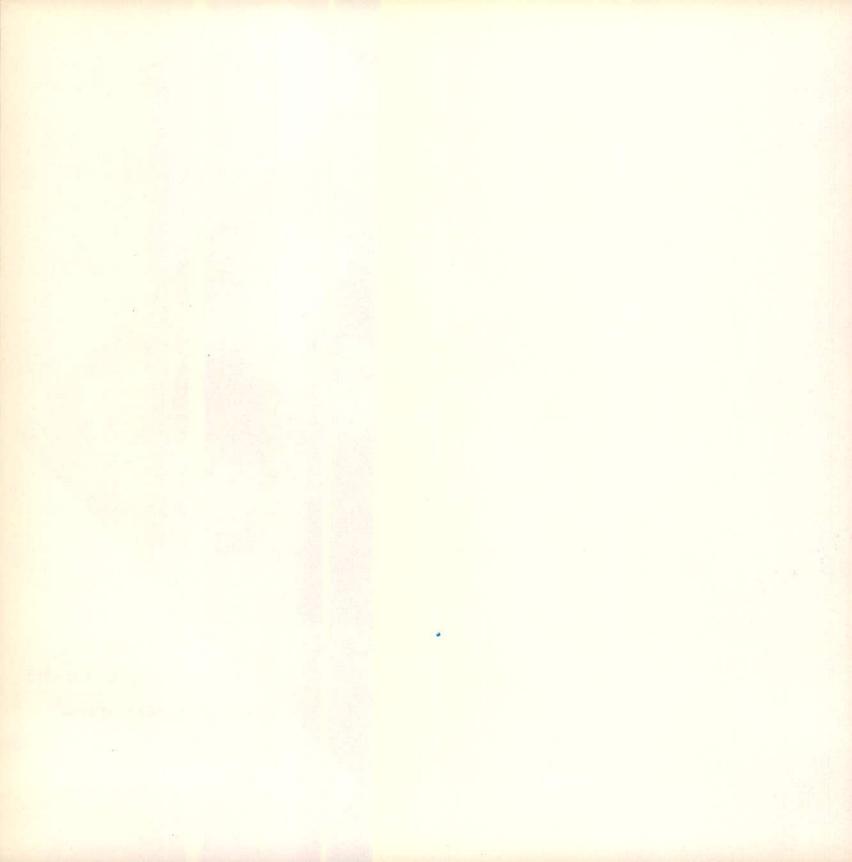


Copenhagen+5 - Special Session of the General Assembly of the United Nations for the Assessment of the Implementation of the Results of the World Summit for Social Development. Geneva, 26-30 June, 2000.





# Commitment I To establish a structural environment fitting social development Commitment 2 To eliminate poverty and fight social exclusion Commitment 3 To adopt the full-employment target as a priority of economic and social policies Commitment 4 To foster social integration, the protection of human rights and the elimination of any form of discrimination Commitment 5 To promote full respect for human dignity and the conquest of equality and equity among women and men Commitment 6 To render access to quality education and to physical and mental health care universal Commitment 7 To speed up the development of economic, social and human resources in Africa and in less developed countries Commitment 8 To make sure that structural adjustment programmes include socialdevelopment targets, particularly those related to the struggle against poverty and exclusion Commitment 9

S

To significantly increment and more efficiently use resources assigned to social development

# Commitment 10

To increase and reinforce actions aimed at international, regional and sub-regional co-operation for social development

# Conclusion



# PRESENTATION

On signing the Declaration on Social Development and the Programme of Action of the Copenhagen Summit, in 1995, Brazil and other countries undertook, vis-à-vis of the international community, commitments to be integrated to their national goals in the following years.

Along this period of time, Brazil - Government and society - have truly endeavoured to fulfil the ten commitments agreed upon, although in the midst of vicissitudes and turbulence brought about by two serious international financial crises and having to consolidate the recently achieved stability of its currency.

Indeed, the end of an inflation that poured its most evil effects over the vulnerable and excluded sectors of the Brazilian population is the background against which the country begins to build a less unfair society.

This report describes in a succinct manner the main contributions of the Federal Government to the fulfilment of the commitments undertook five years ago, in Copenhagen.

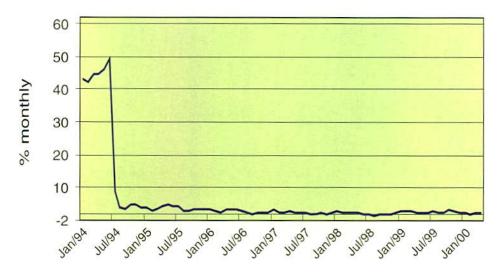


# The achievement and consolidation of economic stability, at the end of an inflation that reached the annual average of 1.100%, from 1980 to 1993

By putting in place the economic stabilisation plan and by introducing a new currency - the real - starting in 1994\*, the rate of inflation was drastically reduced. In 1997, the annual rate was 5%. And in 1998 less than 2%, the lowest rates of the whole second half of the century. In 2000, the Brazilian inflation is expected to range around 6%. The comparison between the price of the basic basket and the minimal wage shows that since 1996 the minimal wage has been higher than the price of the basic basket.

G r a p h 1 :

Variation of the rate of inflation - Brazil 1994-2000 - Prices Index (IPCA)

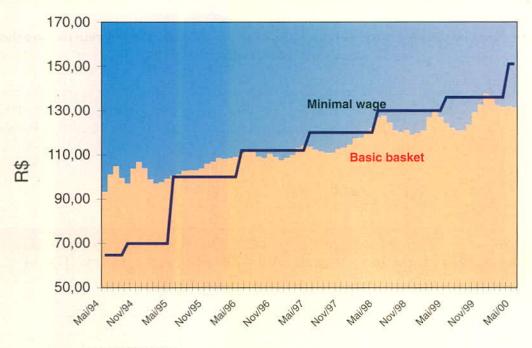


Source: IPCA/IBGE.

<sup>\*</sup>For the purposes of converting Brazilian reals into US dollars, an average foreign exchange rate in effect since the adoption of a floating exchange rate can be used. Between January 1999 and May 2000 that rate was U\$ I = R\$ 1,81.

# Graph 2:

Variations in the prices of the basic basket vis-à-vis of the variation of the minimal wage - Brazil 1994-2000



Source: PROCON/DIEESE.

# The opening of the economy

The closed economy, based upon the import-substitution model, in force until the end of the 1980s, was replaced by an open economy, one that modernises in order to compete. The deepening of the integration within MERCOSUL became a strategic goal for Brazil, in order to strengthen the country's position and that of its companies, in more comprehensive processes of integration to the world economy.

# The establishment of a sustainable fiscal regime

Two major reforms and one act have established the conditions for the resumption of control over the two main aggregates of the public sector primary expenditure.

The reform of Social Security corrected the most serious unbalances of the retirement regimes, particularly that of private-sector workers. Retirement based upon tenure, a rule virtually obsolete world-wide, was replaced by retirement based upon the period of contribution. In addition, a minimal age for retirement in the public sector was established, and a substitute having equivalent practical effects was defined for

private-sector workers. Thus, the minimal bases for the long-term equilibrium of the system were put in place, maintaining the programmes of direct income transfer financed by Social Security, on a non reimbursable basis, for the benefit of the most vulnerable segments of the population, amongst which the elderly, the disabled and circa six million rural workers.

The administrative reform has instituted instruments meant to legally limit the personnel-related expenditure, a particularly serious problem in the sub-national spheres of government.

A general public-finance act, approved early this year, regulates expenditure and indebtedness at the three levels of government: the Union, the states and municipalities. The Fiscal Accountability Act is the broadest institutional framework of the fiscal regime being created, and corresponds to a true revolution in the political practice pertaining to the transparency and accountability of the management of society's resources by the State.

### The restructuring of the financial system

An extensive programme, led by the Central Bank, has allowed the financial system to adjust to the low-inflation environment without undergoing traumas. The programme has increased the participation of foreign institutions, and currently the financial system is structurally more solid and apt to perform its role of promoter of savings.

### The re-definition of the role of the State

The process of privatisation and of concession of public services was intensified, highlighting the energy, telecommunication and transport industries. In those sectors in which the State has ceased being present as an entrepreneur, progress has been achieved in the establishment of regulation agencies and regimes that foster competition and ensure channels for the expression of the demands of consumers. The conditions for the resumption of growth were thus created, in the sectors of infra-structure, previously strangled by the loss of the State's financing ability, the instruments for the preservation of public interest having been preserved.

The telecommunication sector is a typical example, although not the only one, of such changes. Targets were set forth in terms of universal services, thus democratising access to telephone services: the number of mobile phones leaped from less than one million, five years ago, to circa 15 million, in late 1999.

The economy as a whole has modernised and became more competitive. The volume of foreign investments rose from U\$ 2 billion, in 1994, to U\$ 30 billion, in 1999, including the revenues of privatisation.

Within this process, the gains in terms of quality and productivity highlight, in contrast with the situation prevailing in the late 1980s. Using as a reference a study that gauges the productivity in the transformation industry, one notices that the productivity of work had an increase of over 90%, between 1991 and 1998, corresponding to an average increase of circa 6% a year.

# Radicalising democracy

The deep reforms the Brazilian State is going through were underscored after 1995, but they are still far from completion. In Brazil, the thrust to reform the State is based upon the imperative of radicalising democracy. For two decades (1964-1984), the country experienced authoritarianism, focused on the almighty State as the engine of industrialisation and defocused from the social issue. In the 1970s, when the Brazilian "economic miracle" associated high rates of industrial expansion and income concentration, the official rhetoric used to say that first one had to let grow the cake of national wealth, to divide it only afterwards.

The sustainable development project, starting in 1995, is based upon the belief that Brazil may have, at the same time, growth and social inclusion, within the framework of democracy and operating within the conditions of a market economy. Concepts such as those of equity and equality of opportunities started governing the definition of public policies.

New mechanisms of interaction between Government and civil society were created. The process of decentralisation gained momentum, a process that valorises the activities of states and municipalities and democratises the process of transfer of federal funds in the social domains, particularly those of education and health. The space of participation of society expanded, both in the allocation and in the control of the use of public funds, by means of councils and permanent partnerships with the community.

The ever growing pressures from civil society, at the same time as they force the broadening of the public and democratic space, struggle against the historical ills of an elite-oriented attitude, of local authoritarianism and of client-oriented political cliques, as well as exacerbated corporation spirit and undue influence by major economic conglomerates.

The requirements of universality and transparency, however, still meet with resistance, whether from bureaucracy, used to not reporting to society, whether from private groups, built under the protection of a traditional patrimony-based culture that craves for profit, preferably with official subsidies, but abhors competition. That is why democracy in Brazil is not only a new reality, but also an evolving one. It has to be completed and re-invented, thus consolidating a set of values and a way of living together apt to pave the way for the pacific transformation of society.



# The struggle against inflation, economic growth and the reduction of poverty

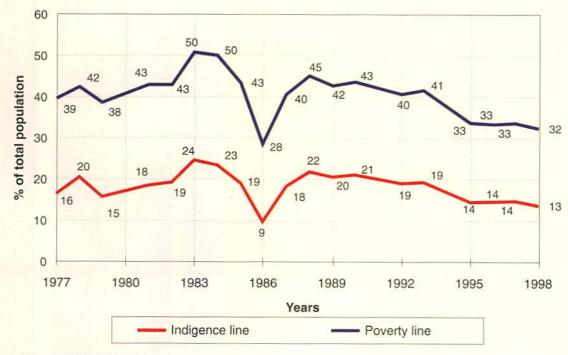
From 1993 to 1999, the Brazilian GDP has expanded at an average rate of 3.1% a year, and the per capita income rose by 1.7%. These figures are better than the ones obtained in the 12 previous years, when the GDP grew in average only 1.4% a year, and the per capita income dropped by 0.5%.

