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TRANSCRIPT OF INTERVIEW OF
FERNANDO HENRIQUE CARDOSO

BY

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THOMAS G. WEISS: This is a tape at the Alvorada Palace, Tom Weiss and Fernando Henrique Cardoso on the 19th of July. I wondered whether we could start at the beginning and whether you might tell me a little something about your own family, the atmosphere at home, your own early education. In particular, how do you think this contributed to your own intellectual interests, your own interests in politics, and maybe even international cooperation?

FERNANDO HENRIQUE CARDOSO: Well, let's see what can be said about this. My father was in the military. At the end, he was a general and he was also a deputy. He was elected by the Labor Party in Brazil, and my father was very close to the so-called nationalist movements in Brazil—the oil campaign in defense of the oil resources in Brazil, and the organization of Petrobras, et cetera. So to some extent, there was a direct influence—also my grandfather, also the father of my grandfather. So I belonged to a traditional family tied to the state, being in the military or even part of the state apparatus. My grandfather was governor of this region during the empire, so we have a long tradition of dealing with public issues—my family, looking from the family of my father.

The family of my mother has a quite different background, because my mother was born in Manaus, in the middle of the Amazon. But my grandfather and grandmother were from the northeast, from Alagoas. They had no links with political life, but yes with the intellectual life. My grandfather was a very enlightened local person, you see. On the other hand, my father also in the past was a lawyer—a soldier and lawyer. He was working as a lawyer, being a military. At one point in time, he was no longer a lawyer so he became only military. But then when he retired, again he became a lawyer. My father married when he was forty-four years old, so my father was born in the nineteenth century.

At the time of my father and the time of my grandfather, the military played a very strong role in Brazilian politics. My grandfather was close to those who created the Brazilian republic, and my grandfather was in favor of the abolishment of slavery and in favor of the republic and so on and so forth. My grandfather, at the end of his life, was a field marshal, at the top of his career. But at the time, the military were involved in politics, and on the democratic, if I can put it like that, because they were authoritarians in any case. But trying to solve poor people's problems—or oligarchists in general. Also, they had some intellectual aspirations. My father wrote articles for newspapers and was a man who read literature, French literature, and was highly influenced by the thinkers of the beginning of the century, and even of the nineteenth century—evolutionism, and positivism, of course. So this is my background. To me, political life and intellectual life were not something outside of my life experience.

TGW: It sounds like a fairly unusual general you had as a father. How did he react in 1964, after the coup, when you had to leave?

FHC: No, no, no, he was against the coup. At the time he was already retired, but my father was a deputy, and as I said, in the Labor Party. My family was close to the [Getúlio] Vargas people. In the time of Vargas, in the beginning, after the so-called liberal democratic revolution in 1930, the uncle of my father was what they used to call minister of war, or the man in charge of the army. Then in the 1950s, again, there was a cousin of mine who became the minister of war. Now the title is defense minister, but at the time it was minister of war. So he was close to Vargas. Then my father supported Juscelino Kubitchek when he was deputy. Again, in the period of Kubitchek, one of my uncles was the head of Banco do Brasil, the Bank of Brazil. For a while, he replaced the finance minister. So he was against the coup. In 1964, my father was against.

TGW: You mentioned that he read French literature. And obviously you ended up in France during part of your education. What part of the French intellectual tradition do you think was most important to you? And what do you recall from your student days? Which people and books were most important to you during that period?

FHC: Well, I was trained at the University of Sao Paulo. The University of Sao Paulo was founded in 1934, I guess, or something like that, after the 1932 revolution in Sao Paulo. The social science branch was organized by the French—so [Claude] Levi-Strauss, and [Fernand] Braudel, and [Roger] Bastide, et cetera. I entered the university in 1948 or 1949. Levi-Strauss was no longer there. I met Levi-Strauss many, many years after that, in Paris. My wife's master's degree was under the guidance of Levi-Strauss in France. But, at one point in time, I guess in 1950, practically all my professors at the university were French, and they gave us class in French. At the time, the influence was enormous.

