

## Translation of “*Incentivos à Globalização Solidária*”

Originally published in *Revista Conjuntura Econômica* – January 2003.

TEMAS SOCIAIS

# Incentivos à globalização SOLIDÁRIA

FRANCISCO HENRI

Diretor de Cursos de Pós-graduação de EMBA/PPG e de DPO/PPG  
www.rii.org.br

*„Al quando era o Torneo Giffa era está para a di' cado, com o a quando era o livro de Berlin a está  
para a di' cado era gl'oba. Mas pô.*

**A** quinta das Treze Colônias no World Trade Center em Nova York pode estar para a primeira cidade do século XXI como a queda do Muro de Berlim esteve para a última cidade do século XX. O maior dosar obtido a equitativa simboliza momentos cruciais da história, da guerra fria à globalização equitativa e da globalização solidária.

A queda do muro marcou a elevação das Nações Unidas ao papel de entidade superpotência mundial. Os EUA viveram a forte prosperidade nos anos 1990. Ao passo que, em contraste, os países em desenvolvimento tiveram queda de PIB per capita no período 1990-1996, ocorrendo sua fragmentação da antiga União Soviética.

O impacto da queda do muro se fez sentir em toda parte, mesmo aqui. Segundo De Klerk, o último presidente branco sul-africano, a queda do muro, em 1989, inspirou a decisão de libertar Nelson Mandela, decretando o começo do fim do apartheid. O Brasil conquistou de todo um longo período, ignorando o raciocínio em direção ao posicionamento correto. Paralelamente Cardoso Wilson: para o Brasil o branco é preto, preto é branco mas preto continua preto. Enquanto o muro caiu e as reformas avançaram no ocidente mundial, lançando uma autורי-



ta contra-reforma, constitucionalizando privilégios. Brasil, país sem direito da abolição, da cidadania e das reformas. O apoio a privilégios adquiridos está na base de nossas desigualdades sociais.

O Consenso de Washington chegou ao país tardio, abrupto, bravo, sem atender direitos e economias, prioridades, acobertando a sociedade de informação, mas permitindo conservar o que queramos, e a abandonar a própria fonte de energia, manufatura e recursos P&G. A desigualdade está na época das produções e da distribuição pelos países dos países.

Passando aos dias de hoje, o Brasil dispõe da oportunidade de ocupar a

raquia da base de uma globalização multilateral, sob pena de ser o contrário da atual liderança de Washington. De um lado, a redução de taxa de inflação da instabilidade com a globalização, a instabilidade com a redução a nível nacional ao II de mercado. Por outro, o neo-patrimônio Fernando Henrique pôde desempenhar o papel ativo de articulador de mudanças da ordem econômica internacional que marca suas ações mundiais do passado. Fora isso existe multiplicidade de iniciativas integradoras da sociedade civil brasileira, como a luta contra o apartheid digital comandada por Rodrigo Raggio, o caso Nelson Mandela da Informação. O seu Comitê para Democratização da Informação (CDI) está hoje presente em uma de suas publicações. Simultaneamente, Cristiano Bassani é o Brasil para África a metodologia de bolsa-escola através da ONG Mito do Cristo. O lado da rede nova de informações e a capacidade de criar e desenvolver a infraestrutura, mas disponível a um habitante do primeiro mundo. Se não podemos nos manter o bordo da história, o Brasil tem tudo para desenvolver e exportar tecnologia social de países. Contribuir para um processo de globalização mais solidária.

É equivocada a ideia que durante os anos 1980 — fase de integração comercial, financeira e informacional

## Incentives for Solidary Globalization

Marcelo C. Neri

*“The fall of the WTC Towers is to this decade, what the fall of the Berlin Wall was to the decade of globalization.”*

The fall of the WTC Towers in New York may be to the first decade of the XXI century, what the fall of the Berlin Wall was to the last decade of the XX century. The breakdown of these architectural works symbolizes crucial moments in history, from the Cold War to globalization, and who knows, from this on to a solidary globalization.

The fall of the Wall marked the American elevation towards the role of solitary global superpower. The US lived through a strong prosperity in the nineties, while all ten of the world's ten largest fall in GDP per capita in the 1990-1996 period occurred in the fragments of the old Soviet Union.

The impact of Wall's fall was felt all over, except here. According to De Klerk, the last South African white president, the fall of the Wall, in 1989, inspired the decision to free Nelson Mandela, decreeing the beginning of apartheid's end. Meanwhile, Brazil continued to lie in a splendid cradle, ignoring the movement towards the politically correct. Paraphrasing Caetano Velloso: to Brazilians, white is black, black is white, but blacks remain poor. While the Wall tumbled and reforms advanced in a worldwide scale, we released an authentic counter-reform, constitutionalizing privileges. Brazil, one of the last countries for abolition, for stabilization, and for reforms. The attachment to acquired privileges lies in the basis of our inertial inequality.

The Washington Consensus belatedly reached the country, abruptly, brutally and without anesthesia: we opened the economy, privatized, ended the IT reserve, and allowed ourselves to consume what we desired, while leaving to destiny carriages, maharajahs and old PCs. At the time, inequality fell due to the elite's losses, and not because of the poor's gains.