On account of the stabilisation of prices, the amount of poor people has expressively diminished during the last decade. In 1990, 43.8% of the total population of Brazil were poor (63.1 million people), a contingent that has diminished to circa 32.7% (50.1 million people) in 1998. During this period, therefore, 13 million people crossed the poverty line.

The dramatic situation of indigence was also mitigated. In 1990, 21.3% of Brazilians (32.6 million people) were indigents - a little over one in every five. In 1998, the contingent of indigents had reduced to 13.9% of the population - 23.1 million people or one in every seven Brazilians. This means that, in eight years, 9.5 million people were rescued from absolute poverty.

G r a p h 3:

Proportion of the poor and the indigents over the total population - Brasil 1977-1998



Source: PNAD, 1977-1998 Preparation: IPEA.

### Income distribution

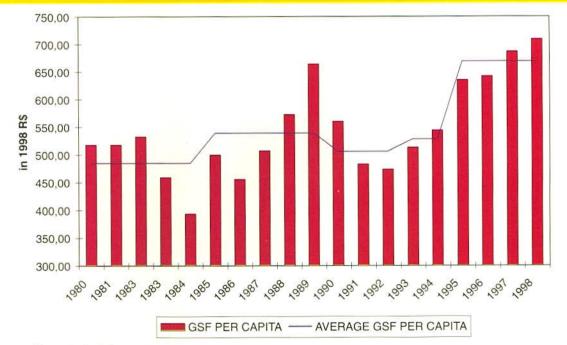
The GDP per capita, calculated in U\$, moved from U\$ 4.542, in 1990, to U\$ 4.793, in 1998. However, the situation of income concentration has changed little, which is a crucial problem for any strategy of struggle against poverty and of promotion of social integration in Brazil. The Gini coefficient showed only a slight improvement. It was 0.618, in 1990, and 0.601, in 1998. The persistence of this situation in terms of income concentration requires government and society itself to strengthen active policies leading to greater social justice.

# More investment in social policies

Brazil presents quite significant figures in terms of social expenditure as a percentile of GDP - about 21%, in 1995. It is an expressive investment, if compared with those of some Latin American countries, such as Costa Rica (20.8%), Argentina (18.6%), Chile (13.4%) and Mexico (13.1%). As of 1993, even facing the requirements of the fiscal adjustment and in the midst of the international financial crises, Brazil increased the federal social expenditure, from R\$ 77.7 billion, in 1993, to R\$ 114.7 billion, in 1998.

Likewise, the *per capita* federal social expenditure confirms this trend of sustained growth. From R\$ 515.2, in 1993, it moved to R\$ 710.7, in 1998. Considering the average *per capita* federal social expenditure in different administrations since 1980, the highest average social expenditure in the last two decades was registered in the period between 1995 and 1998.

# G r a p h 4: Evolution of the per capita federal social expenditure - Brazil 1980-1998



Source basic data:

(1) to 1992, Balanços Gerais da União, FPAS, FGTS and others.

(2) from 1993, Balanço Geral da União and SIAFI/SIDOR.

Preparation: IPEA.

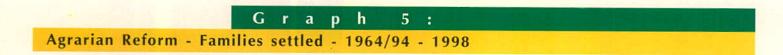
# Broadening access to State basic services and to durable goods

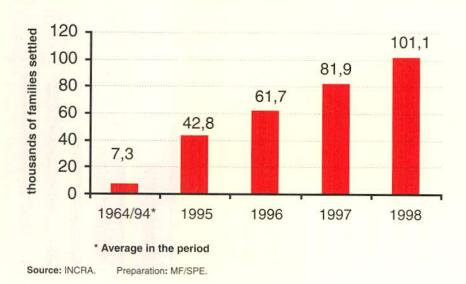
The proportion of homes having access to appropriate water-supply services grew from 75%, in 1992, to 81%, in 1997; to sanitation sewage services, from 52% to 59%; to electric-power services, from 88% to 93%; and to garbage collection services, from 64% to 74%.

During the same period, the access of the poorer population to the resources of modern life and to durable consumer goods has also increased. Only 1% do not own a stove, 3.6% do not own a television set, 9.3% do not count on a radio set, and 20.6% do not own a refrigerator.

### The democratisation of access to land

As from 1995, the most important agrarian-reform programme of Brazilian history has started being implemented. In five years, circa 373 thousand families have received a plot of land and 13.2 million hectares - an area equivalent to three times the territory of Switzerland or nearly half of Italy's - were either expropriated or purchased by government. Until the beginning of the decade, the monthly average of families settled was 606; during the last five years, it has risen to six thousand families a month.





### The struggle against hunger and infantile malnutrition

The main programme is the school snack, which ensures 36 million meals a day to the students of the public teaching network during the two hundred days of the school year. Starting in 1995, a broad programme of distribution of basic foodstuff baskets to poor families in the 2000 poorest municipalities of the country has been established. In 1998, circa 30 million such baskets were provided.

The Programme of Struggle against Nutritional Insufficiency, of the Ministry of Health, carries out specific efforts of assistance to malnutrition-ridden children between the ages of six to 23 months and to pregnant women risking malnutrition. It involves the encouragement of breast feeding, nutritional surveillance, the supply of one litre of milk a day to children under the age of two and of a tin of soybean oil per month. Out of the 5.507 Brazilian municipalities, 4.722 participate of the programme, encompassing a universe of 845 thousand children, in addition to pregnant women.

# The expansion of programmes of assistance to children

Developed in partnership with non-governmental organisations, this programme has served 1.4 million poor children in day-care centres and kindergarten schools, in 1999, at the cost of R\$ 241 million, without counting the service delivered by states and municipalities. With funds that amount to R\$ 1.163 billion, the programme is intended to benefit - by 2003 - circa 1.8 million children from day-care centres and 1.1 million children enrolled in elementary school every year.

### Assistance to the disabled

The programme for Care of the Disabled is meant to ensure the rights of the disabled and to protect people having some physical or mental disadvantage against discrimination. In 1998, circa R\$ 65 million were mobilised in activities aimed at diminishing the social exclusion of over 120 thousand disabled persons. In partnership with companies and non-governmental organisations, a series of efforts is being developed aimed at reducing the amount of disabled people that cannot work, at socially integrating the disabled and at improving their everyday life.

# Assistance to the elderly

The programme of Valorisation of the Health of the Elderly, in addition to promoting the health and the functional independence of people over 65, contemplates social-assistance efforts meant for the most destitute layer of this age group. The assistance activities for the elderly in institutions, socialising centres and home-care have benefited circa 265 thousand people, in 1999, with an expenditure of R\$ 27 million.

Among other actions developed, the following highlight: the training project for people who take care of the elderly; the Walk for a Healthy Ageing, with the estimated participation of 500 thousand elderly people, and the National Campaign for Vaccinating the Elderly, that reaches 85% of the population over 65 - circa nine million people.

# Support for minimal-income programmes

The establishment of minimal-income programmes, so that the poorer families may keep their children at school - thence the best known name of school-scholarship - has been rapidly incorporated to the Brazilian social rights. Experiences of this sort have been developed in several municipalities.

Due to their nature, such programmes can only be developed at local level, in a decentralised manner, due to the dimensions of the country and to its enormous diversity. Furthermore, these programmes require public control and the commitment of communities. The federal government, however, has an active presence, in terms of normative, logistic and financial support, particularly in the poorest municipalities.

There are currently in existence two such programmes, Union-wide - both put in place starting in 1995. The first one is that of struggle against child labour, to be dealt with below. The second one, more recent and totally decentralised, is aimed at assisting the poorer municipalities in the implementation of the school scholarship. The federal government transfers half the total cost of the municipality programme, according to the calculation formula established by law. The value of the monthly benefit granted varies according to the per capita income of the poorer families and to the number of children in school age. When fully in place, the programme shall serve over three million families, with funds of R\$ 1.5 billion per year.

### The elimination of child labour

Established in 1996, the Programme for the Elimination of Child Labour - PETI withdraws children between the ages of seven and 14 from debasing and risk activities, particularly in quarries, sugar-cane plantations and charcoal factories. The families of children selected by the programme receive from the federal government a monthly allowance in moneys, against the commitment that children will give up work and start regularly attending school. In late 1999, PETI was already assisting 145 thousand children in eleven states in the country. The target for 2000 is to assist 362 thousand children, and 866 thousand in 2002.

Children in situations of poverty, desertion and social exclusion also find support in Programme Brazil Citizen Children, which has invested R\$ 103 million, only in 1998, in assisting 431 thousand children and teenagers in the ages of seven to 14. The programme offers educational, health and professional-training services.

Finally, the Programme for the Struggle against the Sexual Abuse and Exploitation of Children and Teenagers, which encompasses actions of the Ministries of Justice, Education, Health and Culture, counts on R\$ 32 million, and intends to serve, by 2003, 17 thousand children with an extended school-attendance time. Campaigns against the exploitation of infantile and juvenile sex tourism have been regularly organised, in order to inhibit this sort of appeal still used by some tourism promoters.

# Assistance to youngsters in situations of risk

Youngsters under 24 from poor, low-income communities, in situations of personal and social risk have started receiving specific assistance by means of the Centres of Youth programme, which offers sport, leisure, education and culture activities. Eighty-six such centres are already in existence in several cities. They were established with federal-government funds and with the co-operation of states and municipalities. The goal is to put in place 1.050 Centres of Youth by 2003, giving priority to the poorest municipalities.

# Unemployment insurance and salary bonus

Wage earners receiving less than two minimal wages a month are entitled an annual bonus for the amount of one minimal wage. Over five million workers benefit from this salary bonus. Added to unemployment insurance, over R\$ 5 billion are directly transferred to workers every year.

# Rural social security

It is the biggest agrarian and minimal-income programme in the country. It ensures a monthly income of one minimal wage to male and female peasants, even if they have never contributed to the social security system. Six million workers receive retirement benefits or pensions from the programme, at an annual cost of R\$ 9.8 billion, funded by the social security budget.

From 1991 to 1996, rural social security experienced an enormous expansion: the volume of funds has increased by over 300%; the number of

beneficiaries by over 50%, and the average monthly value of pensions and retirement benefits has almost trebled. In addition, the income of the peasant couple has doubled, because, starting in 1993, women are also entitled the benefit.

In small municipalities of the poorest regions, the number of participants of the programme reaches 20% of the population. If the beneficiary has one more family member as his or her dependant, which is common, almost half the inhabitants of those towns will find in rural social security the guarantee of a minimal income. The extension of this programme, associated to the stabilisation of the economy, has reduced the participation of rural poverty in the overall framework of poverty in the country.

# Modernisation of the social assistance policy

Starting in 1996, other programmes for the direct transfer of income have been created, under the Organic Law of Social Assistance - LOAS, which allowed the extension of a minimal-income support to the most vulnerable sectors of society. The concept of social assistance is now associated to permanent public efforts ensuring the exercise of basic social rights to groups affected by varying modalities and degrees of exclusion, such as the elderly and the disabled.

A deep institutional reform started the process of modernisation of the Brazilian social assistance policy. Decentralisation became one of the essential aspects of this new policy. Anticipated by the Constitution of 1988 and by LOAS, its implementation began after the extinction of the Brazilian Legion of Assistance - LBA, in 1995.

The quality and efficiency gains were immediate. A client-clique based organisation established in the 1950s, the LBA was, for decades, the body in charge of the management of agreements with philanthropic organisations for the provision of assistance to children and to the elderly. The LBA used to consume enormous amounts of public funds without presenting compatible results in terms of efficiency. In fact, the LBA was but a mechanism meant for granting political favours and for centralising policies, susceptible of corruption.

In 1995, the LBA was replaced by the Secretariat for Social Assistance of the Ministry of Social Security and Assistance, which currently carries out, in a decentralised manner, the main government actions in this domain. In addition to decentralisation, the qualitative progress of the Brazilian social policy in recent year was fostered by the introduction of social-control mechanisms and of instruments of external assessment of efforts carried out. All income-transfer programmes created ever since have incorporated this approach.

