/1; “Temor de juros derruba Wall Street”, October 13, 1999, p. 2/1; Pilagallo, Oscar, “Pressão Salarial nos EUA Preocupa Mercado”, *Folha de S.Paulo*, Oct. 13, 1999, p. 2/1.
7. “Discreetly, two pieces of information capable of elucidating the structure of the ‘American miracle’ have just been released by large Western media corporations. First, going in the countercurrent of world trends, the working day increased 4% in the United States from 1980 to 1997. Second, the gap between the income of a factory laborer and the company head, which was 42 times in 1980, today varies from 1 to 149 times. However, even as the American trade balance deficit increases, economic growth remains exuberant, and seventy years after the crash of 1929, Wall Street breaks all its records”. See Warde, Ibrahim, “Dow Jones, plus dure sera la chute”, *op. cit.*, p. 28.
8. “The most upsetting element, however, continues to be the growing importance of the financial economy in the real economy. Stock market capitalization represented 50% of the US gross domestic product in 1988; today it represents more than 150%. The stock portfolios of Americans represent 25% of their assets – versus only 8% in 1984”. *The Wall Street*

tries”⁹ mentioned in the World Bank’s latest report¹⁰ – these are all factors that render world markets apprehensive and uneasy.

Such facts and apprehensions highlight a similarity between the crises of the 1920s and the 1990s. In 1944, Karl Polanyi wrote about the 1920s: “Currency stabilization had become the focus of the political thought of peoples and governments; the restoration of the gold standard was the supreme goal of every organized effort in the economic sphere. Paying off foreign loans and returning to stable currencies were acknowledged as the touchstones of political rationality. No private suffering, no violation of sovereignty was considered too great a sacrifice to restore monetary integrity. The afflictions of the unemployed (jobless because of the deflation), the dismissal of public servants (laid off without pension), even the forfeiture of national rights and the loss of constitutional freedoms were considered a fair price to pay for attaining stable budgets and solid currencies, the *priority of economic liberalism*”¹¹.

“The similarity between 1920 and 1990 makes Polanyi’s work, published in 1944, fit like a glove into the current situation. [...] After the crash of 29, the US raised interest rates and devalued the dollar, devastating the emerging markets of Central Europe and Latin America. [...] With greater clarity than the Marxists, Polanyi saw the horrible effects of progress and of the marketplace upon traditional cultures and the environment”¹².

- Journal*, March 30, 1999. “In 1997, 43% of adult Americans invested in stocks, versus 21% in 1990”. See also, Warde, Ibrahim, “Dow Jones, plus dure sera la chute”, *op. cit.*, p. 28.
9. “There is strong evidence showing they were not innocent in the deflagration and international dissemination of the 1929 crash and the financial crisis of the 1930s. Seventy years later, the danger persists”. See Belluzzo, Luiz Gonzaga. “De Olho nos Capitais Livres”, *Carta Capital*, Sep. 29, 1999, p. 43.
 10. See comment by Paulo Nogueira Batista Jr. in “Idéias Fixas e Capitais Voláteis”, *Folha de S.Paulo*, Sep. 30, 1999, p. 2/2.
 11. Polanyi, Karl. *A Grande Transformação: As Origens de nossa Época*, Rio de Janeiro, Campus, p. 147. (This work was originally published in 1944.)
 12. See “Sessão Reprise, LAFIS: Pesquisa e Investimento em Ações na América Latina”, *Carta Capital*, Oct. 13, 1999, pp. 66-70. The entire article is worth reading. See also Ricupero, Rubens. “Mudança de discurso”, *Folha de S.Paulo*, Oct. 3, 1999, p. 2/2: “Some months after the fall of the Berlin Wall, the United Nations Conference on Trade and Development

Each of these crises has been followed by disastrous social consequences, engendering unemployment, misery and violence. The world economic order, however, never actually rises up against the true causes of this instability; on the contrary, it strengthens the instability through the impregnable strategy of financial liberalization.

A telltale interview was given by Joseph Stiglitz¹³, chief economist and vice-president of the World Bank from 1994 to 1999, vigorously criticizing how the International Monetary Fund (IMF) handled the Asian and Latin American crises between 1997 and 1999, deeming it inhuman, stolid and technically incompetent. He concludes the analysis with a somewhat unexpected question, coming as it did from the inner sanctum of global finances: “The IMF’s management of finance seeks to steady the economies of affected countries or increase the financial prowess of the central countries, notably the United States”.

The Dismantling of the Welfare State

The dismantling of the Welfare State has been an immediate consequence of this new international purview. We are slowly witnessing a shift to private initiative of a large mass of financial and production resources. Efficiency and productivity have become fundamental laws, leading to great corporate mergers. What before were essential public services – education, health, transportation, security, access to land, housing, among others – are now being exploited as commercial activities, regulated and controlled by the new order, and not as an assurance of minimal social rights.

The idea of national State was instrumental in providing the universal and social welfare rights to which everyone should have access. But this is no longer true with the new requirements of capitalism’s current historical cycle, where the absolute laws of the financial market prevail.

(UNCTAD) predicted that the 1990s would be characterized by the frequency, intensity and destructive power of monetary and financial crises”.

13. Stiglitz, Joseph. “O que Aprendi com a Crise Mundial”, *Folha de S.Paulo*, April 15, 2000, p. 2/7.

As Poverty Increases, Wealth Becomes More Concentrated

Although many consider it a poverty-generating mechanism and therefore can't condone it, the world now lives under the empire of economic globalization. For a long time, the neoliberal project has been commanding the economy – and, after the fall of real socialism, without alternative in sight. Those who defend this kind of new order tend to stress that poverty increases only in those countries that did not prepare themselves for the new world situation. They explain that inequalities persist where the costly structures of the State remain in force, with chronic fiscal deficits, and where no adequate reforms were made. According to such advocates, many countries only went halfway in making the reforms that would have prepared them for the advent of the new order.