Then some years later, another generation of French came, like Alain Touraine—who since then is a friend of mine—as well as several others. In practice, we were kind of a subsidiary of the French university. I mean this group at the University of Sao Paulo—the influence was enormous, of course, and Jean-Paul Sartre—even Sartre personally. Recently, I found a small message Sartre sent me in the late-1950s. I was organizing my old files when I found it. Sartre handed me a written permission authorizing me to publish any of his books or articles or anything from *Les Temps Modernes* in Portuguese. So we had been highly influenced by the French social science literature—the historians, too. Braudel stayed for a long time in Brazil.

The first time I went to Paris—well, I was acquainted with the French literature, and even [Raymond] Aron and the French people. I translated Montesquieu's *l'Esprit des Lois*. So what is the use of me speaking English, not French?

TGW: Well, I apologize. We could do it in French, except that I think researchers in China, or Russia, or India would probably find it more useful in English. So we've tried to stay in English.

FHC: It is rare to speak French, even here. Yesterday, a couple of French intellectuals were here. All the Brazilian ministers were able to speak fluently French. It is amazing the extent of the French influence to my generation, and even in more recent years—no connection with the French influence in the world.

TGW: I think it is fair to say that you flirted with Marxism in the 1950s, and some people say that that lasted a lot longer. Many students actually dip in and out of Marx, and many become disaffected later. When did you become uncomfortable with more historical determinist arguments? I was reading that you had founded this Marxist club, you and your wife, and that Sartre and [Simone] de Beauvoir and people wandered through in the 1950s. I was just wondering when this no longer made much sense to you.

FHC: Let's put more clearly what happened here. When I was a student at the university, Marxism was completely out of our discussions at university—completely. And to some extent, it was a kind of a disappointment for those who went to university to try to understand, not sociology but socialism. The university was very professional in the sense that we had professors well-trained by the French people, and also in America some of them, or one or another in Germany. They tried to train us in the understanding of the indigenous populations in Brazil. I had enormous discussions with them about anthropology, including physical

anthropology. Also, we read [Max] Weber, and [Georg] Simmel, and all the Dutch literature—nothing at all about Marx.

The idea at the time, in Sao Paulo at least—it was more a group of the elite—was let's try to introduce in Brazil Heidelberg, or something like that. The university is quite apart from practical life. Anyway, we were in competition with the intellectuals in Rio, and the Rio people, because of ISEB. It was a very influential research institute in Rio—more close to the political life. And for us, what they were saying was kind of rubbish—ideology. So we were against the ideological approach to the analysis of social phenomena. When we studied Marx was after that. We started this group on Marxism. I don't remember exactly, but it was probably at the end of the second half of the 1950s. The man who proposed a reading of Marx's texts was [José Arthur] Giannotti. He was a philosopher, and he was coming back from France. We were on a beach in Rio and discussed with my brother-in-law, another professor of his in anthropology, Roberto Cardoso de Oliveira, of the University of Brasilia. You know, Tom, remember it was probably also Darcy Ribeiro. We used to go to spend some time in my father's house, close to the Copacabana—more the Arpoador Beach.

Giannotti came and said he had some contacts in France with some people reading Marx, but reading Marx in the sense of a philosopher. So this group was composed by different people—historians, economists, sociologists, anthropologists, people close to the literature. The idea was, let's take the text and to make a phenomenological analysis of the text. So we wasted hours and hours discussing details. We were very pedantic people. So one was with a book in German, another in Italian, another in Spanish, and Portuguese—to compare. So I read the whole critical history of surplus value—books and books and books about it—and economic

theory, and then *Das Kapital*, page by page. I still have my books with hand-written remarks. There were enormous discussions, but very abstract discussions—very, very abstract discussions.

