



President Fernando Collor

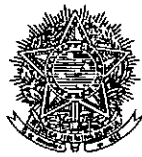
AGENDA FOR CONSENSUS

A Social-Liberal Proposal



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Federative Republic of Brazil



«A rapid glance through Brazilian history demonstrates that past experience urge us to embrace the opportunity offered by modern liberalism with its capacity to harmonize freedom, efficiency and equity. It is the opportunity for social-liberalism.

The time has come for the definitive elimination of the shameful combination of privilege and penury that, unfortunately, still characterizes our social structure.

Implementing the liberal position in contemporary Brazilian society means nothing less than a revolution.

A peaceful, democratic revolution led by a legitimate government born of the greatest manifestation of popular aspiration in the nation's history. However, at the same time, it calls for a profound rupture with the entire array of habits and mentalities at the core of Brazil's past existence.»

President Fernando Collor
Brasília, 1.5.92

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I

AGENDA FOR CONSENSUS: A SOCIAL-LIBERAL PROPOSAL

Why an Agenda for Consensus? Because the time has come to institutionalize the reforms, to define more clearly the methods and instruments that will make it possible for us to reach the goals of modernization and social justice desired by all Brazilians.

The great objectives, the true foundations of the agenda, are clear and based upon a broad consensus: control of inflation, reordering of public finances, restructuring and redefinition of the State, modernization of the economy, sustained development, fostering of social justice, environmental conservation and preservation of the cultural heritage, access to effective justice and the guaranty of public safety.

In a democratic State, pluralism is one of the postulates of the political order. Parallel to the constituted powers, political parties, unions, social organizations and the press, as the vital instruments of democracy, must engage themselves in

permanent debate to express the collective will of the nation, at each moment of history.

Consequently, the political imperative of sustained reform is broad grass roots support, involving the participation of people from all segments of society and, therefore, reflecting the position of a majority fully aware of the need for change. It is essential that society be mobilized to create and, as at present, to renew the sources of the legitimacy of the broad and radical meaning of the Brazilian modernization project, which encompasses the State's relations with society as much as it does progressive improvement of the quality of the productive structure.

To achieve this, the process of political decision-making must be permeated by the dynamics of the nation's strengths, transforming the reforms into a social creed, a doctrine freely assumed and enriched by society and, particularly, by the younger generation.

Thus, the urgency of a conscious and clear political philosophy, an expression of the ideas upon which coordinated implementation of the reforms is to be based.

This philosophy is rooted in the social-liberal idea, a formula that reflects the will to create a truly modern liberalism in our midst, with popular roots and national appeal. Evidently, it also reflects a decisive denial of statism, collectivism and the concept of an omnipotent manager State, of all discredited and haughty forms of protectionism, paternalism and populism that burden our society and hamper our full entry into modernity. At the same time, it is essentially different from that oligarchic and conservative vector that so powerfully marked the past of our nation and which still persists in the outmoded form of liberalism in relation to the social and national foundations of political life and historic change. Social liberalism, an ideology marked by a passion for freedom, in no way excludes -- but rather presupposes -- a pursuit of justice through a permanent effort to provide all with effective equality of opportunity and constant broadening of the social horizon of human rights. A liberalism of social advancement and not one of class-based exclusion. A liberalism that is simultaneously libertarian and egalitarian, that seeks to democratize the right to diversity as the foundation of a free existence.

Why is social-liberalism a matter of such urgency to Brazil and to Latin America today?

Because all other formulas have failed.

Conservative liberalisms have never been able to quench a changing society's thirst for development and modernization. Authoritarian modernization efforts presided over significant processes of industrialization but denied the principal fruit of progress to the masses: a decent standard of living. Closed political regimes suffocated freedom without ensuring the people of access to the consumption levels of an advanced industrial society. Demagogic solutions were no more than cosmetic in impact and did not attack the roots of problems nor provide for the needs of the population.

In short, even the solutions that seemed to respond more adequately to the challenge of combining freedom and justice in industrialized societies have reached their limits and demand renewal. The era of individualism, of advanced technology, of economic globalization and free wage bargaining, of neocapitalism, demands creative proposals to administer social situations that had not even appeared on the map of history until just a few years ago.

A rapid glance through Brazilian history demonstrates that past experience urges us to embrace the opportunity offered by modern liberalism with its capacity to harmonize freedom, efficiency and equity. It is the opportunity for social-liberalism.

The time has come for the definitive elimination of the shameful combination of privilege and penury that, unfortunately, still characterizes our social structure.

Social-liberalism embodies nonconformity in the face of misery, disease, ignorance and debasing need. It repudiates the insinuation that economic growth will automatically resolve them. Social-liberals do not resign themselves to the fact that Brazil has a diversified industrial structure that, in some sectors, is modern and competitive, alongside a social profile marked by extreme injustice.

This is social liberalism: a demand for the democratization of freedom. It is the alliance of economic liberalism -- still the best known form of creating wealth -- and social sensitivity. The tremendous political potential of a modernizing center-left is rooted in this alliance. A dynamic center equidistant from the narrow-minded right and the archaic, centralizing, statist left.