All this might contain smidgens of truth. Nevertheless, even after crises are overcome, the unquestionable fact remains that the model¹⁴ imposed as hegemonic is a powerful concentrator of wealth and, as a result, is conducive to increased poverty.

Especially in the so-called emerging countries, national economies are today an easy prey to capitals concentrated in the hands of market speculators, to whom profits are the most important result and who rarely invest them in production or in the distribution of wealth.

Thus, there is a perverse logic in this absence of ethics that leads to cuts in social investments, the pliancy of labor rights, the destruction of social services as guarantors of universal rights, in short, that does not prioritize the human person and his or her fundamental needs: shelter, health, sanitation, education, security, work.

It is within this logic that we must seek the main cause for the increase of poverty in the world and the fact is that the absolute laws of the marketplace perpetuate the causes that increase poverty and make for bad a distribution of wealth. “The tyranny of money and information is at the heart of the current disarray in global capitalism”¹⁵.

14. Clemente, Isabel. “Crise Eleva Desigualdade no Mundo”, *Folha de S.Paulo*, Sep. 21, 1999, p. 2/1.

15. Santos, Milton. “A Normalidade da Crise”, *Folha de S.Paulo*, [Mais! Supplement], Sep. 26, 1999, p. 5/3.

This has begun to worry agencies such as the United Nations Conference on Trade and Development (UNCTAD), which recently published its annual report defending “a gigantic operation to inject public resources into the poorer and more indebted economies. [...] The proposal assumes that the world economic scenario in the upcoming years will be marked by frailty and new risks, especially for the emerging markets. It is perhaps the most pessimistic diagnosis of the world economy in the current harvest of reports from multilateral agencies”¹⁶.

James D. Wolfensohn, president of the International Bank for Reconstruction and Development (IBRD), also known as World Bank, in a speech¹⁷ given on late September 1999 to the bank’s board of directors in Washington, called their attention to the serious problem of growing world pauperization. Surveys by the World Bank itself¹⁸ showed that between 1988 and 1998 there was an increase of 100 million people living below the poverty line, i.e., with an income of less than \$2 per person, per day.

It is symptomatic and relevant that institutions such as the World Bank and others in the same field, such as the IMF, have spoken out about poverty. Their acknowledgement that we must “eradicate poverty and humanize globalization”¹⁹

16. Schwartz, Gilson. “UNCTAD Quer Dar Liquidez aos Países do Terceiro Mundo”, *Folha de S.Paulo*, Sep. 21, 1999, p. 2/2.

17. “Coalizões para a Mudança”, Sep. 28, 1999, p. 3.

18. “[...] the World Bank (IBRD) released a report that caused great fluster. According to the bank’s experts, from 1987 to the end of the present year, the number of poor people in the world will have grown proportionally slightly more than the planet’s population. We will reach the year 2000 with 1.5 billion people surviving with the equivalent of less than 1 dollar a day”. Somonetti, Eliana. “As Raízes da Pobreza são Antigas”, *Vêja*, Sep. 22, 1999, p. 124. See also Schwartz, Gilson, “Abertura não Reduz Pobreza, diz Bird”, *Folha de S.Paulo*, Sep. 16, 1999, p. 2/1.

19. Aith, Márcio. “FMI Propõe Humanizar a Globalização”, *Folha de S.Paulo*, September 29, 1999, p. 2/5. “It was an unparalleled speech, never before made by Camdessus or by any other IMF director. The Fund never brings up social issues, arguing that its basic purpose is to stabilize the external accounts of countries. The change in attitude results from an internal reevaluation by the institution, based on the results presented by a consulting firm, according to which the Fund was losing the battle for public opinion”. See also “A

was almost penitential. That was the gist of the discussions at the IMF's 1999 annual meeting. The entity's president also announced "the creation of a joint study with the IBRD (World Bank) in order to concatenate the financial goals of its stabilization programs and the social conditions of the countries where they will be implemented"²⁰.

It is impossible to overstress the importance of this new mode of speech, because "the great merit of the IBRD and IMF reports was to reveal what everyone with a minimum of information and common sense had already ascertained a long time ago, namely, that the immense pauperization of the world is coeval with the liberalization of capitals and commodities"²¹.

Two warnings by someone like Rubens Ricupero should serve as an alert: "One must not exaggerate the practical scope of changes, because what has changed so far was the mode of speech, not the substance of policies, which are dependent not only on the Socratic process of seeking the truth but also on the concrete interests of the powerful. [...] Poverty and underdevelopment will only be overcome by the efforts and through the proper policies of the countries that are victim of these evils"²².

Will the new tone of the IMF discourse lead world financial authorities to a radical conversion and to new action policies that favor the poor?

Or is it just a tactical speech by someone who is losing the battle for public opinion?

Financial globalization's same perverse logic also explains the widespread corruption that pervades political structures, raising the question of ethical standards in dealing with the public purse. The problem is that the new standards of the international institutions, although contrary to corruption and in favor of combating poverty, nevertheless continue to exalt the very same absolute laws of the marketplace that conjoin in the destruction of social well-being and lead to this new world disorder.

- Face Humana" [Editorial], *Folha de S.Paulo*, Sep. 29, 1999, p. 1/2. See also "FMI Lança Cartilha contra Pobreza", *O Globo*, Sep. 29, 1999, p. 21.
20. Aith, Márcio. "FMI Propõe Humanizar a Globalização", *Folha de S.Paulo*, Sep. 29, 1999, p. 2/5.
21. Delgado, Guilherme C. "O Debate da Pobreza e Pobreza do Debate", *Boletim da Rede*, (Petrópolis: Oct. 1999).
22. Ricupero, Rubens. "Mudança do Discurso", *Folha de S.Paulo*, Oct. 3, 1999, p. 2/2.