It was difficult to understand how it was possible to be so isolated from real life. So this was the so-called “Marx seminar.” And our teachers, our professors, were suspicious of this kind of thing. At the time, I was assistant professor for Professor Florestan Fernandes, who became one of the most famous Marxist theorists afterwards. But at that time, he was a disciple of [Robert] Merton, and he was discussing functionalist theory in sociology. He wrote a very important book on the Tupinambá indigenous group—the social organization of the Tupinambá, and the social function of the war in the Tupinambá society—books like that. And of course, we were also familiar with this kind of literature, as well as with the British. The British had very important books on African groups. So this was the main stuff discussed at university.

Florestan Fernandes later became a deputy for the Workers’ Party, a fellow deputy, at the end of his life. Now he is a big totem of Brazilian Marxism. At the time, he once called me and he said, “What are you debating, reading this kind of poetry?” It was [Georg] Lukács, because we were discussing Lukács. For him, he was trying to alert me to the risks of wasting time reading this kind of people instead of doing research and a concrete analysis of social processes. The battle in the University of Sao Paulo was against a kind of very superficial analysis in the form of “essays.” This was the Brazilian tradition, so we were trying to insert another tradition in terms of how to do concrete research. Florestan Fernandes was a little bit worried because here you were again with this kind of discussion.

So the bridge between our training and our research and Marxism was Sartre. Why? Because Marxism at the time was very, very rigid. It was all determinism. Sartre had a quite free interpretation of Marx in his essays on methodology. I don’t remember the name of it. He

has a big book, and in some papers Sartre wrote about how to deal with issues of method. So we took from Sartre the possibility to revise a little bit Marxism in order to reinterpret more flexibly. So my first important book was *Capitalism and Slavery in Southern Brasil*.

TGW: That was your Ph.D. thesis, right?

FHC: Yes, based on a book review by Roger Bastide, about this book published in France. Bastide said, “This is a kind of book that could never have been written by a Frenchman. Why? Because there was a tremendous mixture between Weber, and [Talcott] Parsons, and Marx.” So we took it all together, and tried to reinterpret a little bit. And Florestan Fernandes, at the time, was the man who gave us the intellectual architecture to allow us to be more flexible, because he said, “We have three or four big masters—Durkheim, Weber, Marx, and also Parsons and Merton. It depends on the subject. It depends on what kind of question you are dealing with. If you are dealing with long historical processes, maybe you can use Marx. If you prefer to discuss contemporaneous processes, well then it is better to aspire to Durkheim, or the functionalist approach.” So this was the dispute of the period, you see. It was not at all the vulgar Marxism or this kind of immediate link with political processes. It was a much more sophisticated approach in terms of the development of the mind, you see.

So if you go and read my book on slavery, it is an unorthodox book because it put it all together, to some extent in comparable methodological approach—so some kind of eclecticism. At the time, this was the book. The dissertation was published in 1960, so it was prepared in the 1950s. Well, after the Hungarian revolution, we were against the Soviet Union. So it had nothing to do with the practical support of the Communist Party. Some became more closed to the Communist Party, others not, but not because of intellectual visions. Intellectually, we were

quite independent from the vulgar thinking of the political approach of Marxism. At the time in Sao Paulo, they had a magazine, *Fundamentos*, that was very close to the Communist Party.

The man behind this magazine was Caio Prado who was one of the stalwarts in Brazil, and also a critic of Brazilian society. Some of us had some contacts with *Fundamentos*, so this again added an additional instrument of confusion because we had some contacts—but intellectual contacts. But we were against, clearly after the congress in Moscow, the [Nikita] Krushchev revolution, and because of the Hungarian invasion.

I wrote a book on the *Brazilian Industrial Entrepreneurs and Economic Development*. This was in around 1963, just before the coup. The idea of the left in Brazil was, “We need to organize an alliance between the workers and the national bourgeoisie against imperialism and the agrarian class.” So there were two blocs—the progressive bloc, proposed by industrialists plus other middle class, and students and workers, against the so-called *latifundiários* linked with imperialism. This was the normal approach, that development in Brazil depends on a revolution, a kind of liberal bourgeois revolution. Most of the Brazilian thinking—not only Brazilian, but Latin American thinking—was an attempt to repeat European history. So at one point in time, the bourgeois revolution, and then maybe the socialist revolution.