Implementing the liberal position in contemporary Brazilian society means nothing less than a revolution. A peaceful, democratic revolution led by a

legitimate government born of the greatest manifestation of popular aspiration in the nation's history. However, at the same time, it calls for a profound rupture with the entire array of habits and mentalities at the core of Brazil's past existence.

In more concrete terms, what are the paths to be followed by the social-liberal revolution? Obviously, the crucial point is the role of the State.

What does it mean to reform the State? In a few words, it is a qualitative modification of the State's relations with society, a broadening of its activities in the social field and a reduction of its direct intervention in productive activities and of the absurd quantity of regulations that hamper private initiative.

The defenders of statism claim that a liberalizing State reform would further sacrifice the most needy social strata by withdrawing government assistance. It is an allegation founded upon a sophism. As has been widely demonstrated in diverse studies such as those of the World Bank, the true beneficiaries of social expenditures in Latin America, including Brazil, have not generally been the needy segments of the population. The State's major financial outlays have, in truth, been channelled into supporting the bureaucratic apparatus and not its end-activities, such as efficient social services. And the Brazilian people, painfully aware of the bankruptcy of our social security system, have suffered the consequences.

When one analyzes the social formation of the Latin American countries, this distortion comes as no surprise. In the past, in a context of generally slow growing agro-extractive economies, business tended towards atrophy, commerce was concentrated in foreign hands and, consequently, public employment became the classic objective in life of the children of oligarchic groups. Vast numbers of people, ranging from the younger offspring of these groups to those of even less well-to-do families, sought public employment as the only feasible means of survival and prestige.

Thus, instead of unseating privileges, our bourgeoisie sought access to them. In this social framework, could any other term but privilege be used to describe public employment and, later, employment in monopolistic companies -- the extension of the dominance of mercantilism over the market, of State concessions over competition and of monopolistic profit over capitalist risk?

Generating the phenomenon of politically motivated job distribution, this mentality gave rise to a type of personal entitlement in the exercise of public functions. Employment is viewed as some form of lifetime retirement fund or, more precisely, as favors rendered and favors duly received, and clearly not as a merit-based function at the service of the community.

The good employees who effectively dedicate themselves to serving the public are stigmatized and, as a result, the best vocations are discouraged and wasted.

Among us, this historic legacy gave rise to the concept of the State as nest: far from being the instrument of the collective will in the noble effort of fostering the common good, the State was transformed into a warm and inviting refuge of private interests. In contrast to this, it is now our task to construct an authentic social market economy.

I began this article with a question: Why an Agenda for Consensus? I conclude with another: Why social-liberalism at this precise moment?

We are standing at a crucial moment in the implementation of the reforms destined to lead us to modernity. In the speech I presented at the Ministerial Meeting on December 23, I cited the objectives for which Brazilian society has already formulated a clear consensus. It is the start of a debate that must be broad in scope and mobilizing in impact. In this debate, the social-liberal proposal is the best doctrinal path towards a definition of the Agenda for Consensus. If we adopt it, we will overcome past bonds of self-interest and launch an indispensable stage in the Brazilian modernization project, better expressed as the renewal of our manner of political thought and action.

I intend to participate in this debate in various ways, one of which will be the systematic analysis of the overall guidelines of social-liberal thought. In doing this, I will present a number of themes for reflection, such as the role of the State; political reform and human rights; the educational revolution; a new economic model; payment of the social debt, and others that will be dealt with succinctly in following articles, always within the social-liberal prism which we could summarize in Keynes's famous words: "the political problem of humanity is to combine three things: economic efficiency, social justice and individual freedom".

II

THE ROLE OF THE STATE

In the first article of this series "Agenda for Consensus: A Social-Liberal Proposal", I presented the objectives to which Brazilian society aspires and which are at the core of that Agenda.

There is an element common to all of them: the State, on the one hand, as the object of necessary change and, on the other, as the instigator of policies designed to lead to economic and social transformations. For precisely this reason, I will deal now with the specific question of the role of the State.

The first essential element is that there can be no reform of the State without a clear concept of its role in the modern world. This concept is clear to social-liberals: the modern State must be less a producer State and more a promoter or provider State. Promoter of a development strategy, the sponsor of a national project capable of providing economic agents with a vision of the future trajectory of the economy and society, a calculation framework for the taking of private decisions. Provider of essential social services, ensuring education, health and basic sanitation to the population, particularly, the most needy, and provider of the conditions required to stimulate technological development as the foundation of society's material progress and of its effective efforts to eliminate poverty.

In all parts of the world, the producer State -- the heavy-handed and direct presence of an intervening State in the economy -- is in the throes of crisis. There is a universal shift towards decentralization of economic decisions, business autonomy, the give-and-take of market forces.