In this sense, their anti-corruption prescriptions are counterproductive, if not hypocritical, because the mechanisms themselves of the uncontrolled flow of capitals create their own realm of macrocorruption – such as the tax havens – while their prescriptions seek to counter only the secondary effects of ethical corrosion.

Economic Globalization in Question

The events occurring on the sidelines of the III Ministerial Conference of the World Trade Organization – held in Seattle, US, on October 1999, in preparation for the Millennium Roundup – allow us to assess the importance of the issues and of the event itself. World trade is now at a crucial and critical moment. “The great players of world trade, the United States and the European Union, have not managed to reach a common position on the eve of Seattle”²³.

US representatives gave great exposure to the so-called *social clauses* relating commerce and essential labor standards. In defense of such clauses, they insisted in blocking products from countries that resort to slave and child labor. With this tactic, however, attention was shifted from the main axis of discussion, namely, the suppression of protectionist barriers and an opening of the rich doors to products from poor countries.

Another key issue was farm subsidies, strongly advocated particularly by the European Community and the United States. These subsidies allow the rich countries to maintain low the prices of their agricultural products and, in practice, close the doors to the great exporting force of developing countries.

Another protectionist issue became known as *agricultural multifunctionality*. Championed by Switzerland, Japan, South Korea and Norway, it is typical of the more developed regions, that strive to show that the important is not merely to produce, but to produce with quality, taking into account the protection of the environment and the safety of the crops, among other factors. In the context of discussions between rich and poor countries, however, the insistence on multifunctionality, which obviously is something positive in itself, becomes a pro-

23. *El Mundo*, Nov. 2, 1999 and *International Herald Tribune*, Nov. 3, 1999 (Internet editions).

tectionist component due to the poor countries' inability to compete immediately at the same level of sophistication of their rich counterparts.

In spite of everything, the reactions of non-governmental organizations – NGOs – and the denunciations of a world financial order that favors the rich will inevitably lead to changes in the financial globalization and hegemony of the rich countries.

Protectionist barriers are not a two-way street and certainly not an instrument of justice. Considering the hegemony of the rich countries, discussion of this topic invariably takes place on unequal grounds. The protectionist barriers of the rich countries, especially for agricultural products, are immense. Furthermore, the less developed countries also fear that the rich countries will take their markets by assault.

As if the internal conflicts preceding the meeting were not enough, several outside organizations and protestors were also present, whose goal was to publicly criticize the economic policies of the WTO. Thus, liberal, ecological and labor groups, among others, united to protest against the current organization of world trade. As the news media made abundantly evident, they were all violently repressed. To a certain degree, they managed to obstruct decisions and call attention to the drama of the poor countries in face of the commercial hegemony of the more powerful nations. The media, by giving broad coverage of the manifestations, contributed a great deal to show that something new might begin to happen in international trade in the age of economic globalization.

But the meeting ended on a melancholic note²⁴ and with no substantial agreements that might rekindle the hope for changes. The reactions of the streets were widely commented upon. "The last and deepest layer is the true insurrection of the masses, that went into the streets to show by their actions that even in the world's wealthiest country there are people who are not resigned to the presumed inevitability of the perverse aspects of globalization. These people did not manage to pre-

24. "The WTO Millennium Roundup at the Seattle Conference ended in a fiasco. The American demonstrators, protesting against the measures discriminating exports from poor countries that were being concocted in the United States and Europe, were instrumental in this failure, as they had been 20 years ago in putting an end to the Vietnam War. We Brazilians, who are more directly interested in the outcomes, were less mobilized." See Alves, Márcio Moreira. "Lágrimas de Lobo", *O Globo*, Dec. 7, 1999, p. 4.

vent the powerful from attempting once again to reproduce the vicious process of previous occasions, but they did create with their protest an atmosphere that exposed the lack legitimacy of the process. Indeed, it is more difficult to despoil the poorer countries in the convention room and, at the same time, defy thousands of people manifesting at the door. [...] The streets desperately want to send out their message. It would be dangerous to insist on not listening to them”²⁵. Diplomats from the poor countries, as was the case with Brazil’s ministry of Foreign Relations, were satisfied. “It is no longer acceptable that certain countries, precisely some of the richest in the world, be authorized to close their internal markets to foreign farm products and at the same time demand from the poor countries an even greater openness for those products with which they can compete without risk. [...] Brazil wants for the products it exports the same kind of access to markets and the same disciplines that the developed countries have come to expect for their exports”²⁶. Taken as a whole, these reactions may have sowed some seeds for future changes.

We must bear in mind what other analyses have already dealt with²⁷. Initiatives to counter the current way of organizing world trade have been gaining momentum since the first manifestations that lead to the abortion of the Multilateral Agreement on Investment (MAI). And they tend to increase, not only as efforts to

25. Ricupero, Rubens. “No Fragar da Batalha”, *Folha de S.Paulo*, Dec. 12, 1999, p. 2/2. The author examines and makes an in-depth analysis of the causes of the Seattle fiasco. “The manifestations in Seattle were a clamorous cry of protest from the poor people of the rich countries.” See Belluzzo, Luiz Gonzaga. “Seattle: Os Pobres dos Ricos”, *Folha de S.Paulo*, Dec. 12, 1999, p. 2/2.

26. See Alves, Márcio Moreira. “Lágrimas de Lobo”, *O Globo*, Dec. 7, 1999, p. 4. The quotations were extracted from a speech by minister Luis Felipe Lampreia. The minister’s position is a belated acknowledgement that the time has come for Brazil to impose limits on the excessive opening of its markets in the absence of a balanced counterpart. See comments by Rubens Ricupero in “Bestificados em Seattle”, *Folha de S.Paulo*, Dec. 5, 1999, p. 2/2: “[...] the authorized voice of minister Lampreia was a firm, serene and demystifying denunciation of these abuses and unbalances, one of the best I’ve heard. [...] Unfortunately, signs of a new spoliation of the developing countries are already piling up, in spite of the pious and unctuous speeches proclaiming the need to do something for the poor”.