### Minimal income for the disabled

Ensures the disabled having a per capita family income of up to 1/4 of the national minimal wage a monthly allowance for the amount of one minimal wage. Over 1.3 million people receive this benefit, at an annual cost of R\$ 1.5 billion.

# Minimal income for the elderly

There are two types of benefits for the elderly: the monthly income for life for those not having any other permanent source of income, granted since 1974 and by way of becoming extinct, and the programme for the guarantee of a minimal income, which is gradually replacing the previous system. Created in 1996, under LOAS, the minimal-income programme ensures to the portion of the elderly population having a per capita family income of up to 1/4 of the minimal wage the benefit of a monthly minimal wage. The current coverage of this segment of the population, currently 79%, is intended to be expanded, in order to reach at least 90% of the target population by 2003.

As a whole, only the federal programmes of direct income transfer move over R\$ 17 billion a year, that is circa 2.4 % of the 1999 GDP, and represent socially desirable forms of utilising resources of the National Treasury and of social security.



The current concern with unemployment has acquired unprecedented dimensions, in previous periods of Brazilian history. In December 1994, within the euphoria that followed the successful implementation of the currency stabilisation plan, the rate of open unemployment dropped to 3.4%, the lowest in the decade. Shortly after, however, in the trail of the financial crises of Asia and Russia, the Brazilian economy practically stopped growing, and the unemployment rates started rapidly rising, in 1998 and 1999, having gone beyond the threshold of 8%, which had not happened since the deep recession of 1981.

Starting in 1995, in order to face the challenges and dilemmas of the Brazilian labour market, a comprehensive and politically articulated set of employment public policies began to take shape, as described below.

# The Fund of Support for Workers

The basic instrument for the implementation of employment public policies has been the Fund of Support for Workers - FAT, established by the 1988 Federal Constitution and funded by revenues collected from private enterprises and institutions. With assets of R\$ 30 billion, FAT allows the conjugations of multiple possibilities of enforcement and therefore of management of policies geared to the labour market.

The Fund accounts for the financing of the unemployment-insurance programme, it finances investment projects, through the National Bank for Economic and Social Development - BNDES, and represents the main source of funds of the programmes aimed at professional qualification and at the generation of employment and income. The existence of FAT is a feature that differentiates Brazil from other countries, which traditionally funds such actions with resources coming from contributions on payrolls.

The strategy for the execution of employment public policies is based upon the construction of decentralised partnership networks. These networks involve federal official financial institutions, the state and municipality governments and society at large, by means of the Deliberative Council of the Fund of Support for Workers - CODEFAT and of the state and municipality employment committees. In addition to CODEFAT, which represents a successful experience of tripartite and parity based management of a public fund, there are currently in existence employment committees in all Brazilian states and circa 1.300 municipality committees - all of them equally tripartite and parity based - with representatives of government, of the employers and of workers.

The emphasis of the employment policies befalls active policies, geared to an increase in the number of people employed and of the quality of jobs generated. Within this group, it is worth highlighting the national programme for manpower training and development, a pioneer initiative that began in 1996, and the different programmes of support to the segment of urban and rural small-sized enterprises, with a special mention to the micro-credit programmes, geared to family agriculture.

Part of the programmes of support for small and micro enterprises already existed and was improved in terms of their format and operation conditions, in addition to having been financially reinforced. Other programmes represent new initiatives, at least in terms of the scope they have acquired. Such is the case of micro-credit programmes, that started being developed by federal state-owned banks, aimed at strengthening individual self-supporting ventures, by multiplying them and causing them to migrate into the formal sector of the economy.

### The Guarantee Fund for Tenure

Among the passive policies for the labour market, in addition to the unemployment insurance, one of the most important institutes is the Guarantee Fund for Tenure - FGTS, made up of mandatory contributions of employers on the payroll. The capitalisation of these portions, corresponding to 8% of the gross salary of workers, ensues an individual savings account workers can redeem in cases of dismissal or in specific situations. In 1999, dismissed workers were paid over R\$ 12 billion out of FGTS funds.

# Programmes of tax simplification for small-sized companies

The programmes meant to support smaller companies start from the elementary idea that the generation of occupation and income, in an economy assimilating labour-saving technologies, goes through the encouragement of activities, segments and companies in which the use of the labour factor is most intense. Along this line of thought, it is worth highlighting the establishment, in 1997, of a simplified taxation regime for small and medium-sized companies. Known as **Simple**, this simplified regime currently benefits circa 2.5 million of these companies, all over the country.

Another instrument that excels in this strategy is the **Programme for Fiscal Recovery - REFIS**, created in 1999. **Refis** is geared to regularising tax debits of companies, particularly small and medium-sized ones, the ones most affected by the effects of international financial crises on the Brazilian economy. Companies adhering to **Refis** regularise their situation vis-à-vis of the Federal Inland Revenue Service, by means of earmarking a fixed 2% percentile of their invoicing for the payment of tax-debt arrears. They thus recover the possibility of obtaining credit at the financial system and of participating of public bidding procedures.

# The National Professional Qualification Programme - PLANFOR

Established in 1995, this programme represents the emergence of a governmental professional-qualification policy apt to attain national reach due to the volume of funds it can mobilise. The innovating character of this programme lays on the articulation it tries to promote among entrepreneurial, religious, trade-union and non-governmental institutions, which so far operated in a disperse manner in the field of professional education, failing - except for enterprises - to achieve an important presence in Brazil. The creation of this new institutional space for professional qualification has already accumulated a few success cases, such as those pertaining to the role performed by the state and municipality employment committees. It is an important progress, but it still is an ongoing process.

Implemented in a decentralised manner, PLANFOR operates in 4.300 Brazilian municipalities - 78% of the total - 500 of which amongst the poorest in the country. It gears its actions towards two targets: sectors having more potentiality in terms of job generation, such as tourism, construction, handicraft, fisheries, agriculture and animal husbandry, personal and cultural services, micro and small ventures; and critical groups, such as the unemployed, workers threatened with unemployment, small and micro entrepreneurs, women, young people, blacks and the disabled.

From 1996 to 1999, 5.7 million workers were trained, corresponding to circa 10% of the economically active population. There are no final assessments of the results obtained by PLANFOR yet. Nevertheless, the emphasis that has been placed on hiring independent assessments, carried out by universities, non-governmental organisations and research organisations, is a guarantee that, within this process, it will be possible to associate solid data on the programme's performance, which will allow the relevant bodies to proceed to the necessary corrections of direction, if appropriate.

# Micro credit programmes

The major novelty that has emerged in Brazil in the last five years has been the mobilisation of significant public funds for financing several micro credit programmes. The **Programme for the Generation of Employment and Income - PROGER** has been put in place, a fund for the financing of credit operations for micro and small entrepreneurs of the formal and informal sectors of the economy, with funds from FAT. Divided between the urban and rural modalities, this programme started operating through Banco do Brasil and Banco do Nordeste. In the period from 1995 to 1999, financing schemes for urban ventures involved R\$ 1.9 billion, and R\$ 3 billion for activities in the rural milieu.

In 1996, BNDES launched the **Popular Productive Credit Programme**, which operates with non-governmental organisations, established in municipalities that are ready to adhere to the initiative. These micro-credit institutions, sorts of banks of the people, may count on the participation of local governments. In two years - 1998 and 1999 - the programme transferred R\$ 120.6 million, which have funded circa one hundred thousand micro-credit operations, in 197 municipalities.

# The national Programme for Strengthening Family Agriculture - PRONAF

Established in 1995, also with funds from FAT and from institutional funds, PRONAF grants credits with subsidised interests to small family farmers and to co-operative organisations and production associations, provided that they are made up of small farmers. The loans may be used for funding the harvests and animal-husbandry activities, or for investments, such as the purchase of machines, agricultural equipment, production goods and other infrastructure items indispensable for the venture. The maximal amounts of financing schemes vary from R\$ 5 thousand, for running expenses, to R\$ 15 thousand, for investments.

With PRONAF, for the first time in Brazilian history, family farmers have had a specific programme for access to bank credits, that has been extended, starting in 1999, to families settled by the agrarian reform. In six years - from 1995 to 2000 - circa R\$ 10 billion will have been made available for small producers, thus benefiting circa 1.5 million families, in three thousand municipalities.

One of the main initiatives of the government in the domain of rural development, having a high social reach, PRONAF is creating new perspectives for circa 2.5 million small rural properties, by generating employment and income and by consolidating citizenship in the countryside. It also favours the de-concentration of economic development, which brings about benefits, not only for the rural milieu, but also for small and medium-sized cities in the hinterlands of the country.

# Other rural-development programmes - The Land Bank and The Cocoon Project

In addition to the unheard volume of expropriations and settlements of rural landless rural workers, classical instruments of agrarian reform, the current government has been adopting complementary actions aimed at integrating the farmer settlements to the local development plans. The goal is to create and consolidate new initiatives of land restructuring based upon the tenets of decentralisation, participation, integrated efforts, the emancipation of settlers and the diversification of instruments and models for the democratisation of access to land.

Programmes that have been established in the last two years represent alternatives to classical agrarian reform, thus contributing for the indispensable economic fitting of the new owners, who need, as any entrepreneur, to attain efficiency, to learn modern techniques, to use technology, in sum, to become competitive. Otherwise, the agrarian reform would only crystallise poverty in the rural milieu.

The Land Bank (Banco da Terra) - In its implementation stage, Banco da Terra is a fund meant to finance the acquisition of land, managed by BNDES, under the guidance of a council also made up of representatives of rural workers. The co-operative letter of credit, an innovation that complements traditional intervention, is integrated to market and separated from the State, in all stages of the process, from the selection of the land to be purchased to the implementation of the agricultural project. Therefore, it truly represents a new model of land-related policy.

Within this new model, the direct intervention of the state is replaced by the community itself, which goes to the marketplace, chooses the land, applies for land-related credit and draws its development projects. The economic and social outcomes will certainly surpass those of the conventional model, since the producer and his or her association undertake, from the beginning, the management of the activity. In 1999, the first year of its effective operations, Banco da Terra financed ten thousand families, having released circa R\$ 1.15 million.

The Cocoon Project (Projeto Casulo) - This is another innovating experience of local development, which has as its main goal the putting in place of a decentralised and participatory model of land-related action. Local and state governments register landless farmers and identify state and municipality public areas available or apt to be purchased. The federal government grants the credits and shares, with the other partners, the financing scheme for the social infrastructure. There are currently 32 projects in place, particularly in Regions North and Northeast, serving a total of 1,304 families.

# To foster social integration, the protection of human rights and the elimination of any form of discrimination

# **Programme Active Community**

Starting in 1999, Programme Active Community has become the main instrument of action of the Executive Secretariat of Programme Solidarity Community, created in 19995 and which will be described later on. Active Community appears as a new strategy of the federal government, in partnership with the states, municipalities and organisations within society, to foster the development of deprived towns and communities all over the country. This new conception starts form the idea that only integrated and sustainable local development may overcome poverty and social exclusion.

Within this new paradigm, based upon the identification of shortages and economic and social potentialities of poor municipalities, to draw a local plan of action, funds will be better utilised, and there will also be income generation in the process of development. According to this conception, in addition to protection, these communities need social promotion by means of partnerships among governmental and non-governmental partners. These partnerships will leverage new funds. The programme is still in its initial stage, in circa 300 municipalities.

# The social integration of people of African descent

The last country to abolish slavery, in 1888, Brazil entered the Twentieth Century bearing the heavy heritage of slavery. Free but having no rights, former slaves and their descendants made up the first large mass of excluded Brazilians. Until the 1940s, this large contingent of people at the margin of society was not even noticed by Brazilian society. It did not exist within the Constitution and was not covered by public policies. It was simply ignored.