There is no desire here for a utopian return to a laissez-faire philosophy, an anachronistic solution in which the State would restrict itself to the function of maintaining social order. Such a solution is patently impossible since so many aspects of the modern economy and technology require material infrastructure and professional training of such breadth and cost that the State is the only entity capable of directly or indirectly providing them.

We are all aware that the great economic successes of the postwar period, such as Japan and the "Asian Tigers", did not adopt the principle of State economic control. They limited themselves to a strong presence of the State in the development model. Japan, in which the State controls 20% of the economy, and South Korea, where State control increases to 25%, developed within systems far from the very high levels of State intervention evident in most of the so-called third world nations.

The real dilemma is not the presence or absence of the State in the economy, for this question has been resolved in favor of the presence of the State since the end of the last century. Today's dilemma is different. It is a question of the nature of the State's presence: the omnipotent management of the producer State or the planning of the promoter State, an ally and not a rival of the marketplace?

Evidently, the concept of the producer State as the embodiment of State economic intervention has fallen into discredit. However, this does not mean that the State should relinquish its role as arbitrator or indicator of economic thrust, particularly in the developing countries. Though direct State management of the economy is obviously inefficient, strategic thinking and planning remain necessary.

As the producer State withdraws from the scene, substituted by the State as promoter of development, the State as provider of resources and social services comes to the fore. Only a financially sound State is capable of rechannelling its activities in the social sphere and, more specifically, of developing mechanisms that will lead to a more effective redistribution of income and national wealth. The obese State of today is replaced by the lean State in a position to foster productive investment. Only a financially strong State has the conditions required to achieve the two things that are essential to improvement in the living standards of the populace: with renewed investment capacity, the State indirectly generates a vast array of employment opportunities, transforming itself into an instrument capable of launching socially relevant programs on an unprecedented scale.

We must, once and for all, put an end to the semantic discussion of the concept of the "strong State" in Latin America. The truth of the matter is that a strong State does not mean a State at once authoritarian and impotent, as has dominated in Latin American statism of the right or left up to the recent past. It is the State that wins the respect of the citizenry by meeting its social demands

with efficiency, the State that transforms the taxes paid to the National Treasury by society into high quality social services.

In a framework of democratic authority and not of force, it is a State prepared to decide and arbitrate the problems that society is unable to resolve by itself.

An authoritarian State taken over and controlled by monopolistic sectors is not a strong State, but rather a weak, ineffective, puppet State in the hands of private interests. It is a State of increasing debility consequent upon its growing economic, social and political dysfunctionality.

The new State that Brazil must create is a State at the service of society and not the employer-State. And it is precisely this State that the social-liberals seek to construct.

At the present time, Brazil simultaneously possesses more State and less State than it needs. On the economic level, an overbearing excessive State presence suffocates the market economy. On the social level and in the sectors of science and technology, there is too little State as reflected in deficient, precarious and even inexistent services. Thus, the overriding need for reform of the State, in the interest of political freedom, economic development and social justice.

III

DEMOCRACY, POLITICAL REFORM AND HUMAN RIGHTS

My government bears the mark of democracy. Freedom is at the essence of its modernization project. The innovative and courageous measures adopted have been subjected to broad legislative debate and permanent judicial analysis. The Agenda for Consensus is one more step in the enrichment of Brazilian democracy. It is a summons to debate and, above all, to conscious participation.

We will change the nation if we democratically unite in our will to change. In this article, I offer some ideas on my understanding of modern democracy.

In the practice of democracy, social-liberalism recognizes a historic consequence of the liberal movement. In all the advanced nations, democracy was born of liberal institutions: freedom of expression and association, a free parliament, an independent judiciary, party pluralism.

Democracy is the system in which the people are periodically called upon to participate in an egalitarian manner in the choice of its governing and legislative authorities. It is the system in which freedom and equality are intertwined in such a way that popular sovereignty becomes the supreme source of all legitimate power. Furthermore, democracy is government by the majority, with due respect for minority rights. This eminently liberal characteristic presupposes that the exercise of democracy be founded upon strict observance of human rights.

The natural outgrowth of the unconditional defense of human rights is special emphasis on the question of access to justice, a right still frequently denied to the more needy segments of the Brazilian population. In this way, the State is progressively adjusted to the demands of the citizenry, the unquestionable target and beneficiary of all political activity.

Another crucial question that Brazilian society must decisively cope with at the most fundamental level of politics, is the debasing situation of abandoned children in this country, a problem to be resolved only through improved conditions for maternity and the family. No effort in the area of human rights will be sufficient or effective if it is not accompanied by the rendering of absolute priority to children and adolescents.

In a democratic system, minority groups are entitled to respect and consideration, with the elimination of all forms of racism, discrimination and bias. The just demands of women must be fully met.

In the Brazilian case, this respect for minority groups must, in a very special manner, encompass the indigenous populations. It is of fundamental importance that we obey the constitutional order to demarcate their lands and this administration has been doing just that to ensure that these peoples will have the opportunity to live according to the tenets of their cultures.