27. *Brasil, Desafio e Esperança: Análise de Conjuntura*, São Paulo, Ed. Loyola, 1998, pp. 31-33.

halt the uncontrolled flow of financial speculation, but also as manifestations against the iniquitous world trade system, exclusively harnessed to the interests of the great powers.

It is also worth paying attention to the following analysis by Alain Tourraine: “We may even take optimism to the point of thinking that the WTO’s meeting in Seattle began in an atmosphere more of doubts than of triumph, inasmuch as no agenda for discussion was proposed to participants, a fact that might give evidence to the absence or weakening of a hegemonic will. [...] The time of the great ultraliberal rituals is over, and the opposition no longer believes that an economy’s international competitiveness is incompatible with providing social protection and fighting against inequalities. Little by little, social concerns are becoming more audible and governments are being called upon to prioritize them, while old corporate endeavors lose ground. [...] We are clearly witnessing the strengthening of social claims and pleas and the awakening of the so-called civil society, which could only emerge amidst center-left policies”²⁸.

Responses to financial globalization are beginning to take shape, as attested either by the manifestations in Seattle, in the 10th United Nations Conference on Trade and Development – UNCTAD 10 – held in Bangkok, Thailand, between February 12 and 19, 2000, or in gatherings such as those of the so-called Group of 77, recently held in Havana, Cuba.

Every year, as everyone knows, the pick of the bunch of financial globalization meets in Davos, Switzerland. During the conference held in 2000, a few days before the Bangkok conference, the overall ambience was that the worse was over for the emerging countries that had suffered serious crises, had had their assets dilapidated but had remained staunchly devoted to the unfettered magical force of the financial markets, exuberant as ever. The hegemonic beliefs of the attending economists led to the unbridled repetition of tiresome and monotonous discourse of official optimism.

UNCTAD was a kind of Davos of the poor. Under the leadership of Rubens Ricupero, the effects of globalization were discussed and an attempt was made to

28. Tourraine, Alain. “O Fim das Missas Ultraliberais”, *Folha de S.Paulo* [Mais! Supplement], Dec. 12, 1999, p. 12.

arrive at a new economic paradigm – the Paradigm 2000. “According to secretary-general Rubens Ricupero, the paradigm may be defined by two points: a return to some kind of regulation of the economies, in particular controls over short-term financial flows, and a decision to treat trade and investments in such a way as to allow the insertion of developing countries into the international marketplace.”²⁹ “This is the only way to respond to civil society’s increasing anxiety over globalization and to forge a more balanced trade system”³⁰. For Ricupero, “the prescription of the Washington Consensus, which included liberalization, privatization and deregulation, proved to be inadequate, or at least insufficient, to promote growth in developing countries”³¹. The following is, verbatim, Brown’s position: “The assumption that private markets would, through liberalization, deregulation, privatization and proper pricing, allocate resources efficiently [...] proved itself to be inadequate in face of the insecurities and challenges of globalization”³².

Davos and Bangkok followed different roads. “The focus of the conference, as traditionally happens in the UNCTAD, are the poorer countries, notoriously incapable of succeeding in the globalization process”³³. In Davos, liberal prescriptions were a given, while in Bangkok these same certainties were being called into question.

Another difference in focus was the issue of wealth distribution, overlooked in Davos and analyzed in Bangkok both as an ethical issue and as a matter of economic efficiency, because, according to Frances Stewart, from Britain’s Oxford University, “a more egalitarian distribution of wealth is desirable both in terms of justice as to promote (economic) growth”³⁴.

29. Rossi, Clóvis. “ONU Busca Novo Paradigma da Economia”, *Folha de S.Paulo*, Feb. 12, 2000, p. 1/6. See also Ricupero, Rubens. “Bangcoc, Ano Zero”, *Folha de S.Paulo*, Feb. 13, 2000, p. 2/2.

30. “Em Busca do Equilíbrio Comercial”, *Correio Braziliense*, Feb. 12, 2000, p. 24.

31. See previous note.

32. Rossi, Clóvis. “Adoração e Interesses”, *Folha de S.Paulo*, Feb. 12, 2000, p. 1/2.

33. Rossi, Clóvis. “Annan Propõe ‘New Deal’ de Comércio”, *Folha de S.Paulo*, Feb. 13, 2000, p. 1/10.

34. Rossi, Clóvis. “Davos e Bangcoc”, *Folha de S.Paulo*, Feb. 13, 2000, p. 1/2. The columnist concludes that “redistribution of income is a question not only of ethics, but also of economic efficiency. This is obvious. It is a pity that the obvious has so little penetration in the heads of our rulers”.

At the end of the UNCTAD 10, Rubens Ricupero insisted on the urgency of “giving back to the world economy what it has lost with globalization: the concept of interdependence, that is, the element of mutuality of interests. We are all united by this bond – the company with its employees and the community, the producers with the consumers, within each country”³⁵.

Is it possible be that the generalized protests against the global economy, such as those that occurred in Seattle, Davos, Bangkok and now in Washington, will alert us to the impasses to which all countries will be subject to from now on (especially the so-called emerging countries, such as Brazil, that gullibly adopted the neoliberal prescription) if adequate policies are not adopted for social development, assuaging poverty and improving the distribution of wealth?

The Recolonization of Latin America

The process of globalization, in its political and neoliberal aspects, affects differently the central countries and the peripheral countries, such as those in Latin America: “The central countries, those that impart momentum to the model, are the most reticent in adopting it wholesale, while Latin America has once again shown itself to be an open continent”³⁶.