This heritage has been charging its price to date. One may not deal with indigence and exclusion in Brazil without taking into account the racial variable: although half of the Brazilian population is white, 69% of the poor and paupers are black or half-caste. Among this group, the level of schooling is two years lower than among the white population.

Three centuries of close contact with slavery brought about a mentality of indifference vis-à-vis of inequality, violence and exclusion, which have immobilised the black population in the lower part of the Brazilian social pyramid. It was only in the second half of the Twentieth Century that this mentality started being challenged by a new middle class and by the urban popular masses.

Even so, the process has been slow, partly due to the unwritten policy of dissimulation of problems, sheltered by the myth of Brazilian racial democracy. In an unheard of manner, starting in 1995, the State began acknowledging racism among the variables underlying the country's structural unbalances, such as the inequality in the distribution of income and opportunities.

The introduction of the racial variable in the debate of the Brazilian social issue allowed the identification of areas of action of the State apt to respond to the specific claims of African descendants, such as justice and human rights, culture, education and health, in addition to the special case of the remnants of *quilombos* -communities established in the Nineteenth Century by runaway or recently freed slaves.

**Justice and security** - As far as justice and security are concerned, the following mechanisms are being put in place: a) the information system for the protection of the rights of the black population, with the participation of the National Secretariat for Human Rights, councils of the black community and organisations in charge of public policies at the three levels of government; d) specialised offices for assisting victims of racial crimes, in the different states of the Federation; c) data bases on the status of the black population, covering specific aspects, such as access to the labour market.

On May 13th, 1997, on the 109th anniversary of the abolition of slavery in Brazil, a law was enacted setting forth-harsh penalties for the crime of racism.

**Culture** - The National Centre for Information and Reference on Black Culture will be created, within a new conception of culture for development, which takes into account the regional diversity, the potentiality for market participation, the national and international partnerships and, above all, the need for overcoming the structural inequalities brought about by the different forms of discrimination and debasement of the black population. Having its headquarters in Brasilia, the Centre is an initiative that meets an old claim of the black population, of researchers and of the tourism sector.

The Afro-Brazilian Culture Programme forecasts, among other activities, the upgrading of collections and the restoration of assets of the historical, artistic and archaeological Afro-Brazilian heritage. Still in the field of culture, in 1996, the slave leader Zumbi dos Palmares was included in the Pantheon of national heroes.

**Education** - The national curricular parameters now include, in their cross themes, guidelines for the appropriate way of dealing with the Brazilian multiple-character culture and of the black population in particular. The appropriate agencies have commenced production of new sets of didactic material for elementary schools that promote the values of racial equality and tolerance; and a literacy programme, in areas where the black population is highly concentrated, and a programme for the construction of schools, in communities that remain in former quilombos, are being implemented.

The recognition of black women - A specific programme meant to promote the recognition of black women's economic, political and cultural role in Brazil is being developed, a programme involving research and systematisation of their history to be publicised in data bases. Training exchanges will ensure the participation of Brazilian black women in the main international forums, such as the United Nations World Conference on Racism, Racial Discrimination, Xenophobia and the Related Intolerance, to be held in Geneva, in 2001, and the follow-up activities related to the 1995 Beijing Conference.

**Health** - The technical and scientific knowledge on health issues specific of the black population are being widened and consolidated, through the financing of clinical and epidemiological research activities. Based upon these studies, differentiated strategies have already been put into practice, such as the preparation and implementation of a national programme for the control of falciform anaemia, a disease typical of black populations.

Quilombos - The Constitution of 1988 recognised the right of the remnants of quilombos to the land they occupy, as a function of the importance of preserving the set of values and traditions maintained by those communities. Most of the existing areas - 724 communities - have already been registered for receiving final titles of possession of the land by the descendants of slaves. Sustainable development projects are being prepared, in a partnership of several government organisations with private initiative and with non-governmental organisations, to be put in place in those communities.

A country having the largest black population out of Africa, only now Brazil begins building a national-development agenda that contemplates the active participation of blacks. More and more the perception is disseminated that the Brazilian exclusion also has a colour, and that an agenda meant to tackle inequalities also has to do with the social fitting of Afro-Brazilians and of the indigenous peoples, as well as with the valorisation of Brazil's cultural diversity.

# The social integration of indigenous populations

In government's social agenda, the indigenous-people issue has its importance guaranteed. It is translated into the determination to ensure the collective rights of indigenous societies, beginning with those concerning the economic and environmental preservation, and bearing duly in mind the ethnic, cultural and linguistic peculiar traits of each group.

The Brazilian indigenous population is currently estimated at circa 350 thousand people. The rates of demographic growth among the Indians, in the last three decades, have been circa 10% above the average rate of growth of the population as a whole. In 1970, the indigenous population was estimated at a little over 100 thousand people.

To ensure the physical and cultural integrity of indigenous societies, the policy implemented after 1995 is based upon two axes: the demarcation of lands and universal access to public health and education services - including specific and inter-cultural schooling.

The demarcation of indigenous lands - During the last five years, government has issued 105 legal deeds recognising those lands. The total area that was regularised - 32 million hectares - is four times larger than the territory of Austria. It corresponds to a little over one third of the total recognised indigenous land in Brazil (97,2 million hectares)- which, in turn, represent 11% of the 8.5 million square kilometres national territory. This effort surpasses what all previous governments did.

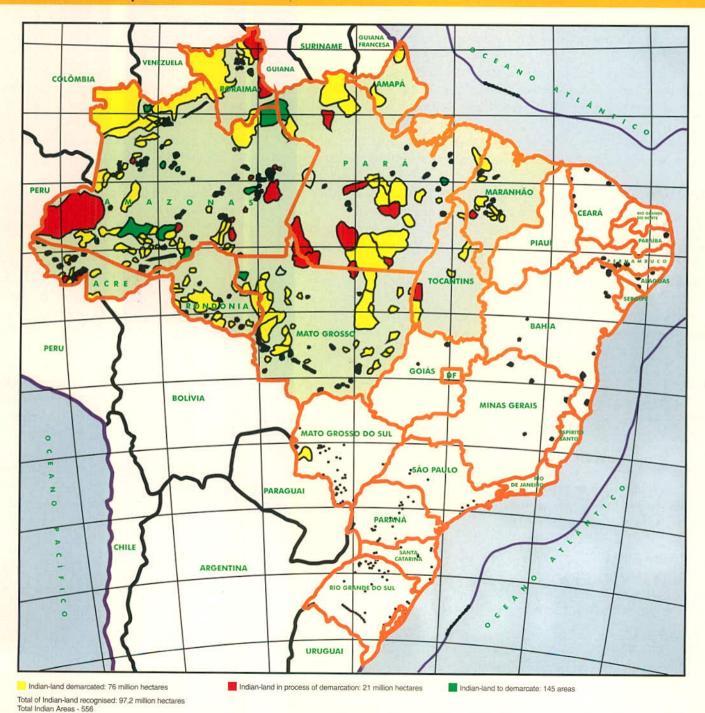
**Education** - For the first time in history, the Ministry of Education is developing actions apt to ensure a school of Indians and for Indians. The most important initiative in this direction has been the definition of curricular parameters specially geared to indigenous schools, which so far were guided by curricula that had nothing or very little to do with their history and their culture. The effort of adapting the curricula to indigenous schools was carried out in a manner apt to preserve and value the mother tongue and the cultural traditions of Indians. There is also an ongoing project aimed at training and developing indigenous teachers.

**Health** - Indigenous health, the activities related to which were split between the National Foundation for Indians - FUNAI, an organisation of the Ministry of Justice, and the national Health Foundation - FUNASA, of the Ministry of Health, became FUNASA's exclusive attribution. FUNASA currently counts on a budget three times bigger than the sum of the previous resources, to provide full health care to indigenous peoples.

By the end of 2000, over R\$ 100 million will have been invested in medical and sanitary assistance to indigenous communities, for a population estimated at 350 thousand Indians of 215 ethnic groups. Assistance will be provided by means of the creation of Special Indigenous Sanitary Districts, which will take into account the ethnic, cultural, social and sanitary specificity of those communities, distributed over 24 states of the Federation and circa 2.500 Brazilian municipalities.

**The Indian Act** - These measures also encompass the concern over the urgent surpassing of the individual tutelage relation model, which maintains Indians as elements peripheral to citizenship, moving to a model of tutelage of collective rights, as enshrined in the Constitution. That is why a new Indian Act is been tabled for discussion. It represents the consolidation of a strategy based upon the premises of full citizenship, of respect for the ethnic identity and of support for projects concerned with the future of native populations.

# Indian-Land Map



# The promotion and protection of human rights

The current government has articulated, for the first time, the public security policy with the defence of citizenship and of human rights. Another pioneer initiative was the launching, in May 1996, of the National Human-Right Programme. The main activity now has to do with the mobilisation of civil society to share the urgent task of incorporating to the every-day life of a growing number of Brazilians the spirit and the word of the National Human-Right Programme.

To do so, this programme has established as a priority, among other initiatives: a) to approve the draft constitutional amendment tabled by Government, in 1996, transferring to the federal courts the jurisdiction over crimes against human rights; b) to approve the bill that transfers to ordinary courts the jurisdiction over any crimes committed by members of the military police; c) to approve the legislation that widens the possibility of application of cumulative penalties; d) to propose and cause to approve the reform of the Council for the Defence of the Rights of Human Beings, in order to increase the participation of civil society in that body, and to improve its partnership with the State; e) to broaden the Witness Protection Programme, in partnership with the state governments and social organisations, in order to fight impunity; f) to upgrade the Programme for the Protection of Victims of Crimes and Their Families, also in a regime of partnership; g) to encourage innovating projects for the recovery of youngsters who have committed crimes without violence, by means of community activities, professional and educational programmes, also lending support to the families and to the victims of the offenders.

5 To promote full respect for human dignity and the conquest of equality and equity among women and men The subject of human rights acquires unique importance when dealing with the feminine condition in Brazil. Particularly since one faces a paradoxical situation. On the one hand, the speed and intensity with which women occupy their place in the new mass society, notwithstanding barriers and prejudice, come as a surprise even to the most optimistic observers. More women than men attend school. The average schooling of women has surpassed that of men in the last years, and, four out of each ten people participating of the economically active population are women.

On the other hand, although they tend to be more educated than their male colleagues are, women not only receive salaries 33%, in average, below those paid to men, but they also have less opportunities for professional progress. Furthermore, a woman heads one in every four Brazilian families. If this matriarch is black, the chances of her family being very poor are much bigger.

Parallel to the progress achieved in education and to specific women's health programmes, Government has been working at three other crucial aspects of the feminine issue: to fight violence against women, to provide equal opportunities in public service and to improve the institutional mechanisms for the promotion of the feminine condition.

### To fight violence against women

The current Government had the pioneer initiative to create the National Programme for Fighting Violence Against Women. Within the scope of this Programme, the following are deemed relevant initiatives: a) a law meant to especially punish domestic violence; b) the establishment, all over the national territory, of shelter-homes for women victimised by domestic violence, such as the ones already in existence in nine states; c) the expansion of Police Precincts Specialised in Women; the adoption in the hospitals of the public network and in those having agreements with the public network of a specific register for victims of domestic and sexual violence; e) the permanent struggle against sexual exploitation.

# To encourage equal opportunities

In Brazil, although they represent a high percentile of civil servants, women occupy proportionally low number of vacancies in the higher levels of public service. To correct this distortion, Government has instituted a Plan for the Promotion of Equality of Opportunities Between Men and Women in Public Service. The initiative is also aimed at being an example for other spheres of government and for the private sector.

# To improve the institutional mechanisms for promoting the feminine condition

In compliance with commitments undertaken by Brazil in the Beijing World Conference, in 1995, the National Council for Women's Rights, linked to the Ministry of Justice but including representatives of society, was charged with designing a national plan for the promotion of gender equality.