From the social-liberal point of view, one of the principal human rights in contemporary society is the right to information. On the part of the State, this requires transparency. A maximum and free flow of knowledge to the public on government acts and strategies is, at present, a democratic demand and essential to the age of liberalism in which we now live: the participation of the citizenry consolidates democratic culture and enhances the efficacy of government.

Social-liberalism is also deeply concerned with the question of pluralism. Without a legal and legitimate coexistence among varying currents of opinion and interest groups, a liberal society cannot exist. Without the political expression of pluralism -- the multiparty system -- there is no democracy worthy of the name. It is my belief that one should reflect profoundly upon the means by which we can perfect our party system, still marked by a measure of inauthenticity.

With the objective of providing our parties with strong and durable social roots and, thus, provoking a veritable revolution in the mentality of the political community, we should reflect upon the possibility of restructuring the electoral system, with the following ends: a) creation of a bond between the parties and the municipalist movement, one of the living forces of our national identity; b) establishment of a mixed district-based voting system for the lower house of Congress and town councils, thus correcting the disproportionate representative structure now found in the Federal Chamber of Deputies; and c) creation of mechanisms that would ensure a commitment on the part of the representatives of the people to the guidelines set down in political programs.

These are the fundamental prerequisites for the establishment of the parliamentary system which we defend as the instrument capable of perfecting our democracy and as a means to mobilize social forces around a single national project.

Social-liberalism is fully aware that the superiority of the democratic system lies in its power of self-criticism, for it offers society a regular and ordered means of correcting government errors and, for this reason, fully assumes democracy as a system of responsibility.

Free institutions, a democratic State under the rule of law, civil and political equality, autonomy and pluralism, respect for minority rights and human rights in general, access to justice, transparency and participation, political, party and electoral reform, responsibility and leadership --these are the core elements of

the social-liberal political agenda aimed, in final analysis, at leading the Brazilian political structure towards victory over the challenge of our social debt.

In the social-liberal framework, freedom has two major dimensions: the dimension of choice and the dimension of access. Without choice, access to social goods denies liberty and suffocates individuality. Without access, the free choice of opportunities in life, labor and leisure is converted into privilege and degrades democracy into oligarchy.

Social-liberalism has the objective of broadening and enriching the experience of choice through a decisive expansion of the mechanisms of access. And it is on the basis of this ethical-social inspiration that the social-liberals affirm their commitment to the republican ideal.

In Brazilian tradition, the republican ideal means federalism, municipalism, balance of powers, participatory citizenship, dignified public function. Above all, it means a civic spirit and uninterrupted combatting of corruption and nepotism. The republican spirit is the moral life source of social-liberalism, which, above all must be conceived of as an ethical liberalism.

It is in this way that social-liberals envisage democracy.

IV

THE ECONOMIC MODEL: DEMOCRATIC CAPITALISM

In my address to the nation on December 23 last, I spoke of the exhaustion of the Brazilian economic model and of the difficulties involved in choosing an alternative model. Thus, the Agenda for Consensus can serve as a political framework for a debate on the methods and instruments to be used in the building of a new model.

Social-liberalism has much to contribute to this process and proposes that the basic supposition of the construction of a new economic model be the objective of effectively advancing the progress and well-being of all. One should avoid the danger of creating a crazy quilt of corporativism designed to serve only minority interests, to the detriment of real development.

From the social-liberal standpoint, the problem of the economic model is essentially practical: it is a question of choosing the path that will most efficiently and most rapidly lead Brazil into a situation marked by more dignified and just standards of living for all.

In contemporary history, an objective evaluation of economic and social growth trajectories demonstrates the superiority of the decentralized economy, undergirded by the market and free initiative, powered by the profit motive and, consequently, willing to take risks and innovate with an effective openness to international trade flows.

Beyond a shadow of a doubt, democratic capitalism has been victorious in the battle of international competition among economic models from the triple point of view of efficiency, freedom and general prosperity. There is no "third way": much to the contrary, hesitation in following historically corroborated formulas and paths can only further retard the process of modernization.

However, social-liberalism does not have a naive vision of capitalism, but rather recognizes its inherent defects: cyclic instability that can lead to inflation and unemployment; a tendency towards monopolistic formation; and income inequalities.

These are precisely the factors that lead one to the need for introducing a social dimension into liberalism, defining ethical premises of improvement and correction. At the same time, these factors point to the necessity of a strong State, capable of providing economic agents with a very clear calculation framework, potentiating growth rates as one of the inherent inputs of capitalism, and combatting poverty and income inequalities.

In a constantly changing world that demands a permanent process of renewal, capitalism is the most efficient system and the essential means by which these inequalities can be overcome. It is also an element of indispensable importance to the culture of freedom: historically, political freedom has always been backed by an economy rooted in free initiative. If democracy was born of historic

liberalism, the latter has only flourished in the framework of the capitalist economy.

However, one must acknowledge that underdeveloped capitalist areas of the world still bear disgraceful scars of misery (scarcity of what is essential to life) and of poverty (scarcity of the freely chosen superfluous). Therefore, the construction of a new model demands the decisive introduction of a social dimension.