We are now trying to discover the reasons that, to a greater or lesser degree, lead countries facing economic difficulties to bear up with popular mobilization and questioning (as is the case of Ecuador, Chile, Paraguay, and Bolivia, among others) or to allow their institutions crumble (e.g., Colombia). Venezuela, in turn, seeks to find a new course, with strong popular support, but remains an unknown, being now headed by Hugo Chávez, who tries to mystically incarnate the ideals of Simon Bolívar.

Argentina, Uruguay and Chile have recently held presidential elections that aroused great popular interest and the international public opinion. Analysts³⁷ say

35. Ricupero, Rubens. “Três Toneladas de Fome”, *Folha de S.Paulo*, Feb. 20, 2000, p. 2/2.

36. Santos, Milton. “Brasil na Encruzilhada: Entre a Submissão ao Pensamento Único e um Autêntico Projeto Nacional”, *Carta Capital*, April 12, 2000, p. 25.

37. “It is a consensus among foreign correspondents that what is happening in Uruguay is a scenario that is taking over the entire Latin American geography: dissatisfaction with the so-called neoliberal policies, seen as matrices for more unemployment (11.4% in the

that the fact can be explained by a growing dissatisfaction with the neoliberal policies that generate unemployment and popular voting was the alternative to signal this growing dissatisfaction. This happened in Venezuela and is being repeated, in differing styles and contexts, in Uruguay, in Argentina and in Chile, with the election of Lagos.

In Argentina, the changes signaled by De la Rúa's are not so evident. The Menem decade came to an end, full of contradictions and marked by accusations of monumental corruption, even if "big capital and international financial agencies have nothing to complain about"³⁸.

Guerilla warfare is forever resurfacing in Peru, in spite of the strong hand regime of Fujimori, who sought his third mandate – which did not materialize in the first round of the elections, marked by numerous charges of fraud, only because of strong international pressure, particularly from the United States. "For the first time in Latin America, a vast process of electoral fraud was paralyzed on account of the international pressure exerted against it. Had there not been this pressure, president Fujimori might have shrugged his shoulders and things would have remained unchanged for another five years"³⁹.

Everything seems to indicate that the model implemented in Latin America renders unfeasible any national autonomous and socially advanced project. The great revolutions that shook Europe – beginning with the French Revolution, and including the Enlightenment and the Industrial Revolution – arrived belatedly or not at all in Latin America. The changes brought about by these revolutions established the bases for the existence of national States in the Old World.

Latin America did not have the opportunity of attaining this national project. Furthermore, its ongoing historical processes, which impose a new form of organizing society, prevent still more the organization of a national identity.

Our countries have always remained in the periphery of the processes of national conquest, whereas the current moment is also characterized by a

eastern strip) and for greater social inequalities, and resorting to elections to counter it".

See Carlos, Newton. "Novidades Uruguaias", *Correio da Cidadania*, Dec. 11, 1999, p. 4.

38. Coggiola, Osvaldo. "Argentina: Novo Governo, Velho Poder", *Correio da Cidadania*, Dec. 11, 1999, p. 5.

39. Alves, Márcio Moreira. "Fraudes e Pesquisas", *O Globo*, Apr. 18, 2000, p. 4.

reengineering of the center vis-à-vis the peripheries based on the new logic of transnational globalization.

This entire process is willfully planned. Certain layers of society, such as the laborers and peasants, are paying a high price in this new set of circumstances, as unemployment and low wages contribute to worsen the life conditions of the underprivileged.

The same situation is now affecting the urban middle class and certain small entrepreneurs, particularly small farmers.

Popular mobilization in Brazil, Chile and Ecuador have brought to light a new stage in this process whereby, according to the dominant economic model, national projects only become feasible with broad social base and popular support.

This context of pressure from the central countries threatens the hopes deposited in the Southern Cone Common Market (Mercosul). Already in 1951, Juan Domingos Perón sought, although without success, to promote a union of Latin American countries⁴⁰. Perón, in a speech given on November 20, 1951, anticipated and saw the difficulties of such an alliance.

“Many scholars of the 19th century had already foreseen that, after the century that established national identities, we were marching toward continental confederations. [...] Europe and Asia, in the face of common dangers, were driven by the need to defend themselves to cluster under the protection of the dollar and of the hammer & sickle, respectively, forming veritable imperialist confederations.”

“In the face of the same dangers, the United States unified around themselves all the American peoples of the northern part of the continent, bonding them to the common fate of the hemisphere while bearing in mind actions that would also involve Europe”.

“Many years ago, a distinguished Brazilian who came from afar proposed the idea of an ABC alliance (Argentina, Brazil, Chile), a regional political pact destined to have historical proportions”.

“South America, a modern Latin continent, is and will increasingly be in danger, but has yet to utter a watchword to unite”.

40. This information is validated by professor Nielsen de Paula Pires, from the Institute of Political Sciences and International Relations of the University of Brasília.

“The ABC idea perished, toppled by the underground scheming of imperialism, committed to estranging any union mediated or established by the ‘natives’ of ‘underdeveloped’ countries – countries which it intended to annex and to rule as ‘farms’ of ‘blacks and mestizos’. [...] The Southern Cross may well be the insignia heralding the triumph of the ‘locals’ of America’s southern hemisphere. Neither Argentina, nor Brazil, nor Chile, isolated, may dream about the economic unity that is a prerequisite to attaining a grandiose destiny”.

“But united they certainly constitute the most formidable concert that ever set face in the two oceans of modern civilization. Thus, upon this common platform, they might establish a Latin American unity as a multifaceted operative base, with an initial thrust that no one will be able to restrain”⁴¹.

Ambiguity of interests has been an annoyance since the inception of Mercosul, whether related to the multinationals involved in the globalization of the economy and under the powerful laws of the marketplace, or to the interests of the United States.

Two instruments distorted what might have become a landmark of Latin American solidarity. The elites of the countries that comprise the Mercosul let themselves be allured by the seduction of money. The Treaty of Asunción wanted to establish a Free Trade Zone, exempting participating countries from taxation.