Indeed, my book on the entrepreneurs is a criticism of that. I did research, because of my training, to go to see people, to analyze, to do research, and in practice, the industrialists in Brazil were tied to the agrarian situation, too, also farmers, also traders—no such distinction between the industrial bourgeoisie and the old-fashioned, more feudal people. No, this never existed here. So in practice, what I did was a criticism of this old-fashioned approach based on vulgar Marxism. This was when I went to Chile, in 1964. These were the ideas in Chile, too. My book, again, is a criticism of two different perspectives. Let’s put it more simply—the

communist perspective, the so-called revolutionary perspective; and also, the dominant ideas in ECLA (Economic Commission for Latin America). We made a double criticism.

On one side—and I have already given you the reasons—it is impossible to describe ourselves as if in Latin America we are repeating the structure of the European societies. There is an issue, published in France, in *Les Temps Modernes*, about Brazil. I wrote an article there, about “The Hegemony of the Bourgeois Class in Brasil,” or something like that. Other people also contributed to this issue. Alain Touraine wrote an article there. The main critical analysis by Touraine was exactly, “You believe that the Brazilian working class will repeat the saga of the European proletariat. This is not true. You are living under quite different conditions. The way that the social classes are formed in Brazil and South America is quite different. It is another capitalism.” Since that time on, this was for us clear, obvious.

We tried to continue this kind of criticism in Chile. As I said, we added to that criticism a criticism of the main economic idea of ECLA. Again, it was the same—anti-determinism. Not only Marxists were determinists in the vulgar sense, but also the communists were determinists in a vulgar sense. So the bulk of the critique is the same. We applied the same criticism to ECLA’s ideas. This was what we tried to do in ECLA.

At the beginning of this book, *Dependency and Development in Latin America*, was a seminar with Raúl Prebisch and Celso Furtado. We left Brazil in 1964. First, I went to Buenos Aires and then Santiago. I arrived in Santiago on May 1, 1964. Later, Celso Furtado came to Santiago, too. I accepted an invitation by Medina Echevarría, a Spanish sociologist who had a very important role and influence in ECLA. He was a typical Spanish intellectual of the 1930s and 1940s, and he was heavily influenced by the German literature, the German sociology. He was a lecturer in Germany. During the last period of the republic, he was ambassador to

Warsaw. Then [Francisco] Franco came, and Echevarría moved to Puerto Rico, I guess, and from Puerto Rico to Mexico, and Mexico to Santiago, always within the United Nations.

So Echevarría was there, Furtado, and another very influential economist in Chile, Aníbal Pinto, and Osvaldo Sunkel, and others. [Enzo] Faletto was also there. Weffort and Faletto were my assistants. We had very important discussions, at least to us because we were discussing with Prebisch the main roots of his approach to Latin America. At the time, Prebisch was advisor, or consultant—something like that—to Inter-American Development Bank (IDB), living in Washington. But he was simultaneously head of the Planning Institute at ECLA. So in practice, Prebisch was our boss.

Prebisch himself was a very special kind of person, able to put people around the table and to motivate people to discuss, and able to integrate different perspectives, and to propose in a simple way what has been discussed around. And Prebisch had been head of the Central Bank in Buenos Aires—rather a conservative than a progressive mind. When he was in Buenos Aires, it was in the 1930s under the [José Felix] Uriburu regime, the military regime. They had to discuss a very difficult problem with the exchange rate, because of how to export meat—all this normal stuff in our countries. Prebisch published a book on [John Maynard] Keynes. This was very peculiar, because Prebisch was well-acquainted with Keynes' ideas and became the founder of the so-called Latin American economic development theory. How? Because of Hans Singer from the UN.