Recent studies have demonstrated that the market economy is the model most capable of incorporating real wage gains into the salaries of unskilled workers -- precisely that segment of the labor force most afflicted by poverty in the underdeveloped nations.

Capitalist development based on "labor intensive" growth is a more efficacious means of income distribution than redistributive strategies that will tend to hamper investment and capital formation. One must accept the fact that the future availability of capital is the long term source of greater prosperity for the worker class itself.

Capitalism has found the methods by which it can overcome its historic forms of conflict. In the developed market economy nations, progress and the practice of sustained negotiation among institutionally solid intermediaries has gradually eliminated the ideological contradiction between capital and labor. In practical terms, history has demonstrated to workers in developed capitalist systems that the so-called capitalist model is not necessarily their enemy and, to a great extent, this change has been due to the involvement of workers in production and in the mobilization and battle for improved living and working conditions, through the freedom of expression that is one of the hallmarks of democratic-capitalist systems.

Therefore, the option for the capitalist model must be a conscious choice: the model is more efficient, more free and will be more just if we are able to introduce the indispensable ethical qualification that the social dimension demands.

From the point of view of the social liberals, one must distinguish among the different existent forms of capitalism. Oligarchic-savage capitalism is in retreat. Modern democratic capitalism is moving to center stage. In the advanced industrial nations, the democratization of capital is a growing trend - a silent

revolution giving birth to vast contingents of stockholders. Privatization programs such as that adopted in Brazil are part of this movement towards the democratization of capital.

Another of the broad avenues towards the democratization of capital are land programs devoid of the archaic concept of collectivism. And, for this reason, such programs must be based on the spirit of social capitalism and carried out *pari passu* with the definitive modernization of the agricultural production structures of Brazil.

It is on the basis of a consensus as to the choice of the fundamental guidelines of the capitalism to which we aspire --modern, democratic, participatory, social -- that one must debate the guidelines of economic policy in a clear and rational manner, incorporating them as essential elements of the national project.

I firmly believe that there is a deep-rooted convergence between social capitalism and political democracy. We aspire to a robust and independent capitalism in which a distinction is drawn between the legitimate pursuit of profit and appetite for greed, between the authentic entrepreneurial spirit and mere speculative piracy.

This is the form of social capitalism that social-liberalism proposes to this national debate.

V

THE EDUCATIONAL REVOLUTION

Educational reform is the paramount theme of national modernization. Today's options will define the nation we desire for the future. For this reason, the theme of education requires active participation on the part of all, enabling us to build

that broad consensus that will form a bridge into a future capable of ensuring a dignified existence to all Brazilians.

Our task is not limited to the challenge of defining curricula, establishing priorities and allocating resources. To reflect upon education is to delve into the essence of the process of the formation of citizenship.

With a clear understanding of the social and cultural complexities of the educational system, social-liberalism is convinced that, in ultimate analysis, the battle for progress will be won or lost as a consequence of whether we are or are not capable of successfully implementing an educational revolution.

It was certainly not by chance that all of the great modernization processes of contemporary history hinged on broad and effective democratization of access to education. The pillar of the institutional and technological modernization of those processes was the expansion of basic education and improvement in secondary and higher learning.

The role of basic education is the crux of the problem. In the Brazilian case, it is the void with the most profound and inhuman impact among all facets of the nation's huge social debt to its people. Millions of Brazilian youth are condemned by an inefficient, ineffective and deficient elementary school system to frustration, empty lives that often lead to criminality.

The system not only perpetrates a permanent violation of the most fundamental rights of the citizenry, but also provokes a shameful waste of talent that could be placed at the service of the advancement of society and the enrichment of the personality of every Brazilian.

In the Law of the Child and Adolescent, we sought to focus on critical priorities in this area. With the building of the CIACS (centers where children receive schooling, nourishment and health care), we have initiated a revolution of mentalities and not just methods. Aware of the unavoidable ethical demand, we have demonstrated that priority must be accorded basic education and the building of citizenship, with privileged emphasis on the child as the still pliable raw material of the Brazilian of the future.

The educational problem cannot be resolved only through the determined action of the Federal Government. The Brazilian Constitution attributes responsibility for basic education to the states and municipalities, including both maintenance

of school facilities and the wages of teachers. The actions of the Federal Government cannot be taken in default of the other powers, invading their areas of responsibility. An adequate solution depends on united effort by the three levels of government with the solid backing of society as a whole.

A specific area that must be resolved is that of the deformities that characterize higher learning. The costs of public universities should be offset by performance, wages must be commensurate with competence and dedication and should depend not only on the number of students but on the quality of education and scientific production. By granting these institutions administrative autonomy and responsibility, it will be possible to expand access to higher education, improve its quality and renovate facilities, libraries and laboratories.