The scope of this programme will be upgraded, thanks to the institutional mechanisms referred to in the following commitments: a) to strengthen the National Council for Women's Rights, so that it actively participates of the formulation and follow up of related public policies, as

well as of the review of the legislation in force, in order to eliminate any discrimination between sexes; b) to endow the Council with the means allowing it to foster partnerships between the levels of authority, public and private, geared to the promotion of the feminine condition in the country; c) to encourage state and municipality governments to put in place their own organisations for the defence of women's rights, in order to create a network of promotion of equality covering the whole national territory.

### Main progresses in education

Equity according to gender, in education, has practically been attained in Brazil. Dada pertaining to 1998 show that the difference in favour of men, in the average schooling as recorded until 1995, no longer exists. The change in this picture depicts, in particular, the speed at which illiteracy has been declining amongst younger women.

The educational raise of women is proven when one compares the levels of schooling of the population according to gender. Until the late 1980s, there prevailed a historical pattern in which men had an advantage, in terms of the average of years of schooling. This position has inverted in the 1990s, when women improved more rapidly their educational profile.

Indeed, in the period from 1990 to 1996, the average of years of study increased from 5.1 to 5.7 among men, and from 4.9 to 6.0 among women, which indicates that they took a leap of more than one year, whilst men advanced half a year.

Among the social and economic and cultural factors explaining this phenomenon, doubtless the one having has most influence has been women's access to the labour market. Professionalisation encourages women to seek a better level of schooling, even as a means to compensate the gender-related salary discrimination, that still exists.

On the other hand, and paradoxically, the perverse and precocious entrance to the labour market of male children and teen-agers, coming from low-income families, contributes to the more accelerated advance of schooling levels amongst women. This factor of school exclusion is been tackled by means of initiatives such as the programmes for the complementation of family income related to education. The best-consolidated experiences, such as the school-scholarship, have proven the efficacy of this strategy to ensure the permanence of deprived children in the school system.

# Programmes of special assistance to women's health

The Programme for Integral Assistance to Women's Health has three main areas of action: reducing maternal mortality, rendering more humane the assistance to pregnant women and diminishing the cases of cancer of the womb colon.

Two important indicators verify the advance achieved in basic assistance to women: a) the number of pre-natal exams carried out by the public health system has moved from 2.8 million, in 1995, to 7.6 million, in 1998, although the birth rate is in decline. Even so, this number is expected to double by 2002; b) the number of gynaecological medical consultations moved from 7.6 million to 13.1 millions, in the same period - a 72% growth.

The successive national campaigns aimed at encouraging breast-feeding have been presenting results beyond expectations. The World Report on Childhood of UNICEF indicated Brazil as the second country in the world in which the habit of breast-feeding has most increased. With 137 accredited hospitals by late 1999, Brazil currently also is the country having the highest number of Human Milk Banks in the world - a total of 114, located in 21 of the 26 states of the Federation and in the Federal District.

In terms of woman-specific care, one notices that, despite the extraordinary progress of medicine, lack of information and of pre-emption are the major allies of diseases such as cancer of the womb colon. Because it is not timely diagnosed and treated, this disease accounts for the death of one Brazilian woman every hour and fifteen minutes, and for 15% of malignant tumours detected in women in the country. During the campaign for the pre-emption of womb-colon cancer, in 1999, 1.2 million women having some type of infection and 53.9 thousand having womb-colon cancer were identified.

In order to reduce the risks of maternal/infantile mortality and to encourage the practice of natural childbirth, a maximal percentile of Caesarean operations to be paid to hospitals by the public health system has been established. As an immediate outcome, the rate of Caesarean operations in the public network and in hospitals having agreements with the public health service experienced an initial drop from 33% to 28%. Only from June to November 1998, 106 thousand women were preventing from exposure to a useless and unnecessary surgical risk. Maternal mortality and teen-age pregnancy remain, however, significant challenges to be faced in the domain of women's health.



# Education

Brazil invests the equivalent of 5.2% of GDP in education. It is a reasonable portion, equal to that invested by many developed countries, yet insufficient to face the many-decade delay the country has accumulated due to lack of concern for mass education.

Although the panorama of Brazilian education is still far from the position it should present, it has indeed shown significant improvement in the last five years, with a decline in the illiteracy rate, an expressive increase in the number of enrolments at all levels of learning and with the gradual growth of the population's average level of schooling.

There currently are in Brazil, enrolled in all levels of learning, circa 54.3 million students, what represents 1/3 of the population. Public-sector schools serve 45.8 million students in kindergarten, elementary and secondary school. This figure corresponds to 87.8% of the total of students.

Strategically, it befell the Federal Government to perform a new role. Until the mid 1990s, the Ministry of Education directly implemented several programmes of support for the development of basic education, competing with the states and municipalities. Starting in 1995, emphasising the policy of decentralisation, the function of central government in basic education became a re-distributive and supplementary one, in order to ensure the equalisation of educational opportunities and a minimal standard of quality in learning, by means of the provision of technical and financial assistance to the states and municipalities. Several programmes were established with this goal.

### The National Education Guidelines and Bases Act

The Brazilian educational system began its transformation with the enactment of the new National Education Guidelines and Bases Act - LDB, in December 1996. Starting from the approval of this law, the Union, the States and the Municipalities had their responsibilities defined. Another innovation, schools acquired more autonomy, the curricular contents became more flexible and qualification in the teaching profession was encouraged.

# The Fund for the Maintenance and the Development of Elementary Education and for Valorising the Teaching Profession - FUNDEF

The main initiative of Government to render feasible the strategy of attributing absolute priority to the expansion of access to elementary education, FUNDEF has completely changed the mechanisms for funding education. Until the Fund was established, there was no correspondence between the apportionment of funds and the number of students enrolled. In richer cities, with small municipality learning networks and few students, money was plentiful. In poorer cities, with large networks and many students, resources fell short of the needs.

Constitutional Amendment no 14, which established FUNDEF and was approved in 1996, came to correct this distortion. The apportionment of revenues between the state and its municipalities became proportional to the number of students enrolled in the schools of each learning network. Out of the 25% the Constitution mandates the states to invest in education, 60% - the equivalent of 15% of the whole tax excision must be exclusively earmarked for elementary education.

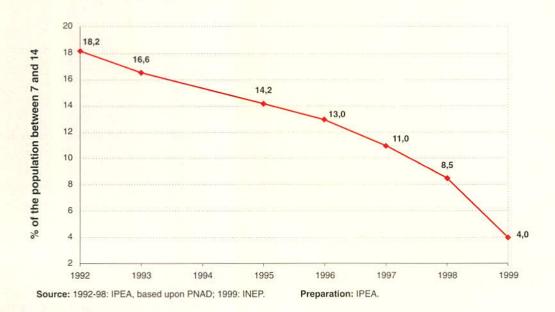
The Fund also defined a minimal expenditure per student/year. Poorer states, which fail to reach this minimal expenditure, receive complementary funds from the Federal Government. The new system has encouraged local governments to enrol all children at school.

# Programme All Children at School

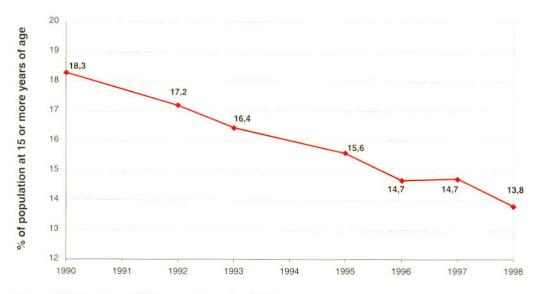
The transformations of the educational panorama in Brazil gained momentum with the implementation of Programme All Children at School, a wide mobilisation of the federal, state and municipality governments and of the community to enrol children who were still out of the classrooms. In 1999, only 4% were not enrolled, which places Brazil very close to providing universal access to elementary education.

Another relevant datum is the sharper drop in the illiteracy rate among the population of 15 or more years of age. In 1990, 18.3 % were illiterate; in 1998, 13.8%. The most encouraging development took place in the age group from 15 to 19, where the rate of illiteracy dropped by half, from 12% to 6%. With the rapid reduction of these rates amongst the young population, illiteracy in Brazil tends to become a phenomenon increasingly restricted to older generations.

G r a p h 6:
Percentage of children out of school - Brazil 1992-1999



# Illiteracy Rate - Brazil 1990-1998



Source: IPEA, based upon PNAD.

Preparation: IPEA.

## The transfer to municipalities and the social control of public expenditure

The new National Education Guidelines and Bases Act triggered a wide process of transference to municipalities of the responsibility for elementary education and of the responsibility for secondary education to the states. This change in the profile enhanced the social control of public expenditure in education. An example of decentralisation, transparency, participation, inspection and efficiency of public expenditure is **Programme Money Directly to School**. By means of this programme, schools began receiving federal funds directly, which before were transferred by means of a bureaucratic, expensive system which allowed education funds to be politically manipulated.

Without the agency of state and municipality governments, the use of funds is now effected with the direct participation of the community. In order to be accredited before the programme, the Ministry of Education requires schools to have a Parent and Teacher Association or a School Council. The budget is deposited into an account of the Association or Council, which administrates the funds in partnership with the school management. Another goal of Government's - that of strengthening social mobilisation in favour of the quality of learning in public schools - has been achieved by means of this programme: over 56 thousand new Parent and Teacher Associations have been created in the last five years all over the country.

#### Programme Speeding Up Learning

One of the main problems of the Brazilian educational system is the high rate of drop-out, often deriving from discouragement brought about by flunking, which distorts the ratio between the student's age and the grade he or she attends. To tackle this issue, the Ministry of Education created Programme Speeding Up Learning, which enables students to advance faster in their studies until they reach grades compatible with their ages. Circa 1.2 million students are already attending those special classes, in all Brazilian states, out of a total of seven million students enrolled out of their age groups in elementary education establishments.

The rate of promotion, which measures the number of students having gone through a grade, has increased from 64.5%, in 1995, to 72.7%, in 1997. During the same period, flunking has dropped from 30.2% to 23.4% of students and the rate of drop-out diminished from 5.3% to 3.9%.

#### The curricular reform

In order to improve quality, the Ministry of Education promotes a curricular reform at all levels of learning. In an unprecedented initiative, the national curricular parameters were defined for the eight grades of elementary education, in addition to references for infantile education and for a broad re-shaping of the system of teacher training.

## The National Programme of School Text Books and School Libraries

This programme features as one of the major instruments for the improvement of learning all over the country. Until 1995 restricted to students of the first four grades of elementary education, the programme currently accounts for the distribution of school textbooks for the eight grades. The books go through a rigorous assessment carried out by teacher committees, created five years ago. Only in 1996, the Ministry of Education distributed free of charge, circa 110 million school textbooks.

Programme School Libraries has also been upgraded. Schools all over the country have received 20 thousand collections of the teacher's library, made up of reference books on the historical, social and political formation of Brazil. Thirty-five thousand more libraries of literature for children and young people, meant for elementary-education students, have been delivered to schools in 1999.

#### Television School and IT in the classroom

Programme Television School, being broadcast for three years now, with the main goal of providing long-distance training and development for teachers all over Brazil, currently represents much more than that. It also contributes to render classes livelier and works as a vehicle for the continued education of teachers, extending its action towards the community. During weekends there are documentary programmes open to the population.

All elementary education schools having more than a hundred students have received a technological kit made up of a television set, a videocassette recorder, VHS tapes and a parabolic aerial. In two years, circa 57 thousand sets of equipment have been distributed. Schools receive the educational programmes via satellite. Approximately one million teachers and 28 million students benefit from this initiative.

Another action meant to improve the quality of public education is the National Programme for IT in Education, which is channelling technology into classrooms. So far, 30 thousand computers and ancillary equipment have been installed in over two thousand schools all over the country, directly benefiting circa 200 thousand students. The Programme's target is to put in place, by 2001, one hundred thousand computers in six thousand schools, thus serving 7.5 million students.