Hans Singer was a man who was very competent in statistics and able to deal with different data. These were the main, basic pillars of what happened with the United Nations. In practice, the United Nations started this kind of uniformization of information—good statistical criteria to make analyses. So Singer made his contributions on what happens with prices—the

so-called deterioration of terms of trade—and perhaps took the idea and transformed the idea into a theory: center-periphery. Prebisch, of course, was also, as we were in this part of the world, committed with social problems and the necessity of more economic development.

So, how to do it? Of course, Prebisch was a sophisticated intellectual because, as I said, he was familiar with Keynes and able to understand statistics under the influence of Singer. So at the basis of Prebisch's ideas—not the vulgar Prebisch, but his own ideas—he always paid enormous attention to productivity. He said, “What was important was to introduce technological progress. So we need foreign capital.” So Prebisch was not anti-investment. We need foreign investment because investment brings us what we like—competence to increase productivity, because there is no other way to grow. But how to do it? Then, the state comes in—that is, the government. So it is a very peculiar mix between some normal liberal economic theory, plus the idea that without government it is impossible to go ahead. The government will promote the transfer of technology and the accumulation process.

But Prebisch was never against private capital. He was never against it—but he did favor state intervention. Then it was the reverse. After the book we wrote with Faletto, a political criticism, Prebisch became more toward state society—social commitments and income distribution. So at the beginning, income distribution was not the axis, because the idea was how to increase productivity and how to invest, then how to organize a market, but always with a tremendous preoccupation with what at the period was “the gap”—“*la brecha*” in Spanish—the gap that we are facing now. We have to pay our external accounts, so we have to export, increase productivity, and ultimately also promote better income distribution.

From my perspective, from our perspective—those who had the sociological training and perspective—it was necessary to insist on exactly the political gain, and the possibility of

different paths toward development. So in my view at the period, what had been proposed by ECLA was more accurate than what had been proposed by the leftist views about development, but still did not have enough rigor and not enough capability to understand the movement of history. It was a very simplistic approach, to every country the same approach. So in the book I wrote with Faletto, we tried to insist on the fact that there are different paths. It was not enough to look at the deterioration of the terms of trade, or dependency, or whatever, but you had to pay more attention to political movements, social movements. So we said it is obvious that Latin America is not homogeneous. We have different roots in terms of society, not just in terms of economics. In some areas, we can see the development of our domestic bourgeoisie, like in Brazil or in Argentina. In other countries, we have a kind of enclave. The dynamism cannot be diffused within society because of the kind of enclaves that are found, for example, in societies whose economies are largely based on mining.

Certainly it was obvious at the time, at the beginning of the second half of the 1960s, that foreign capital is not against development. For Brazilians, it was obvious. So imperialism was not that bad in the sense that it was not against progress. For the vulgar idealism, imperialists and those who came from abroad came to export out our mineral resources, our agriculture, but were not producing transformations. This can be so stupid. It is difficult to understand. I must say that, for instance, after 1964 in Brazil, even a person like Celso Furtado believed that stagnation was there because it was impossible to go ahead in economic terms without a profound transformation. In Furtado's mind, a profound transformation—it was never clear what kind of transformation. In others' mind, the idea was a socialist transformation—revolution or disaster. This was the consequence of this kind of thinking.

From my point of view, it was not like that. Even without a revolution it was possible to make some progress. I was so sick of the discussion on dependency and development, that I tried to create new labels to understand the realities in this part of the world. But in the 1970s, because of [Ernesto] “Che” Guevara—in practice this book I wrote with Faletto was a very secondary book from the point of view of the social movements in Brazil because the book was read from the point of view of Guevara’s analysis. And the book was against Guevara. Guevara made enormous mistakes. In fact, it was not him. It was the French intellectual—he is a friend of mine now—Regis Debray. He was totally mistaken in basic analysis. And the book – just like several other things that we did – was read as if we were supporting this kind of approach, when in fact we were criticizing this kind of approach.