It is not enough to rechannel funding to the priority of basic education without, at the same time, regaining excellence and universality. In the process of deterioration of Brazilian education, one of the greatest losses occurred in vocational training, now almost inexistent and highly precarious, as teachers migrated to pre-university courses. The traditional role of the normal school was practically destroyed. Today, teachers not only receive low wages but are not even adequately trained for their function which is the single most important element in the modernization of the pedagogical process.

The Brazilian educational revolution must be founded upon a tripod of values: excellence, humanism and development. Without pursuing standards of technical and cultural excellence in both students and teachers, there will be no education worthy of the name. We will only overcome the challenge of the growing division of the world into producers of technology and mere passive consumers of modern techniques, and insert ourselves into the vanguard of modern societies, when we create a standard of technological capacity suited to the needs of Brazilian modernization and to the demands of the contemporary age.

We cannot confuse the practice of democracy with artificial egalitarianism or we will run the risk of discrediting the hierarchies inherent to the teaching profession and to the teacher/student relationship, jeopardizing the essence of the educational phenomenon as society's and the human being's quest for self-improvement.

From the social-liberal standpoint, self-improvement is both a collective and individual task. What distinguishes education from mere instruction is the scope of both basic and specialized knowledge. Evidently, it is here that education reveals itself in a cultural framework as the horizon of free individuality. Social-liberalism is a democratic humanism founded essentially upon its grasp of the ethical and cultural dimensions of development.

In summary, the educational revolution must be carried forward with a profound awareness that only the success of popular education and the renewed efficiency of higher learning will ensure Brazil of the two fundamental vectors of development: political democracy and economic efficiency, built upon updated scientific and technological structures and processes. Without education, the Brazilian masses will never scale the heights of mature citizenship and become fully conscious of the value of free institutions, with the consequent capacity -- that they so deeply deserve -- of accompanying the dynamics of modernity.

VI

THE ROLE OF CULTURE

In previous articles, I sought to define the principal characteristics of the social-liberal proposal. It is a position in which the State is neither interventionist nor neglectful. As a matter of principle, it eschews involvement in economic production since this is an area specific to private initiative, but does not hesitate to act in those fields in which it has inherent responsibility.

These are also the guidelines of a modern cultural policy, designed to maintain an equidistant position from State-sponsored cultural control and from orthodox liberalism.

The policy of cultural control is typical of 20th century dictatorships in their attempts to convert culture into an appendage of the State, an instrument of totalitarian power.

At the other extreme, the pure liberal State is radically non-interventionist. While ensuring freedom of expression --an element of utmost importance -- it believes that it is possible to apply the same laissez-faire principle of economic activity to cultural affairs. The type of cultural product that does not attract market acceptance must resign itself to being financed by a private Maecenas.

The dimension of citizenship is absent from both the model of State cultural control and from that of pure liberalism. In the first, man is the mere passive object of policy imposition. In the second, cultural rights are either not expressly recognized or are purely declaratory, in the absence of a policy capable of giving them life and substance.

A cultural policy founded upon the social-liberal proposal is rooted in the concept of cultural citizenship, considering it as an integral part of citizenship in its broadest sense. In opposition to State control, it supports the position that society is preeminent and prior to the State in matters of cultural life. Contrary to classic liberalism, it considers not only civil and political rights but gives equal emphasis to social rights with the aim of raising such rights to effective fruition.

What are these cultural rights? The answer is found in the Constitution which upholds the right to cultural memory, the right to cultural production and the right of access to culture.

The object of cultural memory is the heritage of the nation. Ignorance of this right produces institutionalization of social amnesia. All citizens can and should demand that the State adopt the policies required to preserve this heritage in both its material and immaterial dimensions, encompassing the entire range of diversity of the different civilizing currents that converge in the formation of Brazilian culture.

The right to cultural production is essential to the formation of autonomous personalities and creative nations. The State cannot substitute the individual in cultural creation, much less inhibit it through any type of direct or indirect censorship, but it does have the duty to contribute to the consolidation of the conditions required for the free exercise of this right.

In its turn, the right of access to culture is related to the utilization of the existent cultural patrimony. It is not enough to create. There must also exist a capacity to benefit from the culture produced. Vast contingents of the population estranged from society by material poverty, millions of illiterate people and, in general, those who have been victimized by a deficient system of education that does not transmit to students the knowledge required for them to gain an awareness of the spiritual wealth of Brazil and humanity are effectively deprived of the exercise of these rights.

The law of cultural support which I sanctioned on December 23 of last year is very closely tied to this concept of citizenship. Its purpose is to strengthen the means available to the government to impact the entire array of cultural rights. The exercise of the right to memory is facilitated by provisions that encourage investments in our cultural heritage; the right to production is given the material conditions required for its consolidation; the right of access to culture is recognized with the inclusion of the program of "contributing to facilitate all means of free access to culture" among its objectives.

There is no such thing as an autarchical cultural policy, for cultural rights depend on all other rights. The right to memory and the right to cultural production will only be fully solidified with renewed economic growth. The right of access to culture depends on measures of social advancement in the areas of health, nourishment and education that go well beyond the framework of a cultural policy. However, the reciprocal is also true. Social and economic modernization will be facilitated by the dissemination of a vigorous culture capable of instilling in all Brazilians that critical awareness that makes democracy possible, coupled with a sense of responsibility in the acceptance and sharing of the necessary sacrifices, without which there is no conscious citizenship.

