



Presidência da República

Speech by H.E. Fernando Henrique Cardoso, President of the Federative Republic of Brazil, upon receiving the UNDP *Mahbub ul Haq Award for Outstanding Contribution for Human Development*

New York, December 9, 2002

When I first learned that my name had been selected for this award I was of course very pleased, but at some level I hesitated.

I thought: there is something odd about a President receiving an award individually.

Because what Presidents do is invariably the result of collective endeavors.

Ultimately, if a President is able to achieve something, it is because a whole nation, or at least most of it, stands behind him and supports him.

Not to mention the work of thousands in the public service, in the National Congress, in NGOs and within society at large.

Without their selfless dedication, the goals of human development could not be advanced.

But as I pondered I realized that there would be an important meaning in my coming here to accept this tribute.

It would be a unique opportunity to publicize and give further momentum to the efforts undertaken by the whole Brazilian nation.

Because that is, indeed, what has taken place in Brazil over the last few years.

A whole nation, made strong by democracy and united in the aspiration for justice, got to work to make changes where change was needed.

This is why I feel honored to have the company of a group of Brazilian ministers and congressmen in this ceremony today.

At the same time, I cannot deny that this is for me a moment of personal fulfillment. I give special thanks to my wife, Ruth, who has dedicated a lot of energy to human development and who has supported me all along. My thanks also to each one of the members of my family who have come to join me on this occasion.

Ladies and gentlemen,

In my first political platform, in 1994, when I was a candidate in the presidential elections, the opening sentence in the opening chapter read: "Brazil is no longer an underdeveloped country; it is an unjust country".

Let me explain the meaning of that phrase within Brazil's social and political context.

For too long have Brazilians blamed their social problems on the vague notion of "underdevelopment".

That is one of those concepts that should come with a warning: "Careful, this concept can be hazardous to your sense of responsibility".

Of course Brazil is less developed than other countries. There is no question about that.

Of course there are problems at the international level that limit our development opportunities: unfair rules, protectionism by the more affluent countries, turbulence in financial markets. There is no question about that either.

But even as we were aware of that, it was still our obligation to stop complaining about our destiny and to take it in our own hands.

Our duty was not to use international problems or the pretext of "underdevelopment" as excuses for perpetuating injustices at home.

So this is the meaning of that phrase.

The focus should be shifted from underdevelopment to injustice.

It was time for us to face our own responsibilities and to put our own house in order, at least in all that was within our reach.

And so we did.

We started with bringing inflation under control, with the Real Plan.

It was not an easy task, nor was it an end in itself.

Why was it so important?

For a simple reason.

Because over the previous decades, spiraling inflation had been the single most important factor in disrupting the Brazilian economy.

Also, and this is the heart of the matter, because inflation was not merely a question of macroeconomics. It was, above all, a question of social justice.

When citizens rebelled against absolute monarchy in the 18th century, one of the major battle cries was: no taxation without representation.

It is a fundamental principle of political ethics.

A principle that was daily trampled underfoot by hyperinflation.

Because inflation is precisely that: taxation without representation.

Worse: it is an undemocratic form of taxation that is targeted at the poor, at those who are not protected by indexation or by the various financial arrangements that are accessible to the middle class and to well-to-do.

So we curbed inflation and kept it at a very low level despite the international crises we have faced over the last several years.

And as a result we achieved what was possibly the largest sustainable poverty reduction progress in Brazil's history.

Around 10 million Brazilians crossed over the poverty line.

That gave us a new basis on which to work.

And work we did, to introduce necessary changes and to move forward in education, health care, land reform and social protection.

The results are there for anyone to see.

School enrolment was significantly increased, especially for the poorest children.

Brazil today can proudly assert that we have all but achieved the goal of having each and every child attending classes in school.

Child labor was reduced by 25%.

Infant mortality is down, most notably in the poorest areas in the Brazilian northeast.

Life expectancy is up by some 4%, and that rate is substantially higher than the world average in the same period.

Hundreds of thousands of new families have been settled by the Government in rural areas – more during these eight years than in the previous three decades.

The area of land that was settled is around 200 thousand square kilometers. This is more than 6 times the area of Belgium and 2 and a half times the area of Austria.

A social protection network is in place.

And it works effectively for millions of Brazilians, by means of 12 different programs of assistance to the less privileged, involving more than 30 billion reais every year (approximately 8 billion US dollars, at the current rate).

This is roughly the same amount of income tax collected by the Government from individual taxpayers and corporations. This comparison makes it clear that this kind of public policy has a direct impact on income distribution.

Our social protection network makes use of modern technologies, such as the magnetic card, in order to make sure that the resources will get directly to those who need them.

This has eliminated the need for middle-men and corruption schemes that have traditionally plagued social assistance in Brazil.

The minimum wage, measured in real terms – that is, discounting for inflation –, has achieved its highest level in forty years.

We have an anti-AIDS program that has been recognized throughout the world as a model.

And it is indeed a very good program, because it puts the needs of patients first, especially when it comes to ensuring access to affordable medication.

One of the challenges in social policy is to make good use of scarce resources.

The focus has to be on the poorest, the neediest.

And this is not as easy as it may sound.

There are conflicting interests, political pressures and even lack of information.

So one of the basic tasks must be the careful definition of where the most pressing needs are.

In doing so, the work of the UNDP has provided us with valuable tools.

For example, our "Alvorada Project" has made extensive use of the methodology of the Human Development Index in order to establish priorities and to single out those municipalities that face the most serious problems.