The Common External Tariff, known as TEC, was instituted. In practice, however, this turned out to be counterproductive, because its effects were opposite to those expected. The TEC is a surcharge, common to all partners, on every product coming from outside the bloc. However, if we are to assume that free market laws are in force, the tariff rate is way too low, a mere 14% for most products (instead of 100% as before) and, in some cases, zero. In other words, the positive effects of a free trade zone became diluted. This was the price paid for accepting savage globalization within the scope of Mercosul.

There is an unequivocal process of recolonization going on in the continent as a whole. This also implies a reorganization of natural reserves as nonrenewable

41. See *Unidos o Dominados*, Mexico, Ediciones de la Patria Grande, Casa Argentina de Cultura, 1990, p. 43.

resources are exhausted. The Amazon region boasts the planet's largest reserve of fresh water and biodiversity, both fundamental for the future world.

However, the territorial unity of our countries will be threatened if the transnational companies take over these reserves – as important for the future, for our perspective of a future, as oil (which will be depleted) in the beginnings of the Industrial Revolution.

This is all linked to the strategy of occupying the empty areas that exist in every continent. And thus the armies of the great powers, after the operation in Kosovo led by the North Atlantic Treaty Organization (NATO), strive to reorder political equilibrium in accordance with the new economic order of transnational companies.

The Amazon region, as the largest empty area in the Latin American continent, is obviously an important target for the interests of the new order. Eventually, it might even become the exchange currency with which to pay off the voluminous Brazilian foreign debt.

We are a large continent, but we never had a permanent foreign presence in our lands. Recently, under the pretext of combating drug traffic, a US general went around in Brazil propounding an inter-American force to rearrange political balance in the region.

It must not be forgotten that the State apparatus is entirely inadequate to delve deeply into the issue of drug trafficking. Increasingly, organized crime is establishing its own territory. One need not go far to see where we may arrive with this territorialization of crime. Colombia is today a sad and worrisome demonstration of what may happen.

We must pay thorough attention, because things don't happen by chance. Already we have an air control system (SIVAM) being implemented, the pretext of guerrilla activity and the huge emptiness of the Amazon region. Of course the great powers are interested in occupying these spaces.

Considering the permanent threat of remaining in the periphery of social progress, the time has come to discuss goals for our continent, goals in tune with great popular aspirations.

But how are we going to overcome the subservience of Latin American elites to the socially destabilizing neoliberal model, now the sole and hegemonic one, in such a way that our countries are not transformed into mere appendices of the multinationals?

How are we going to make those leaders that are sensitive to the cause of the underprivileged understand that the problem is social, and is political, and is actually a problem of power?

And how are these leaderships going to unite in defense of all popular demands, in a truly democratic political alternative really committed to the plight of exploited?

What about Brazil?

First of all, it is sad to say that Brazilian monetary authorities have shown no sensitivity to the issue of poverty, not even at the level at which it is being discussed by the IMF and the World Bank. And this is not because of a lack of people, nationals and foreigners alike⁴², calling their attention to the matter.

For instance, the latest report⁴³ by the United Nations Development Program (UNDP) explicitly mentions the Brazilian case after emphasizing that world poverty continues to grow because of the poor management of public resources. All over the world there has been a reduction in the resources earmarked to fight poverty. The report also states that in Brazil “poverty is mainly concentrated among the blacks and those who live in the countryside”. Although acknowledging that there was a reduction in the number of poor people, from 21% of the population in 1995 to 15% in 1997, the report also stresses that “compared to the 1970s, Brazil has advanced pitifully little in reducing misery because it continues to maintain a system of great social inequality”.

The report keenly indicates that bad political decisions in applying social funds are the major factors for the increase of poverty. Social resources have been misdirected to benefit the more privileged strata of Brazilian society, instead of being used to reduce poverty.

42. “In Brazil, as in the rest of Latin America, it is incumbent that foreign personalities regularly call the attention of local authorities, as recently happened with James Wolfensohn, president of the World Bank, who said yesterday: ‘We are interested in seeing that the great problems of inequality are solved in Argentina and Brazil’”. See Rossi, Clóvis. “PPA à Britânica”, *Folha de S.Paulo*, Sep. 23, 1999, p. 1/2.

43. Pilati, Raul and Vivian Oswald. “PNUD Crítica o Combate à Pobreza no Brasil”, *O Globo*, Apr. 5, 2000, p. 35.

Recent surveys⁴⁴ also show that economic inequality between the various regions of the country is on the increase. Regional unbalance is evidence that open markets do not necessarily entail social development, while it must be understood that social policies to distribute wealth are not opposed to the opening of markets. It is all a matter of political dosages, of establishing priorities to break the vicious circle of destitution and concentrated wealth in the most poverty-stricken areas.

An Assessment of the Real Brazil

The real Brazil is a frightening place for its contradictions⁴⁵ and for the insensitivity of its governmental bureaucracy⁴⁶, which does not allow itself to be guided by the country's clamors.

The economic moment is extremely favorable for the government. Inflation is being kept under a tight rein, there is plentiful money from foreign investors, currency exchange rates are under control, social expenditures are in line with the requirements of international agreements, and the government's support base in Congress is obtaining repeated political victories.