## The reform of secondary education

The appropriate preparation of Brazilian youth for the labour market depends upon a comprehensive reform of secondary education, which is underway. The first step was the definition of the National Curricular Guidelines for secondary education, which have a mandatory character. Afterwards, secondary education was separated from technical education, both sectors having become independent, and it was decided that the professional course would become a complement to secondary education. This split will contribute for rendering universal the access to secondary education, another governmental target.

The expansion of elementary education led to a mushrooming of the number of students enrolled in secondary education: 57% between 1994 and 1999. During that year, 22.7% of young people from age 15 to 17 were enrolled in secondary education; five years later, this rate attains 32.6%, which still is very low. Brazil currently has over 7.8 million students in secondary education, and the forecasts indicate that, in 2002, they will be circa 10 million.

In view of the important increase in enrolment, the Federal Government decided to provide resources and technical assistance to the states, which are responsible for secondary education, as provided for in the Constitution. A U\$ 500 million financing from the IDB will fund the qualification and development of teachers, the building, upgrading and improvements of school facilities and buildings and the adaptation of laboratories and libraries.

#### The reform of technical education

The proposal of this reform is to bring professional education closer together with the local and regional labour markets, by offering courses according to the demand. This will attract lower-income young people, who will not go to college because they have to work. A curricular structure organised in modules, associated to flexible contents, will allow students to follow several short courses and therefore to qualify for different functions.

Aimed at expanding professional education, the Federal Government has obtained international financing for the amount of U\$ 500 million. These funds will be invested in re-equipping public technical schools and in the establishment of a network of community professional schools, in partnership with municipalities, trade-union organisations and associations.

# The expansion of enrolment in higher learning

In absolute terms, during the last four years, enrolment in higher learning grew more than in the 14 previous years. Starting in 1995, 424 thousand new enrolments were recorded. In 1998, there were over 2.1 million students in higher learning, a 28% increase as compared to 1994. It is an impressive progress, if one considers that, from 1980 to 1993, the expansion of higher learning was of but 20.6%.

Growth was also significant in the post-graduation system. The number of students rose from 43 thousand, in 1994, to 53.9 thousand, five years later. Brazil produced a little over nine thousand master's degrees a year, currently the figure surpasses 14.4 thousand. During the same period, the number of doctor's degrees per year grew from less than 2.5 thousand to 4.7 thousand. It means that, in five years, the number of people obtaining doctor's degrees every year nearly doubled. Scholarship granting for doctor's degrees expands continuously: 5.867 scholarships were granted in 1994; four years later 8.009 scholarships were granted.

During the last five years, the Federal Government has invested R\$ 100 million in libraries, computers and IT infrastructure for public universities. In addition, 300 million dollars will be invested, starting in 2000, by means of an international tender for the purchase of equipment for graduation laboratories and university hospitals.

#### Research and evaluation

The Federal Government has put together a full system of research and evaluation for all levels of Brazilian education, in only five years, by means of the National Institute for Educational Studies and Research - INEP. The research and the evaluation exams on the educational system have become indispensable instruments for planning and implementing the public policies of the Ministry of Education. Starting from their results, in addition to spending more, government is now spending better, and conditions have been created for relating the expansion of the educational system to quality, and not only to quantity.

#### Health

The Federal Constitution of 1988 enshrined the full right of Brazilians to health care. The doctrine principles of universality, equity and integrity are thus the basis supporting all political and legal definitions of the Brazilian health system. Starting from these principles, there have emerged important initiatives for the shaping of the universal, equality-based and participatory model being built today.

The main expression of these principles has been the establishment of the Unified Health System - SUS. Among the main guidelines of this system, one may highlight: a) decentralisation, with a single direction in each sphere of government, the regional character of the network and the hierarchical character of services; b) the participation of society and the exercise of social control, by means of collegiate decision-making levels; c) the funding of services, of a highly public nature, by means of contributions and taxes excised by the federal, state and municipality levels and under the responsibility of the three levels of government.

In Brazil, the health-care model is going through a deep change in its philosophy of action. One tries to invert the logic that used to privilege the treatment of diseases in hospitals, focusing actions in the promotion of health, in order to prevent people from becoming ill. Programmes that have been created or upgraded since 1995 have become the instruments of this change.

# **Programme Community Health Agents**

People from the communities themselves are trained to disseminate information on basic health care, by means of the payment of one minimal wage a month. This programme is consolidated, thanks to the priority the Federal Government has attributed to it during the last two years. By means of house calls, the agents take the responsibility for providing guidance, identifying problems and following health-related procedures. These agents are already present in the lives of 65 million citizens.

#### Programme Family Health

The pre-emptive work of agents is added of the activities of the teams that work in this programme, made up of a physician, a nurse and a nurse-attendant and up to six health-care agents. Each team is in charge of serving an average of 860 families in the community where such team is based, developing health promotion, protection and recovery actions. It is a fundamental activity aimed at reducing the demand for hospital care.

Started in 1994, Programme Family Health assures care to circa 21 million people. From 328 teams, at the very beginning of the Programme, it had six thousand in 1999, operating in all regions of the country. During the same period, the number of municipalities served grew from only 55 to 2.000. In 1996, the budget for the two programmes was R\$ 218 million. A year later it had risen to R\$ 380 million, a 74.3% increase. For 2000, a new leap forward is forecast, this time the figure will be R\$ 680 million.

The target of the Ministry of Health is to have 150 thousand community agents and 20 thousand Family-Health teams in 2002. Thus, half of the Brazilian population will be served and the option for the model of health promotion will be irreversible.

#### The Basic Care Threshold - PAB

Established in January, 1998, the Basic Care Threshold has put in place a new system for funding basic health efforts, which has fostered the decentralisation of such services and eliminated the possibility of political discrimination in the apportionment of funds with municipalities. The local governments of the 5.507 Brazilian municipalities now count on an automatic mechanism for the transfer of appropriations for basic-care activities: general practitioner's consultations, pre-natal tests, oral hygiene, family planning, vaccination and all activities carried out by health agents in their communities.

After PAB was put in place, it was possible to control the practice of client-based relations, still present in the Brazilian political culture. The Municipality Health Fund is monthly supplied with resources from the Ministry of Health, without the intervention of any local authority.

In addition to ensuring a minimal expenditure of R\$ 10.00 per inhabitant/year, PAB has represented an additional input of R\$ 270 million a year for 1.941 municipalities, where 40 million people live, and which used to spend only R\$ 3,33 per inhabitant/year. The funds, therefore, have trebled in those poorer municipalities. Overall, the Programme transfers to municipalities R\$ 1.6 billion per year.

# **Vaccination Programmes**

In a single day, every year, circa 20 million children are vaccinated in Brazil, against several types of diseases, among which poliomyelitis. In the period from 1996 to 1999, the funds meant for vaccination campaigns have nearly doubled - from R\$ 145.1 million to R\$ 270 million - which allowed the authorities to increase the coverage and to apply new vaccines for the pre-emption of other diseases, such as the flu, pneumonia, German measles and measles, hepatitis B, meningitis, diphtheria and tetanus.

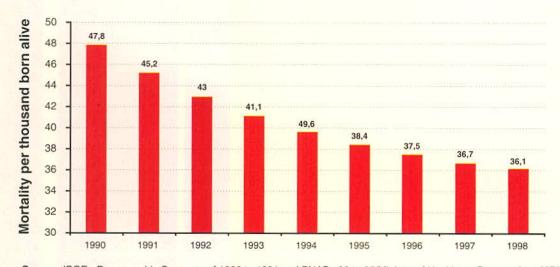
During the last two years, free vaccination against the flu has extended to all people over the age of 65. Each year nine million elderly people are vaccinated, which is reducing hospital admittance for people in this age group due to respiratory afflictions during the winter months.

## The Programme for the Reduction of Infantile Mortality

In order to fight infantile mortality, in 1996 a programme was created that concentrates actions of vaccination, sanitation, nutrition, women's health care and child health care, as well as the implementation of the Community Agent and Family Health programmes. Thus, Brazil has obtained its best result in the domain of health, which was the reduction of infantile mortality among children under the age of one. From 1989 to 1998, the rate of mortality decreased from 50.9 to 36.1 per one thousand born alive - a 29.1% drop in nine years.



Mortality Rate - Brazil 1990-1998



Source: IBGE - Demographic Censures of 1980 to 1991 and PNADs 92 to 95/Ministry of Health. Preparation: MF/SPE.

## The Pharmaceutical Assistance Programme

This programme provides, free of charge, the most utilised medicines in health dispensaries. The programme used to serve a population of 35 million people, in municipalities having less than 21 thousand inhabitants, but it has been extended to all municipalities. With the transfer of federal resources, the state and municipality funds purchase and distribute 40 types of medicine, selected according to the local reality. This is an example of the strategy of providing universal health services that also has a positive impact over income distribution.

## Organ transplants

With the Transplant Act, enacted in 1997, which regulated mechanisms for the protection of donors and of recipients, the number of transplants grew in Brazil. There were 3.711 operations in 1997; 4.053 in 1998 and 4.708 last year. The Central for Notification, Capture and Distribution of Organs, established in 15 Brazilian states, enabled the system of single state lists to be put in place and standardised the criteria for the selection of recipients of each organ. In addition to the public network, all private hospitals are now also controlled by the national system.

## The control of chronic degenerating diseases

Cardiovascular diseases represent a serious public-health problem in Brazil, with 250 thousand casualties a year, 28% of all deaths recorded in the country and 17% of hospital admissions within the Single Health System. High blood pressure affects 20% of the adult population - 15 million people - and diabetes causes hospital admission of over one hundred thousand people a year.

To control such diseases, the Set of Actions for the Multi-factor Reduction of Non-transmissible Diseases was created as a strategy intended to reduce in a significant manner the incidence of these diseases by 2003.

#### AIDS care

Brazil is singled out by the World Health Organisation as an example, because it maintains one of the best programmes for the pre-emption of AIDS in the world. It is the only country to provide free of charge, to people infected the medicines that delay the progress of HIV. The cost is high and growing - circa R\$ 487 million in 1999 - but the initiative of Government ensures better living conditions for HIV-positive individuals, as well as a longer lease of life and less hospital admittance.

# Institutional changes: the regulation of health plans and insurance

In Brazil, for over three decades, companies providing health plans and insurance operated within a market practically without rules, although it involved circa 40 million users. Now, a piece of legislation clearly defines the obligations and rights of companies and those of the insured. Provisional registrations of 2.234 products and of 250 operators of health plans and insurance have been cancelled. In order to regulate the industry, the National Supplementary Health Agency was created, a body made up of representatives of the Ministries of Health, Finance, Justice, Planning and the General Secretariat of the Presidency of the Republic.

# The struggle against medicine forgery

Since the beginning of 2000, the packing of medicines in Brazil have to bear a seal certifying the origin and the quality of drugs for sale in pharmacies or made available in hospitals. Government has also ensured an increase in inspection activities on the origin of medicines by means of the control of the issuance of invoices, a measure that has already had positive effects in the reduction of fraud.

## The production of generic medicines

The first generic medicines reached the Brazilian market in January 2000, less than a year after the creation of the legislation regulating their production. The chief goal was to reduce the prices of medicines, non-accessible to nearly half the Brazilian population. The measure has worked. Generic medicines are being sold at prices between 30 and 55% cheaper than the brand-name corresponding drugs having the same therapeutic properties and the same characteristics in terms of absorption by the human organism. In order to further force down the prices of medicines, the Single Health System, which accounts for 20% of the Brazilian pharmaceutical market, is giving priority to generic medicines in its procurement.

Parallel to these institutional measures, the National Agency for Sanitary Surveillance was created, a body aimed at, interalia, ensuring the quality of products meant for human consumption and at preventing transmissible diseases from entering the country through airports, ports and borders.