Moving on to present times, Brazil displays the opportunity of occupying the vanguard in the search of a more humane globalization, due to the aversion of consensus coming from the current leadership in Washington. On the one hand, Lula's election is symbolic of the dissatisfaction with globalization—intensified by the American reactions to September 11<sup>th</sup>. On the other hand, the ex-president, Fernando Henrique could play

the active role of articulator of changes in the international economic order, which influenced his studies in the past. Besides this, there is a multiplicity of initiatives integrating Brazilian civil society, such as the fight against digital apartheid led by Rodrigo Baggio, our Nelson Mandela of IT. His Committee for Democracy in Information Technology (CDI) is currently present in dozens of countries. Simultaneously, Cristóvão Buarque spreads through Africa the methodology of bolsa-escola through the NGO Missão Criança. The Indian aspect of our Belindia creates experiences and livelihoods about poverty to the Belgian side, unavailable to inhabitants of the developed world. If we do not fall behind historically, Brazil has everything to develop and to export groundbreaking social technology, contributing to a more solidary process of globalization.

The idea that during the nineties global income inequality increased is mistaken. India, and specially China, holding 40% of global population and most part of the poor, experienced a reasonable economic performance.

Now there's the dissatisfaction with globalization of a diverse order, starting with the de-characterization of traditional local cultures by the global tribe of consumerism. The successive crises exposed a volatility inherent of the current system, a true era of uncertainty. The active voice of those who lost with the opening—such as entrepreneurs and affected workers—added to the silence of those who emerged in a disorganized manner.

The frustration is also derived from the fact that we do not have as consumers what we wish to have, and as citizens, we start to feel—every day on TV—the poverty of the other side of the world. Maybe the greatest frustration is derived from the cynicism of the asymmetric opening of markets, of globalization not sharing its fruits through the global tribe.

The unexpected attack on the WTC, a symbol of American supremacy, can baptize solidary globalization; the recognition that the end of hunger is within our reach. It is also the recognition that the opening of markets is not a panacea keeping away all evil and also that the market may generate economic efficiency, but cannot solve (at least not on its own) social injustices.

The Internet's creation was the image of the nineties, a global network of computers. That of the present decade can be the formation of a social protection network, also at

a global scale. But what policies can constitute the fabric of this social network? How should we introduce a path pro-equality in the market economies' functioning? Diverse anti-globalization groups have recommended the increase of resources for development (ODAs) and the inception of a tax on international financial transactions, the so-called Tobin tax, as means of financing the external debt pardon of heavily indebted poor countries (HIPC). Although these actions point to transfers from rich to poor, there are no guarantees that they will effectively focus on the poorer layers of the poor countries.

In the perspective of the managing elites in the underdeveloped regions, the new modality of debt pardon justified by the high levels of current poverty can be advantageous, not only by the injection of present resources, but also by the possibility of new future injections, in case the poverty levels do not shift. In this sense, the practice of debt pardoning, a function of current poverty, introduces incentives to the perpetuation of poverty. This does not mean that debts should not be pardoned by humanitarian issues, but that the products demand some special cares associated to the motivations involved in the process.

Note that the problem of incentives in the allocation of social resources does not solely affect countries barely democratic or the banana republics. In representative democracies, the system is "one adult, one vote," instead of "one person, one vote." It may not be a mere coincidence that a great part of those below voting age are also below the extreme poverty lines.

According to the UN, around 50% of the world's poor are in the young adult-child age range. It could be argued that a child's interests are legitimately represented in the voting ballots by his/her respective parents. However, poor families in general have many children and in many occasions are headed by only one woman. In these cases, the mother's vote is rationed by many heads. In sum, the fundamental point is that the poor are under-represented in the electoral market, as are their interests in the management of public resources, and in particular, in those countries requesting external debt pardon.

An alternative used by multilateral organisms is to demand, in compensation to the contribution of new resources to poor countries, investments driven towards the poor, such as expenses on basic social services. The problem faced here is the difficulty in the control of focus, efficiency, and persistence of these expenses' effects. Due to this

informational problem, all the literature on macroeconomic goals has relied on intermediary or political indicators, such as the interest rate, for result indicators, such as the inflation rate.

Before I am accused of being nihilistic, let me offer a modest contribution to the difficult solution here presented. Note that this problem of the poor's interest and those forgiving debt coincides not only for humanitarian reasons current in action, but also in the desire to minimize the need of adopting other future actions. A rich country intending to finance investments in poor countries for humanitarian purposes should demand, as counteraction, a sustainable increase of that population's living conditions, so as to avoid the indebted appropriation of the elite's resources, or even its populist use—in a concentrated manner—in pre-electoral periods.

The proposal is that, complementarily to the use of living conditions' indicators to the concession of debt forgiveness, the use of a rate of these indicators' progress be announced, a posteriori, as an access criteria to future increments in the attained resources. The use of this social target system, ex-post, is equivalent to the creation of a secondary market of discount on the external debt, attained upon the attainment of tangible social progresses. In the scheme denominated social credit, the financial debt retained in social projects can be paid with social advancements.

*“The proposal is that the social progress rate observed a posteriori be used in the establishment of new debt pardons.”*

*Marcelo C. Neri is Director of the Center for Social Policies in IBRE/FGV and Professor of EPGE/FGV. E-mail: [mcneri@fgv.br](mailto:mcneri@fgv.br).*