Guevara said, “Well, the revolution in Latin America is for tomorrow, but not in Chile, Uruguay, and Argentina.” And in Chile, Uruguay, and Argentina the guerillas were much more active than in other parts of the continent. I am simplifying, but anyhow it was like that in general terms.

So what we did in ECLA was to try to give more—how can I put this—historical sense to the economic analysis. In the 1970s, also again another ghost appeared—the idea that the development in Latin America is very peculiar in that we are not able to absorb the urban masses. So the marginal population is a kind of a new track. The revolution derives not from the force of the working class, but it would be a revolution of the marginal people. So this is *Les Damnés de la Terre (The Wretched of the Earth)*—[Frantz] Fanon’s idea. But Fanon had little influence here, if any.

So in several books and articles in ECLA and other parts, the so-called social approach was “the disaster is near.” Development in Latin America is incapable of absorbing the migrant

population. We are surrounded by an army of marginal people, and we don't know what to do. And in a sense, it was terrible, because in the South we had really very bad, difficult problems in terms of urbanization and so on and so forth. At the time, in ECLA, I wrote an article with the former Mexican ambassador to Brazil, José Luís Reyna. We wrote an article comparing the European situation, the American situation, and the South American situation, with what happened with urbanization in terms of the secondary sector, the tertiary sector, against these theories of inevitable disaster.

I received a letter from Albert Hirschman, who had read the article. Hirschman is my friend since that period, and Hirschman has a much more subtle view on urban problems, and has an excellent analysis on Colombia, on theories of development. So Hirschman wrote me a letter saying, "Finally I have a brother in mind," because he was one of the very few who was optimistic. I was also not optimistic in the naive sense, but the promise was there. We were making progress.

And people like Furtado, or another influential woman, who still is very influential in Brazil in the leftist ranks, in the working class party, Maria Conceição Tavares; and also, another catastrophist, whose name was Hélio Jaguaribe, who is an old friend of ours, a very influential intellectual in Brazil; they wrote articles and books proving that there is no chance of development in Brazil because of marginality, because of income concentration, because of the fact that foreign forces are against progress, and the state is being destroyed, and so on and so forth. So it was extremely difficult in the 1970s to support the ideas that I did. It was very, very difficult because of the confusion. In my case, they felt, "He is criticizing us. If he is saying that progress is possible under a military regime, then he is supporting the military regime." In political terms, it is very easy to make this confusion and to destroy the argument.

At the time, another kind of ghost appeared with the idea that necessarily capital accumulation in underdeveloped countries requires authoritarian regimes, and if possible military. This is O'Donnell. O'Donnell is very influential here. Now he is professor at Notre Dame, I guess.

TGW: Yes, Guillermo.

FHC: Guillermo O'Donnell. So Guillermo worked with me here, in Brazil. He is a good friend of mine. He wrote very influential articles and books on the links, on determinism. So I wrote an article with José Serra, who now is a presidential candidate here. At the time, we were working at Princeton, at the Institute for Advanced Studies. Serra was assistant to Professor Hirschman, and I was there too as fellow. We wrote an article trying to counterattack Guillermo's ideas, and to some extent Philippe Schmitter too. But Schmitter was more subtle, more able to understand changes in reality.

So during the 1970s, it was very difficult to have a non-deterministic approach—based on Marxism, based on reviews of ECLA's ideas. Not ECLA in itself, not those who were already placed there, of course. Of course, Enrique Iglesias had never been close to this kind of idea. Neither had Prebisch or Aníbal Pinto—only the followers. The followers are always a tragedy, you see. You have to try to see the original thing, because otherwise it is oversimplification.

Anyhow, this was the mood in the 1970s. And to understand how the world is changing so quickly, when we wrote the book on dependency, not just the concept but even the word “multinationals” was nonexistent. The term “multinational” came to be used in the 1970s. In the 1960s, “multinational” was nonexistent. Still, we used to call the foreign companies in different ways—“trusts,” but never “multinationals.”