Our problem, however, are the social costs⁴⁷ of this supposedly bright picture, costs that are hidden and continuously enlarged by this economic optimism. Deci-

44. Toledo, José Roberto de. "Desigualdade Regional Cresce 11% até 1997", *Folha de S.Paulo*, Jun. 14, 1999, p. 1/6. The author comments on the work of economist Márcio Pochmann, from the University of Campinas (UNICAMP).
45. Souza, Leonardo de. "Lucro de Bancos Estrangeiros sobe 852%", *Folha de S.Paulo*, Mar. 23, 2000, p. 2/3; Clemente, Isabel. "Salário Têm Maior Redução do Real", *Folha de S.Paulo*, Mar. 23, 2000, p. 2/16; Morais, Larissa. "Desemprego Subiu para 8,2%", *O Globo*, Mar. 24, 2000, p. 21. (The 8.2% unemployment is the highest since the *Plano Real*).
46. Freitas, Jânio de. "Quando um País vai Bem", *Folha de S.Paulo*, Mar. 26, 2000, p. 1/5. After considering the situation in Brazil, the author concludes that "Brazil goes well... with the government it has".
47. "Economia Mostra Recuperação... mas Desemprego Continua Dramático", *Folha de S.Paulo*, May 16, 1999, pp. 1/2 and 2/1; Godinho, Fernando. "Cortes no Social Sustentam Ajuste Fiscal", *Folha de S.Paulo*, Mar. 3, 2000, p. 1/9; Soliani, André. "Verba 'Sequestrada' Paga Dívida da União", *Folha de S.Paulo*, Feb. 13, 2000, p. 1/12. See also Salomon, Marta. "Projeto Veta Uso Social de Recursos da Privatização", *Folha de S.Paulo*, Feb. 9, 2000, p. 1/4.

sions to cut social spending and bypassing resources to pay the fiscal debts of the government make abundantly clear that the absolute priority is to restore the confidence of financial investors. Even the project that created the Poverty Fund has a clause vetoing the social use of revenues obtained from privatization.

Thus, in spite of the financial stability, which everyone acknowledges and praises, there are “new forms of insecurity, and the population feels there is a gap between government priorities and their own list of difficulties”⁴⁸. Everything proceeds as if there were two agendas: one for the people, another for the government.

The priorities of the current government are clear. “The policies of Fernando Henrique Cardoso’s administration reveal a clear order of priorities: first of all come the inflationary goals that guide the policies of the Central Bank; next comes fiscal adjustment, negotiated first with the IMF and only later with Congress; then come the policies for agriculture, industry, foreign trade, scientific and technological research, etc.; finally, come the policies to generate jobs and income, to aid small business and family farms, to promote land reform, for education, health, popular housing, etc. – all liable to being reassessed as required to assure that the inflationary and fiscal adjustment goals are attained. Therefore, what this government did to the minimum wage – namely, crushing it – is understandable and should surprise no one, except the very naïve, who have no idea who rules this country”⁴⁹.

The great and all-important national question⁵⁰ is still unemployment⁵¹, which continues to increase alarmingly. The people want to know if the government will

48. Gaspari, Elio. Interview to Marcos Coimbra, *Folha de S.Paulo*, n.d. p. 1/2. This interview shows how the government is having trouble communicating with the people and fulfilling their yearnings. The interviewee states that “[...] they must understand that public opinion, against its will, is forced to live daily with three factors of anxiety: unemployment, urban violence and low-quality public services”.

49. Singer, Paul. “A Dominação Financeira”, *Folha de S.Paulo*, Apr. 5, 2000, p. 2/2.

50. “All surveys of opinion indicate that, for months now, this has been the great fear of Brazilians, a fear that haunts an increasing number of people.” See Alves, Márcio Moreira. “Questões de Pauta”, *O Globo*, Jun. 9, 1999, p. 4.

51. “Desemprego Atinge 1,7 Milhão em SP”, *Jornal do Brasil*, Jul. 27, 1999, p. 1. “According to DIEESE/SEADE figures, the unemployment rate has reached 20.3% of the working population, the highest rate since this survey began in 1985”. See Barbosa, Flávia. “Desemprego

ever fulfill its campaign promise of creating 8 million jobs without jeopardizing monetary stability.

Those, however, who wish to scrutinize the matter and raise the flag of an employment policy must first discern the current national model to insert the country in the globalized neoliberal economy. Perhaps in this perspective lies the key to politically mobilize the popular masses and supersede their current state of apathy.

Likewise, official optimism⁵² does not correspond to the qualitative and quantitative changes in employment rates. Analysts⁵³ show that unemployment is increasing in spite of the economic recovery and that the new jobs being created require less qualification. In other words, there are less jobs in the production sector and more jobs in less qualified and less paid industries.

Surveys by the Brazilian Institute of Geography and Statistics (IBGE) reveal⁵⁴, qualitatively and quantitatively, in what directions the number of unemployed

- Bate Recorde – E Trabalhadores de Várias Regiões Registram Queda Substancial no Rendimento Médio”, *Jornal do Brasil*, Jun. 2, 1999, p. 14. See also Oliveira, Flávia. “Crises Corroem os Salários – desde outubro de 1997, rendimento médio dos trabalhadores já caiu 7,8%, segundo IBGE”, *O Globo*, Jun. 6, 1999, p. 29.
52. “Recuperação, mas com Desemprego”, *O Globo* [Economics section], Apr. 7, 2000, p. 21.
 53. Pochmann, Márcio. *Reconversão Econômica e as Tendências Recentes das Ocupações Profissionais no Brasil*, [unpublished dissertation of the Institute of Economics and the Center for Studies on Labor Unions and Labor Economics of the University of Campinas, preliminary version], pp. 26-27.
 54. “[...] the three indicators, which I believe are highly illustrative of today’s labor economics: (1) more than half of the occupied workforce have unregulated jobs (and this rate has increased constantly since 1993 at each survey by the PNAD – National Research by Household Sampling). (2) the unoccupied population (according to IBGE’s concept of “open unemployment”) in the metropolitan regions, where this survey is done monthly, ranges from 10% to 15% of the working population (on April 1999). These limits vary from a maximum of 15% in Salvador, to 12% in São Paulo and to 10-11% in other regions (Porto Alegre, Fortaleza and others). (3) The 1997 PNAD, the last one released, shows that in the capitals and metropolitan regions, self-employment and jobs offered by very small businesses practically account for 20% of the occupied workforce in urban areas. In rural areas, the equivalent rate might well be more than 50%. All these data may be translated as a manifestation of very old phenomena that continue to occur and seem all-important today. They reflect (a) a strong wave of informal labor relations, (b) a resurgence of fam-

people is increasing around the country and, having to face the drama of survival, how they seek refuge in the informal economy⁵⁵. A significant part of the population is now working outside the formal economy, pushed into a more venal existence, dissociated from most of the social rights that were fought and won by the labor struggles of the pre-capitalist age.