This is the social-liberal proposal in the area of culture. Being a social proposal, it rejects the naiveté of a laissez-faire attitude that would condemn Brazilian cultural life to the law of the marketplace or to oligarchic appropriation by an elite. It is also a liberal proposal and, for this reason, vehemently repudiates the two adversaries of all liberal policy: paternalism, in which the State substitutes the individual, and authoritarianism, which submits culture to the whims of the power structure.

VII

THE SOCIAL-LIBERAL VIEW OF ECOLOGY

The speed of contemporary economic and social change demands convincing proposals for new problems, unforeseen in the classical analyses of socialism and liberalism. Today, any political doctrine worthy of acceptance must cope with questions related to ecology in a serious and competent manner.

Social-liberalism accepts the challenge and seeks to respond to the challenges of modernity in a coherent and creative way.

In a previous article, I called attention to the fact that access is one of the dimensions of freedom. Without universal access to social goods, free choice of life's opportunities in both work and leisure is converted into privilege and degrades democracy into oligarchy. Today, the meaning of freedom is participation and dignified existence.

Social-liberalism proposes that the right to an environmentally healthy environment should be included among the fundamental rights of man.

It then poses that ecological questions cannot be dealt with from an exclusively technical point of view, as if these involved only the mere pursuit of some simplified form of balance between Man and Nature, ignoring the fundamental conceptions of social relations.

In this framework, ecological matters are the starting point for new reflections on the very practice of democracy, on its meaning in a world marked by inequalities.

There are varied forms of environmental degradation. Some are conscious and are found principally in the highly industrialized nations as the result of a consumerism that has been dangerously transformed into the very rationale of progress. Others are unconscious and are the consequence of the battle for survival in the poorer areas of the planet.

In recent decades, the concentration of wealth and knowledge in the hands of the few has worsened both internally in the developing countries and at the international level. The dimensions of these disparities are mammoth: at present, the developing countries harbor 77% of the world's population, but only 16.8% of international wealth. In 1990, 93% of births occurred in the so-called third world nations. A full 1.2 billion people live below the poverty line and life expectancy averages 12 years less than in the developed nations.

If democracy is to fulfill the potentialities of the individual in his concrete historical circumstances, there can be no ethically acceptable democratic way of life while such dramatic inequalities persist on both a national and international scale. Solidarity must be the linchpin for the construction of a model of harmonious development.

The social-liberal proposal is an appeal to dialogue.

In the past two years, we have had the privilege of witnessing one of those rare moments in which an ideological universe has been interred by history. We witnessed the bankruptcy of the centralized economic system, leaving in its wake a trail of backwardness, inefficiency, environmental degradation, poverty and shortages in regions where abundance and prosperity could have flourished.

However, the mere triumph of the market economy is not sufficient to correct the distortions that torment us, not enough to lead us to the conception and adoption of a new development model capable of reconciling growth, well-being, social justice and respect for nature.

It is essential that we introduce the social dimension -understood in its broad sense - into economic liberalism.

It is here that one comes to the undeniable conclusion that there can never by an environmentally healthy planet in a socially unjust world.

It is not a question of ignoring the evidently praiseworthy objectives of well-being fostered by material progress now fully experienced only by a privileged few. We know now, however, that over the long term it is impossible to maintain the standards of consumption and waste of the wealthy nations. How, then, is it possible to transfer these standards to the underdeveloped nations when the physical and financial resources are inexistent?

It is for this reason that one must totally rethink the very concept of progress, shifting to a concept that is not summarized in mere growth statistics but which, aside from improvement in the social indicators of the majority, also includes a real and effective concern with environmental protection.

There are no easy answers to these questions: we know that a reversal of the present situation of inequality and ecological degradation will demand adoption of a new development model that incorporates the vision of the earth as a living organism gifted with limited biophysical resources.

We must redefine objectives, altering the very system of measuring progress. Founded upon deep-rooted democratic and humanist concepts, the social-liberals believe that the well-being of the citizenry can be better measured when the dimension of the economic aggregates is associated to the degree of freedom and justice, to the level of the social and cultural wealth of the nation, to ethnic and racial integration, to environmental preservation, in short, to all the elements that effectively express the happiness and fulfillment of a people. This would provide us with a more human and sensitive indicator which we could perhaps define as the "National Product of Well-Being".

One thing is certain: Social-liberalism is a political-economic philosophy that seeks to reconcile individual freedom, economic efficiency and social justice and, consequently, is capable of contributing to the conception and implementation of this new model founded upon the principles of sustainable and egalitarian development that safeguard not only present generations but also those of the future.

Thus, social-liberalism offers us the bases for a dialogue that is essential to the future of the planet. By its geographic dimensions, the importance and variety of its ecology and the fact that it will host Rio-92, the premier moment of the environmental debate -- Brazil has a decisive contribution to make to this united effort in pursuit of a new stage in the relations between Man and Nature.