This has helped us in ensuring that our work is oriented by social needs, not political convenience.

If it looks to you as if I am boasting about our progress, maybe it is because I am.

I hope I can count on your understanding and your indulgence on this point.

I think a little bit of boasting is somehow included in a President's job description.

It is never difficult to find people who will tell you how bad things are, how far we are from our goals.

A few decades back, when we discussed the problems of development theory, my friend Albert Hirschman – acting out of his "propensity to self-subversion" – came up with a novel idea.

He told us: it is all very fine that we discuss and theorize about the obstacles to development. But there is another problem. We should also pay attention to the obstacles preventing the perception of development.

This was striking, because he was one of the leading experts in development theory.

And I always recall that insight by Hirschman when I reflect on the pessimistic trends that are sometimes prevalent in Brazil, as well as in other countries which face similar situations.

So I think it is not totally out of order for a President to sometimes use his pulpit to remind the people that the glass is half full.

But it is also the President's duty to remind – himself and others – that it is still half empty.

Indeed, what has been achieved in Brazil over the last several years should rather be seen as a beginning.

We still have a long way to go.

There are many more tasks before us.

And the call of social justice will continue to be heard in Brazil – I hope – with a voice that gets louder, but never loses its civility.

Throughout its history, Brazil has had many opportunities, but it has also wasted a good number of them.

We have known the distortions arising from colonial rule, and the shadow it cast on development prospects.

When we became independent, in 1822, we failed to move quickly to abolish slavery, which lasted until 1888.

Later, the effort to build democracy and the rule of law was met on more than one occasion with strong resistance.

As a result, we have known the dark days of dictatorship and our society was hurt by grave violations of human rights and fundamental freedoms.

Today, we have unprecedented opportunities.

And Brazil is determined not to waste them.

The recent general elections were an exemplary display of civic virtue.

They have shown, beyond any possible doubt, that democracy in Brazil is not merely a formal institution.

It is a living force.

A force that is channeled through honest procedures and that is rooted in the hearts and minds of citizens.

A force that will make it possible for Brazil, in the years and decades ahead, to continue to make changes and reforms through dialogue and in peace.

We need to consolidate economic stability.

It was said in the past that the price of freedom is eternal vigilance. Likewise, we can say today that inflation control requires permanent vigilance.

We need to improve our tax system, to bring it up to date and to eliminate problems that cripple our international competitiveness.

We need to find, once and for all, a sustainable and just solution for the problem of social security.

And we need to reform our political structures, and to keep improving our democracy.

What we have accomplished so far will give us strength to push even further.

When I leave office on January 1st, I will feel gratified to be able to look back and see that our efforts have borne fruit.

For me, a sociologist by training, the right way to do it would be by checking figures, numbers and statistics.

There is nothing wrong with that, and I will certainly do it.

But, as a future former President, my mind and my heart will take more satisfaction at the thought of what all those statistics really mean in human terms.

And what they mean is that a baby that is born in Brazil today, from a poor family and in a poor municipality, will stand a much better chance in life.

First of all, it will have a much better chance of surviving, because the mother will most likely have had access to health care, through one of the 162 thousand communitarian health agents who work in poor areas, or through one of the 15 thousand family health teams.

Later, this child will have a much better chance of getting a good education.

He or she will most certainly go to school, and will most probably not have to work at an early age - because the family will be supported by the Government to keep him or her in school.

He or she will expect to live considerably longer than babies born in Brazil in the early 90's.

And he or she will live in freedom, in a vibrant democracy and in a stable economy.

And then, as the years go by, this child will have the opportunity to read books, to read newspapers, to discuss and to think, as a free citizen, about how to make Brazil a better country for his or her children.

If my work as President has helped giving this baby a better chance in life, then it was worth it.

I like to think that it was, but I do not want to take credit for the work of others.

Therefore, when I say thank you to the UNDP, to my friend Mark Malloch Brown and to all of you, it is on behalf of all those who helped giving Brazilian children, and all Brazilians, a better chance in life.

Ladies and Gentlemen,

I was fortunate enough to meet professor Mahbud ul Haq some time ago.

We talked about his studies, which has led to the UNDP country reports based on the concept of human development.

I have followed his work, as well as that of Amartya Sen, whose participation was decisive in the elaboration of the HDI.

I am convinced that the introduction of the notion of human development has been one of the most significant contributions, in recent times, to the development efforts of the international community.

Therefore, I feel very proud to be the first to receive this award.

To be acknowledged by a prestigious international body such as the UNDP as having contributed to put human development at the heart of the Brazilian political agenda is something that moves me immeasurably.

But without any false modesty, I have to insist that this award is not mine.

I dedicate it to all those who have helped, in some cases even before my Government, to reach the social conquests I have mentioned here.

I dedicate it to the Brazilian children who now have new opportunities before them.

I dedicate it to those Brazilian poor who now have recovered their hope.

For me, personally, this award shows that I have tried my best as President of my country.

Surely, my Government will leave some unfinished business.

But nothing gives me more satisfaction than to have put Brazil on the right track.

Economic stabilization, structural reforms, seeking wider access to the world markets, the fight against poverty, environmental protection, the need for social change and human development - these are all questions that are here to stay.

Many years ago, Luiz Inácio Lula da Silva and I were together in unforgettable episodes in our struggle to defend democracy, the rights of the Brazilian workers and the aspirations of all our people.

Under his new leadership, I bet, Brazil will keep moving ahead.

And new social gains will come.

I am confident of that.

Thank you very much for your attention.