#### The status of transmissible diseases

There has been a remarkable decrease in the participation of transmissible diseases in the profile of mortality in Brazil. The occurrence of a large set of transmissible diseases for which there are already in existence effective means of control, such as vaccines, presents a drastic reduction trend. Such is the case of diphtheria, tetanus and whooping cough. Poliomyelitis, a disease that used to affect over one thousand children a year in the early 1980s, has been totally eradicated in Brazil in 1989. The existence of the disease in other continents and the risk of importing the virus justify, however, the maintenance of mass-vaccination strategies to protect Brazilian children.

Measles, a transmissible, contagious disease, that used to affect two to three million children in the 1970s, has experienced a visible reduction in the period from 1980 to 1999. A surge, that occurred in 1997 and caused one death, was controlled in the following years. The Chagas Disease, endemic in Brazil, has also been under control for several decades now, as well as leprosy, which has diminished from 16.4 cases per ten thousand inhabitants, in 1985, to 4.3 cases in 1998, bringing Brazil close to the target established by the World Health Organisation of eliminating the disease as a public-health problem.

Malaria and tuberculosis present a status of persistence and still require the reinforcing of new strategies to fight them. After having shown an important reduction, in the 1970s and in the 1980s, tuberculosis has stabilised at the threshold of 90 to 100 thousand cases a year. Malaria, on the contrary, has reduced to less than 100 thousand cases a year, during the same period, but returned to the average of circa 500 thousand cases a year, 70% of which concentrated in the Amazon Region.

# Transmissible diseases that reappear

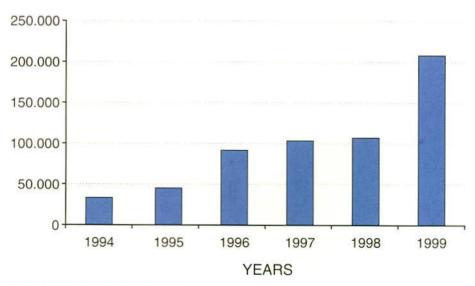
A third group of diseases translates the worldwide phenomenon of emergence and re-emergence of transmissible diseases, with the emergence of AIDS, in the early 1980s. In the case of Brazil, there has also been the re-introduction of cholera, coming from Peru, in 1991, and an epidemic of dengue, which became, in the late 1990s, a public-health priority, continent-wide, after having been eradicated in several American countries in the 1950s and in the 1960s. Cholera had its epidemic peak in 1993, but the endeavours of the health system have reduced over ten fold its incidence in the following years, and now the disease is completely under control.

Visceral Leishmaniosis, a disease for which more effective forms of pre-emption have not been found yet, presents a cyclical behaviour, with an increase in the number of cases in average periods of five years. Wild yellow fever, even if it presents an annual number of cases below those of the majority of countries that share the Amazon Basin with Brazil, is the target of permanent attention, in order to protect the Brazilian population that lives in endemic areas of the Amazon Region and of the Centre-West. Since April 1998, vaccination against yellow fever has been intensified in those regions, in order to complete the coverage of all inhabitants. Over 22 million people have been vaccinated in 1999 and 2000.

In Brazil, the significant participation of the private sector and the State's status as a purchaser of hospital services require the formulation of innovating public policies and of forms of social control apt to prevent the rationality of economic efficiency and of profitability from prevailing over the logic of social rights.

G r a p h 9 :

Budget used to purchase immune-biological products - Brazil 1994-1999 (R\$ 1,000.00)



Source: FUNASA/Ministry of Health.

# M To speed up the development of economic, social and human resources in Africa and in less developed countries

Brazil has fulfilled its responsibilities in the construction of a fairer and more stable international order - even because justice and stability also happen to be requirements for its own economic and social progress.

The country avails itself of its diplomatic assets to effectively participate of the negotiation of norms governing international trade relations, whether at the World Trade Organisation or at any other multilateral forum. Brazil advocates more balanced conditions of access to world markets, a situation that would benefit the exports of less developed countries.

Brazil has also launched important international partnerships with less developed countries, particularly in Latin America and Sub-Saharan Africa. There remains much to be done, beginning by the tightening of ties with the Portuguese speaking African countries. Important steps have been taken to that end, as it will be seen further along this document.

Richer countries must undertake the highest responsibilities in what concerns measures of support for less developed countries. Within this context, Brazil records with concern the unsatisfactory evolution of the levels of ODA provided by richer countries during the last years.

#### The world economic order

During the last five years, the Brazilian government has repeatedly warned world leaderships on the need for establishing mechanisms apt to mitigate the effects of shocks brought about by the volatility of financial capitals. The Asian crisis and the turbulence that irradiated from the difficulties faced by Russia have accelerated the political ripening of the issue, thus reinforcing the perception that more effective initiatives must be sought. This is and will keep on being a core concern of Brazilian foreign policy.

Brazil also labours aimed at eliminating the distortions of international trade, such as the maintenance of subsidies to agricultural exports and unjustified non-tariff barriers, that hamper the whole developing world.

The fact that globalisation has highlighted the inequalities within nations and, in many cases, among nations provides grounds for concern. A sound international environment requires the awareness of the fact that the world order must contribute to reduce inequalities, and not to enshrine or deepen them.

The asymmetrical character of the process of globalisation is undeniable. Brazilian foreign policy, precisely because it is the projection of the laws of a country where economic dynamism and poverty live side by side, has been and will always be committed to the defence, in each international negotiation, of the imperative of more social equity.

## The reduction of the debt of poorer countries

In 1996, the World Bank and the IMF created the HIPC (Heavily Indebted Poor Countries) Initiative, meant to promote a co-ordinated effort of the international community, including multilateral institutions, to reduce the debts, deemed unbearable, of the poorest and most indebted countries in the world. Forty-one countries were selected, most of them from Sub-Saharan Africa.

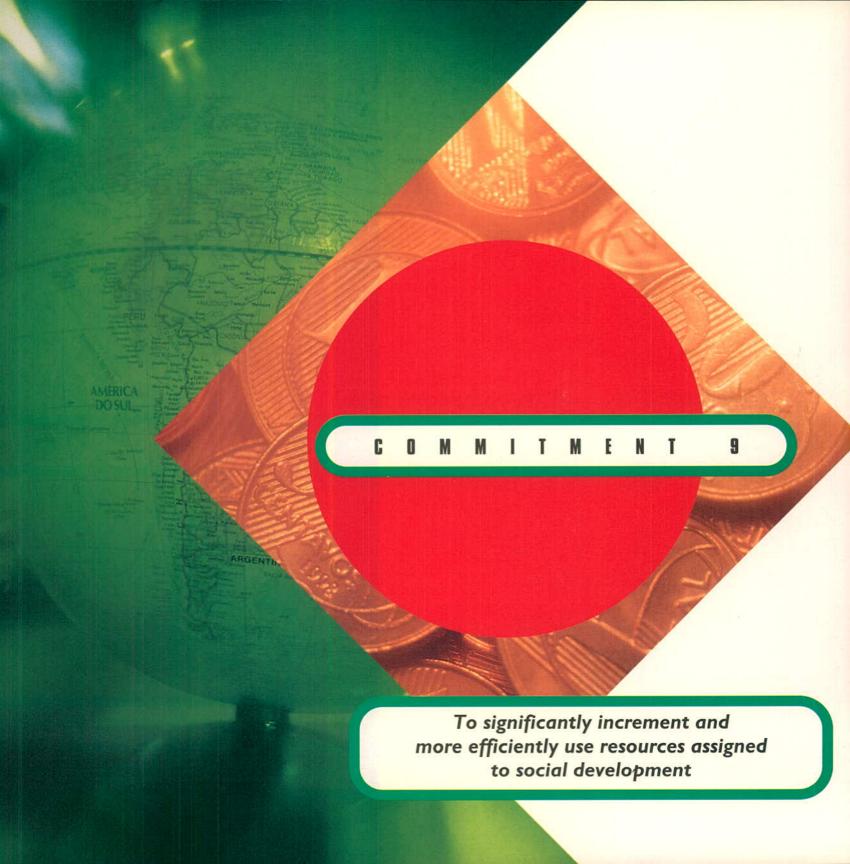
Within this initiative, by May 2000, Brazil had waived from 80 to 90% of the debts of Bolivia, the Ivory Coast, Mauritania, Mozambique and Tanzania. Out of this programme, Brazil had already started giving discounts on debts, since 1996, to countries like Cape Verde, Guinea, Zambia, Mauritania and Tanzania, in percentiles varying from 50 to 67%. The cases of Guinea Bissau and Senegal are at the final stage of negotiation. These countries will be granted a 67% discount on their debts with Brazil, and El Salvador and Nicaragua will receive a 95% discount on the total of the debt.



## Protected programmes: Social Protection Network

The Social Protection Network, a set of government programmes meant to provide basic social services to low-income populations, was created as part of the loan agreement entered into by Brazil and the IDB, in 1999. This network has ensured investments in the social domain during the situation of budgetary restriction brought about by the international financial crises of 1998.

Despite not counting on specific funds, this set of programmes has computed investments of R\$ 11.8 billion in one year, the equivalent of 104% of the annual contractual target, established at R\$ 11.3 billion. With regard to the material execution, there has also been considerable surpassing of targets in practically all activities. Thanks to the network, in 1999 72.6 million school textbooks were distributed; 16.8 million pregnant women and children were vaccinated; 2.6 million workers were trained; and 145 thousand children and teen-agers went back to school, abandoning painful and debasing child labour.



The requirements of the fiscal adjustment and the successive international financial crises were major barriers Brazil had to overcome to implement comprehensive social policies. Even so, the federal social expenditure has been increasing: from R\$ 77.7 billion, in 1993, it has moved to 114.7 billion, in 1998. The sustainable growth trend is confirmed by the *per capita* social expenditure, which was R\$ 515.2, in 1993, and reached R\$ 710.70, in 1998. As a proportion of GDP, the Brazilian social expenditure has been stable, around 21%, one of the highest percentiles in Latin America.

The efficiency gains derive from the institutional reform of basic social services, particularly in the domains of social security, health, social assistance and education. It is a very deep and comprehensive change, with ambitious goals. It is aimed at improving the quality and the degree of coverage of these services, at eliminating socially unfair mechanisms of access and appropriation of its benefits, at reinforcing decentralisation and social control in its execution and at inhibiting the reproduction of the practices of client-clique policies, with the major purpose of increasing its impact in terms of re-distribution which, historically, has proven to be very low in Brazil.

Quite an amount of progress has been achieved. The first stage of the reform of Social Security has been completed, geared to the elimination of socially unacceptable and financially unsustainable privileges. The apparatus of Social Security was reorganised, with the elimination of foci of waste of public funds and of reproduction of political cliques of influence. The National Fund for Social Assistance was regulated, under terms that make the transference of funds for states and municipalities conditional to the previous creation and operation of their respective social-assistance councils, funds and plans.

New mechanisms for the transfer of funds to states and municipalities were put in place, in the domains of health and education. Examples of the latter include the Basic Care Threshold - PAB, in the domain of health, and the Fund for the Maintenance and the Development of Elementary Education and for Valorising the Teaching Profession - FUNDEF, in education, both essential for the strengthening decentralisation and for increasing the impact of social expenditure in terms of re-distribution.

# Increasing the public space

The notion that what is *public* is not the same as *state-owned* and is not limited to that is beginning to pervade Brazilian society. Parallel to the state public sector and to the private sector, there blossoms a non-governmental and non-profit *third sector*. Private initiatives having public purposes abound.

This active and constant participation of citizens represents an unheard of opportunity for expanding resources and competencies for tackling the major national challenges, such as the struggle against poverty and the incorporation of the excluded to the basic rights of citizenship. In testing, although at a small scale, innovating solutions for social problems, the organisations of civil society have accumulated a collection of experiences, knowledge and patterns of action that qualify them as government's unavoidable partners in the promotion of social development.

The acknowledgement by the public powers of this new solidarity-based, participatory and responsible profile of society has been translated into the construction of new channels of participation and into new forms of articulation among governmental agencies and organisations within society. The partnership between the State and society expands and becomes general, as an essential component of social policies and programmes.