VIII

OPEN DEBATE

The ideas expressed in this series of articles on social-liberalism owe much to José Guilherme Merquior, a vigorous defender of the liberal position that affirms that permanent dialogue among free men is at the core of the noble art of politics. I intend to be faithful to this position.

The liberal vision was decisive in the construction of the contemporary world's great nations and it will be just as essential to the transformation of Brazil into a modern and just country.

My motivation is my immense faith in Brazil, in our talent, in the strength of our determination, in our capacity to live democratically and, above all, to implement the transformations we all desire.

The nation has already initiated a process of fundamental change. Our public agenda is in tune with the modern age and, therefore, with society's expectations. The goals are clear: uproot privileges, create equality of opportunity, put an end to the obese and inefficient State as nest, and release the pent up living forces of society for the building of modernity within the parameters of a social market economy. We must move forward and the social-liberal position should be the compass guiding the definition of our future steps.

In democracies, government is responsible. It must permanently be at the service of the citizenry. In today's context, the responsibilities of my office cannot be restricted to the simple carrying out of government policies, though I have sought to implement these policies with effort, much labor and dedication, a desire to succeed, to achieve permanent improvement. The challenge before us is greater than this and demands that those in positions of authority stimulate a wide-ranging debate on the objectives that must rule our quest for modernization.

The ideas presented in these articles have no intention of originality nor of taking on an academic guise. They are not imposed rules nor fully refined truths. Their greatest merit is that they reflect systematic guidelines for understanding

some of the basic themes of national reality and I have no doubt that they are shared by many Brazilians of diverse ideological and party backgrounds.

Social-liberalism represents a natural consequence and confirmation of the proposals born of the presidential campaign. With the experience of two years of government, they have been further enriched. The opportunity has arisen to take them up once again, for the current political moment is propitious to their discussion. If we are to move into a new stage of the political process, defining the instruments that will give form to the national objectives of modernization and social justice, it is essential that the debate be guided by doctrinal criteria.

Self-interest, the short term, favors rendered and received, immediacy, all of these must be shed from the political debate, for they can only harm a truly national project. The first step in this project is precisely that of changing the very nature of our political action, nourishing it with ideas and an integrated vision of the future.

Acceptance of pluralism is at the core of the liberal argument. The best political solutions are those born of discussion, of the conflict of opinions and interests. In political terms, we stand at a moment in which social-liberalism represents a convocation to raise the political debate to new heights, to transform it into an instrument for the fine tuning of our ideas.

Ideas can always be the object of evaluation and improvement. They resist situations of immobility, while suggesting dynamism and change.

The social-liberal vision of the world can be summarized in a conviction: that it is possible and necessary that Brazilian modernization be carried out under the aegis of the ethics of freedom, the spirit of historic change in our times.

For more than one hundred years, our greatest historical figures have identified privations in Brazilian society. A decade before the Republic, Rui Barbosa utilized strikingly current terms to condemn the Brazilian educational deficit, our lackadaisical performance in preparing the citizens of Brazil. A few years later but still in pre-abolition times, Joaquim Nabuco clearly perceived that the situation of the Brazilian masses at the social and material levels was marked by chronic problems that would last long beyond the formal abolition of slavery.

Today, democratic freedom has made it possible for us to come to unhindered knowledge of ourselves, with all our profound privations. The reality is

transparent and dramatic. Radical change is demanded in areas that touch our ethical sensitivity, such as the situation of our children and adolescents.

At the same time, democratic freedom offers us the path needed to bring our best historic project to fruition, not as the product of the authoritarian imposition of the few but as the result of the authentic collective national will. Far from unilateral solutions in which the quantitative prevails over the qualitative and the global nature of national imperatives is forgotten, it will permit us to create solutions that give due account to the common good and the higher aspirations of the Brazilian people.

At a time in which the nation prepares itself to cope with the political, economic and technological challenges of a new era in world history, we must ready ourselves in thought and action to respond fully to all the dimensions of freedom in its most modern conception.

The new Brazil, the authentically modern Brazil, is fully aware that the path to modernity must, above all, be based on policies capable of ensuring effective, rational and full integration of the Brazilian population into the living standards of the more developed countries. Exaltation of developmental feats makes no sense. Until the Brazilian citizen is able to live in dignity, we will never be a truly developed nation.

Social-liberalism offers ideas for achieving our objectives. It is guided by the search for freedom and attainment of an ethics that is essentially social in scope.

With the social-liberal vision, we labor to correspond to the challenges of our time through the instruments of creative political ideas capable of fully transforming the great western values into reality among us. Social-liberalism will render a great service to the nation if it is able to construct a vigorous and enriching conceptual foundation upon which the economic dynamics of the nation are placed solidly at the service of the pursuit of solutions to the grave social problems that still scar Brazilian society.

The ideas have been placed before all, the time for debate is upon us.

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