Data also reveal how, nowadays, household economics has perhaps become more important than actual jobs. There are signs that it is now necessary to prepare society for another⁵⁶ kind of economy and another kind of work.

The recent debate among internal factions of the government brought to surface the issue of monetarism *versus* developmentalism⁵⁷. However, there is no in-depth discussion nor is a serious diagnosis made of the current situation as it involves the issue of unemployment. To be sure, any proposal for a stable and long-lasting policy to resolve such a grave matter will require financial stabilization.

Some analysts⁵⁸ even believe that, ever so slowly, the government has indeed attempted to make some changes in order to achieve a better balance between development and social conquests.

But the monetarist inertia, the inexorable laws of the marketplace and the disputes for political space have impaired the government. Ministries and agencies⁵⁹ that should concern themselves with social issues are not even called upon.

- ily economics, (c) the dissemination of a subsistence level economics in the urban environment and its broadening in the rural regions". See Delgado, Guilherme. *Boletim Rede n^o 78*, Petrópolis, Jun. 1999.
55. Oliveira, Flávia. "Um em cada Quatro Trabalhadores é do Setor Informal", *O Globo*, Jun. 9, 1999, p. 28.
56. "O que vai Acontecer com o Trabalho?" [Special supplement] *Folha de S.Paulo*, May 30, 1999.
57. Santos, Chico and Ricardo Grinbaum. "Desenvolvimento é Nostalgia, diz Malan", *Folha de S.Paulo*, May 18, 1999, p. 2/10.
58. Alves, Márcio Moreira. "O Time de Caim", *O Globo*, May 21, 1999, p. 4. In his analysis, the author states that "president Fernando Henrique Cardoso's decision-making process is laggard. There are, however, signs of new economic policy options. [...] The fact that their noisiest leader, Luiz Carlos Mendonça de Barros, has arrived to take over the PSDB vice-presidency for economic affairs is a sign of changes to come".
59. "In Brazil, nothing. The ministries that should matter, namely, Labor (coordinated with

The real Brazil continues to fare badly, even as it coexists with “a government that fares well” – a government that has liquidated the concept of nation and is far removed from popular yearnings, as recent headlines and studies⁶⁰ have shown, because “the poor countries pay the bill of globalization”. Brazil has “returned to the level of the 1970s: the income of a typical Brazilian has fallen from 21.6% to 15.5% of the average income in rich nations”. Recent data from the Instituto Brasileiro de Geografia e Estatística (IBGE) actually show an impoverishment⁶¹ of the country in 1999.

The Brazilian State has become hostage to the “subordinate extension of a global financial feast generating a new kind of colonialism: that of postmodernism, in which the concept of nation perishes in the periphery and semi-periphery and prospers in the countries of capitalism’s organic nucleus, among the debris of countries such as ours”⁶².

In Conclusion

In truth, the real Brazil, being no figment, obliges us to think. Our country’s poor have well-defined faces⁶³.

the Secretary for Urban Development and the Caixa Econômica Federal, both instruments to create jobs in the construction industry) and Agriculture and Land Reform (which should be coordinated with the Banco do Brasil to generate rural jobs) are poor and half-forgotten cousins. They are not part of the agenda”. See Alves, Márcio Moreira. “Questões de Pauta”, *O Globo*, Jun. 9, 1999, p. 4.

60. Nunes, Vicente and Paulo Silva Pinto. “Estamos mais Pobres”, *Correio Braziliense*, Mar. 28, 2000, p. 16. The authors quote studies by the InterAmerican Development Bank (IDB), showing an unmistakable reduction in income and an increase in differences.
61. Clemente, Isabel. “Renda Média do Brasileiro cai 7,9%”, *Folha de S.Paulo*, Dec. 23, 1999, p. 2/1. See also Barbosa, Flávia. “Trabalhador Fica Mais Pobre”, *Jornal do Brasil*, Dec. 23, 1999, p. 13. See also Negrão, Jurandy. “1999 foi um Ano de Empobrecimento”, *Correio da Cidadania*, month unknown, 2000, p. 9.
62. Genro, Tarso. “Um Governo que Vai Bem”, *Folha de S.Paulo*, Apr. 10, 2000, p. 1/3.
63. Reality reminds us of a description found in the conclusions of the Puebla Conference. See *Evangelização no Presente e no Futuro na América Latina: Conclusões de Puebla*, São Paulo, Edições Paulinas, 1979, p. 34.

They are the faces of the Indian nations, whose very survival is continuously threatened, and of the blacks who are discriminated against and must live as underlings. They are the faces of landless peasants, who clamor and struggle for a legitimate land reform in a country where land ownership was always a symbol of inequality and injustice. They are the faces of migrant workers who ramble through the country and abroad, without roots, in a desperate struggle for survival. They are the faces of chronically unemployed or of a new category, those who never held a worthy job. They are the faces of the young, frustrated in their yearnings and by the impossibility of finding their own space, whether in the countryside or in the city, and thus become an easy prey for drugs and violence. They are the faces of children who are poor even before they are born, who toil precociously as slaves, as prostitutes – abandoned and exploited in our cities, victims of social injustice and of the moral disorganization in the family. They are the faces of the elderly and the retired, treated as throwaway items. They are the faces of women, victims of prejudice and discrimination. They are the faces of those who suffer and wander without shelter, barely surviving in the nether regions of society.

The poor are the great asset an authentic project for a nation must preserve.

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