

Report from Rio by Silvia Palacios

Cardoso's reforms meet resistance

The government is foolishly trying to emulate Newt Gingrich's Conservative Revolution.

In its obsession with "reinventing the Brazilian state" and reducing it to its "minimal expression," the government of President Fernando Henrique Cardoso is proposing to carry out a series of reforms of the country's pension and educational systems.

The winds of the "Conservative Revolution" seem to have blown in from the Congress of the United States. The Brazilian President has just sent a fascist package to Congress, which would deliver a mortal blow to many of the population's hard-won benefits. What particularly stands out is the proposed reform of the pension system, as well as changes in public education, which sooner or later would result in both systems' privatization.

What demonstrates the brutal character of the government's actions, under the rubric of "cost-benefit" analysis, is the plan to eliminate the possibility of early retirement, for which people qualify after a certain number of years worked, replacing it with an obligatory cutoff age of between 60 and 65—currently the average life expectancy of Brazilians. In other words, you work until you die. And if anyone wants a retirement with all of the benefits guaranteed under the law, his only recourse will be the privatized pension systems.

The proposed reform of the pension system, an institution created over half a century ago by then-President Getulio Vargas and inspired by the social doctrine of the Catholic Church, did not emerge from the supposed originality of modern sociology; rather, it is a replica of the reforms

imposed in Chile by Gen. Augusto Pinochet, whose mentors were the gurus of the Chicago School of economics. One of these, quack economist Milton Friedman, is a central figure in the Conservative Revolution who loudly demands drug legalization.

Given the insane policies predominating in the U.S. Congress, it's not surprising that one of the primary architects of these and other reforms related to the administration of the Brazilian state is Administration Minister Luis Carlos Bresser Pereira, a technocrat who has sought the advice of American economist David Osborne, an expert in social engineering.

Brazilians aren't swallowing these reforms, however. In a survey commissioned by the government, 78% of those interviewed rejected changes in the pension system.

Aside from killing retirees, Bresser has another obsession—using administrative means to dismantle the Armed Forces. He delayed payment of the already miserably low military salaries and publicly charged that low wages of active duty military personnel were due to the large number of reserve officers.

The delay in paying wages provoked a heated response. On March 20, the Army, Navy, and Air Force clubs published an ad in the national press accusing the government of "disloyalty, lack of social sensitivity, manipulation, and injustice." The ad charged that Bresser's action "is sadistic proof for military personnel trapped between inability to pay their bills and the regulation which autho-

rizes punishment for those who fail to meet their financial obligations."

The ad's final paragraph is key: "Although we have been insisting that sacrifice is necessary, shared by all, once again the government has singled out the military and civil servants for punishment even while it grants enormous increases to government officials. Insensitive economists, unenlightened bureaucrats, blind politicians, and extemporaneous revanchists must be ecstatic with this maneuver which they applaud."

The attempt to reform the pension system demonstrates the depths to which the government of President Cardoso has fallen; there are daily expressions of dissatisfaction with his government, including from the Catholic Church; military protests have been especially harsh.

An article in the March 22 daily *Correio Braziliense* reported that the Eastern Military Command, based in Rio de Janeiro, views with great concern the unrest among active duty and reserve officers over the delay in payment of wages. A few days earlier, 60 officers, almost all of them in the reserves, transformed what was to have been a fraternal luncheon into a protest rally. Similar events took place at the Army Non-Commissioned Officers and Sergeants Club, and at a private residence, at which active-duty officers from all three service branches were present.

Col. Fri Maia Gonçalves, coordinator of the Mixed Commission of the Army, Navy, and Air Force clubs, reported that an increasing number of officers are leaving active duty in the Army because they are "exhausted by the lack of any hope for improvement" in their lives, and immediately join the organized groups of reserve officers. According to Colonel Gonçalves, there are between 12 and 14 such groups.