## Entrepreneurial social action

In Brazil, private initiative has a significant presence in the response to social demands of communities. A survey carried out in 1999, in the Southeast Region - where more than half the companies in the country are concentrated - indicates that 300 thousand business organisations develop social actions (67% of the companies covered by the survey). These encompass both small occasional donations and well-structured projects in the domains of social assistance, food, health, education, the environment and community development.

The volume of private resources meant for social activities with public purposes nearly reaches the figure of R\$ 3.5 billion, which corresponds to less than 1% of the gross revenue of the companies in the region. The perception of entrepreneurs that this action must go beyond assistance and reflect a social responsibility is a recent one, and it tends to grow.

Given the importance of entrepreneurial action, it is desirable that this sector joins its efforts to the State's and to those of third-sector organisations, in the quest for alternative solutions for Brazilian social problems.

## The experience of Programme Solidarity Community

In order to fight pauperism and to reinforce the State as the agent promoting the reduction of inequalities, Programme Solidarity Community was created in 1995. More than a programme, it is a new strategy for mobilising the public sector and society, in order to overcome situations of extreme social exclusion still existing in the country.

This strategy had the following starting points: on the one hand, the selection of the federal government plans more apt to improve the living conditions of low-income populations, in the domains of education, health, nutrition, sanitation, housing, professional training and income and employment generation. This set of actions made up the Basic Agenda of Programme Solidarity Community. On the other hand, there was the definition of the priority scope for the Programme's action, that is, municipalities having more concentration of poverty, identified through criteria linked to income and infantile mortality, among other indicators. The focus defined for the Basic Agenda has prevented the dispersion of funds and has made it clear that the effort of struggle against pauperism would not lend itself to be instrumental of political and partisan interests.

In implementing this strategy, Solidarity Community has a two-fold mission. Within the inner pace of government it operates through its Executive Secretariat, which does not centralise resources or competencies of other ministries, but tries to promote articulation among different federal, state and municipality organisations involved in the execution of programmes.

Within the space of intersection between government and society, there operates the Council of Solidarity Community, made up of the Ministers of Education, Health, Labour, the General Secretariat of the Presidency of the Republic and 28 civil-society leaders - social entrepreneurs, heads of non-governmental organisations, business people, artists and intellectuals. Their task is to mobilise partners in private initiative and among the organisations of society, for the development of innovating and effective social-integration programmes.

In both missions, Solidarity Community is producing the intended outcomes. In 1998, circa 40% of fiscal resources assigned to Basic Agenda efforts, as articulated by the Programme's Executive Secretariat, were meant for the 1.369 municipalities that make up Solidarity Community's sphere of action. It is a quite expressive percentile, taking into account the fact that, before, most of those municipalities only received, off and on, voluntary transfers of federal funds. In 1997, over 50% of the municipalities of Solidarity Community have implemented at least ten programmes included in the Basic Agenda, as compared to 17% in the previous year.

#### Three innovating programmes

Articulated by the Programme's Council, three successful innovating programmes verify the effectiveness of partnerships and the growing adherence to initiatives based upon the principle of social responsibility. Solidarity University, Solidarity Training and Solidarity Literacy Campaigns.

**Solidarity University** - created in 1995, this programme mobilises several sectors of society and of the State, to work with communities of the poorest municipalities in the country. By means of the voluntary adherence of universities and local governments, the programme already involves nearly one thousand teams of students and professors, who operate in destitute areas all over the country, by transmitting information and basic notions on health, education, community organisation and citizenship. During three weeks, the teams try to mobilise people, particularly the local multiplication agents - teachers and their students, health agents and community leaderships.

In addition to investing in community organisation and in the quest for local solutions to improve the living conditions of the population, Solidarity University invests in the citizenship-oriented education of future professionals, by strengthening the concept of social responsibility amongst young university students. It also contributes to the dissemination and consolidation of the community-based action of Brazilian universities.

**Solidarity Training** - This programme started in 1996, with funds provided by private companies and the support of non-governmental organisations. It is geared to deprived and low-schooling young people in the age group from 15 to 21, who need training for the labour market. In less than four years of activities, it has funded circa 1.700 courses and trained 52 thousand youngsters, most of them coming from low-income families from the outskirts of capital cities.

**Solidarity Literacy Campaigns** - This is one of the best examples of action in public spaces produced by Brazil. By means of campaigns the Programme enters into partnerships with civil society, recruits university students and collects funds from the private sector to fight illiteracy in the age group from 12 to 18. The programme is specially geared to the poorer municipalities, where the problem of illiteracy is concentrated.

Established in January 1997, two and a half years later the programme was already operating in 581 municipalities, most of them in the North and Northeast Regions, the poorest in Brazil. Until the end of 1999, the programme assisted 776 thousand students, in over 800 municipalities. The assessments of results, part of the initiative, prove its effectiveness, particularly because it is part of a broader social action, developed by Solidarity Community.

# The figures of the expansion of solidarity

- currently 9 million people receive direct social assistance in Brazil, without any participation of public funds;
- overall, philanthropy turns R\$ 12 billion a year,
- in 1998, 36 million Brazilians participated of some social initiative, whether by donating money or contributing with material goods. Only
  these personal donations by anonymous citizens accounted for R\$ 1.1 billion, even if they are not income-tax deductible;
- one in each six Brazilians over the age of 18 is a voluntary in social projects all over the country;
- even the poorest Brazilians, who earn from one to two minimal wages, are voluntary donors: 13% of them donate money, and 20% donate foodstuff and other goods.



During the last few years, the importance for Brazil of the co-operation among developing countries has been growing. This co-operation is implemented through the Brazilian Co-operation Agency - ABC, the body in charge of co-ordinating international technical co-operation projects carried out by Brazilian institutions. This line of action derives, on the one hand, of the Brazilian technical-co-operation policy, inspired by the Ministry of External Relations; on the other, from the very demand by less developed countries and international organisations, so that Brazil makes available its successful experiences in several sectors.

The main axes of this policy are geared to the strengthening of co-operation with Latin-American and Caribbean, with the Portuguese speaking African countries –PALOPs and with Timor Loro Sae.

Among Brazil's co-operation priorities highlight the Programmes of Agreement-Students, by means of which vacancies are offered in Brazilian universities, for graduation, post-graduation and technical courses, to students of those regions. To the most economically deprived, the Brazilian government grants scholarships. Thanks to these programmes, currently circa three thousand African, Latin American and Caribbean students follow courses in Brazil, free of charge.

## The co-operation with Latin American and Caribbean countries

Brazil maintains co-operation projects with all countries in South and Central America, with Mexico and with several Caribbean nations. Among such programmes it is worth highlighting the strengthening of programmes of AIDS control that Brazil maintains with several countries, because it has an exemplary action in this domain.

Brazil also is one of the main partners of the Programme for Support to the Economic Recovery of Cuba, in particular in human-resource training projects, in the modernisation of labour relations and of the social-security system and in AIDS-related projects. With Peru, in addition to assistance to the AIDS Programme, Brazil co-operates in the area of environmental recovery. In Nicaragua, Brazil works in projects aimed at the production and utilisation of coal and at the development of improved seeds.

In Bolivia, Brazil maintains a technology-transfer project in the domains of vegetable-garden plantation, fruit culture and major crops. In Colombia, Brazil develops broad co-operation in the project of administration, management and preservation of the land and water fauna and in the sectors of health, education, fisheries, transports and mines and energy.

Education is also the target of Brazil's co-operation with Panama, by means of the programme for the improvement of scientific, humanistic and technological learning in secondary schools, and with Ecuador, where Brazil participates of the master's degree programme in sustainable agricultural production, in the domains of fruit culture, vegetable garden and flower plantation. In Guatemala, Brazilian technicians co-operate in projects relating to the development of fruit culture and agribusiness.

In Paraguay, Brazil is putting together a centre for professional training and technological education. In the Dominican Republic, Brazil lends assistance in the domains of social and financial management for projects aimed at the recovery of dwelling places in popular neighbourhoods and in hygiene, health and work-safety projects.

## The co-operation with African countries

In its co-operation with African countries, Brazil has given priority to the domains of education and public health, particularly AIDS control programmes, the major affliction in the continent. Early this year, Brazil entered into a partnership with Japan in a joint-action programme in co-operation actions in Portuguese speaking African countries.

The Brazilian training programme for the agricultural sector is still being prepared. By means of this programme, Brazilian technicians will train professionals of the agricultural and animal husbandry research institutions of Angola, Cape Verde and Mozambique.

In 1999, the Brazil-Angola Centre for Professional Education was opened in Luanda, a project developed by the Brazilian government in partnership with entrepreneurs, and aimed at training 1.500 Angolan technicians a year, in the domains of mechanics, civil construction, electricity and garment industry. The Centre also offers courses in the industrial, IT, machines and engines, bakery and confectionery sectors. This is the largest and most important Brazilian co-operation project abroad, with investments of over U\$ 1.8 million.

As per a Brazilian initiative, the Community of Portuguese Speaking Countries - CPLP has approved the establishment of two regional centres of excellence in African Portuguese speaking nations. According to the project of the Brazilian Co-operation Agency, these will be higher-learning centres for training human resources in he areas of public administration and business development.

## The participation in the effort for the reconstruction of Timor Loro Sae

As it opens its first diplomatic representation in Timor, in May 2000, Brazil is aimed at speeding up the agreements for co-operation the areas of education, health and agriculture. Brazil is committed to assist the country in its reconstruction, particularly in the social domain and in terms of the exchange of qualified professionals.

The already discussed co-operation agreements are geared to literacy projects in Portuguese, meant for children and adults, following the model of Solidarity Literacy, put in place in Brazil by Programme Solidarity Community. A Centre for Business Development, Professional Education and Social Promotion will also be established, where profession-oriented courses will be offered in the domains of civil construction, electricity, industrial sewing, carpentry and cabinet-making, such as the ones Brazil already maintains in Angola. Another agreement provides for offering supplementary courses for elementary and secondary education students.

Brazilian professional are already co-ordinating, in Timor, various work fronts, which are working at such different domains as the drafting of a Civil Code and of a Constitution for the reconstruction of the country and the restructuring of the communication and agriculture industries. A detachment of the Brazilian Army and Brazilian Military Police officers also lend their assistance to ensure internal security. Shortly after the end of the conflicts, Brazilian bodies organised national campaigns for the donation of foodstuff, clothing and drugs for Timor. Brazilian intellectuals, artists, religious leaders and politicians were involved in mobilisations and communication strategies in favour of the end of the war.



The promotion of a partnership between the State and society in Brazil is simultaneous to other processes of change having a deep innovating sense. As they strengthen each other, these processes improve the performance and potentiate the reach of public policies, both governmental and non-governmental, geared to the struggle against poverty and social exclusion.

Doubtless, the non-state public spaces have multiplied and diversified. Organisations and networks within civil society have gained momentum. The State has decentralised. New channels for the participation of citizens have been put in place. The commitment towards the path of social development became irrevocable.

As all societies exposed to the risks and opportunities brought about by globalisation, Brazilian society is not immune to the feelings of uncertainty and insecurity inherent to the vertiginous changes the world order currently undergoes.

Transformations that occurred during the last five years, however, both in the State and in society, cause Brazil to be now much better equipped to face the national challenge of development with equity and sustainability.

Five years after the Summit for Social Development, the Federal Government understands that, although it has achieved important conquests, Brazil still has a long way to go, in this process of construction of a fairer and less unequal society. It reiterates, therefore, the pledge to maintain in the national agenda for coming years the ten commitments undertaken in Copenhagen, in 1995. So much so, that it has listed, along this paper, not only the commitments fulfilled, but also the goals and targets yet to be achieved.

Much has been done, but it is necessary to do more.

This is the enunciate that pervades the whole paper now presented, which accurately translates the essential sense, the new starting point and the horizon of commitments undertaken with the future.