And understanding of globalization, as we used to say, was very poor. Even in our book, we spoke about the internationalization of the internal market. This was just a consequence of a different process of production, and then the internationalization of capital. So this was not perceived in the 1960s, you see. When some intellectuals discovered what we call today globalization, again it was a disaster because the idea was a new *deus ex machina*: “Globalization will impose homogenous rules around the world, no alternatives. We are against globalization.” Some Americans and Canadians took the idea of center-periphery and generalized the idea, and transformed the idea in a very poor way. Prebisch had never been an unsophisticated intellectual. He never proposed center-periphery ideas to stop analysis, but just as an instrument to understand reality. But they transformed it into something very rigid. So the world now has a center and a periphery. It is impossible to move from the periphery to the center. That is the so-called international approach to development. I am simplifying, but in general terms this is what the model looks like.

Back again to ECLA’s influence, et cetera, and the United Nations’ influence. In the 1960s, some social problems were considered as non-problems in theoretical terms. When I was working at ECLA, I was in the social division, and I received a grant from UNICEF (UN Children’s Fund). So we took children into account. This was for fellow sociologists quite unusual at the period. Who else tied children with development? So this was important. I wrote a report on a conference on children and development. I did it with Faletto. UNICEF organized an international conference, and we were the rapporteurs. I remember the head of UNICEF—Howard was his name, from Australia. The first time, when I was appointed to ECLA, I went to the UN in New York. I don’t remember the name of the man in charge of this whole thing, of UNICEF, et cetera. He was a man of some aristocratic position.

TGW: Wasn't it Henri Labouisse at the time?

FHC: Maybe. The only question, he tried to speak with me in different languages. I was able, more or less. He was convinced I could be a good UN staff member, and that's all. But Howard is the man who, in practice, controlled the whole thing. So we organized a conference in Santiago, and Faletto and myself were the *rapporteurs*. Faletto is a very peculiar person. He is a historian by training, and worked with Prebisch and with Anibal Pinto. He has been always an ECLA member, a professor of the University of Chile. He likes to drink wine. He has a tremendous sense of humor, and he is very sophisticated as an intellectual. But he tends to be a man, and a vulgar person—he's not—and lazy. Only poor Howard, the big boss, went there and we gave him the sense that we would be unable to write the report, because we weren't taking notes here and there. We wrote the thing in one night, the whole night. It is published, I don't know where. This is just a little bit of history.

What I am saying is that for us it was important to take children into account in the relationship. So then, the whole subjects of women, and different social aspects—I think this is a consequence of the United Nations' presence across the world in order to enlarge views on what the government role is, and also the concept of equitable development, and the Stockholm conference (UN Conference on the Human Environment), the Rio conference (UN Conference on Environment and Development), and now the Johannesburg conference (World Summit on Sustainable Development), plus the women's conference in China (Fourth World Conference on Women), et cetera. All this, I think, has a direct effect on social science in general, even when the persons are not aware of the fact. But the renewal of the issues and themes was very important, a subject matter to be taken up by universities, and by political parties. I think this was a very important role played by the United Nations.

And in our case, in Latin America, more than that—because of ECLA, because of perhaps personal influence, and because of the fact that ECLA institutionalized the whole thing in terms of statistics, to produce reports and information about nations. It introduced new perspectives—for instance, the idea of planning; then these new concepts, the idea of labor force, employment, and so on and so forth. But more important than that is the fact that through ECLA, in Santiago and then in Mexico, a kind of new social segment, if not a class, has been trained. Now it is in America, but at that time it was in ECLA. Those who became finance ministers, planning ministers, and from time to time education ministers came from the same school. And they knew each other. So there was a kind of network. And ECLA was behind this network.

This network supported maybe even a false idea—the idea of Latin America. For Brazilians, Latin America was an abstraction in the 1960s. An abstraction, you see. I remember my first contact with ECLA was in 1962 or 1963, through Medina Echevarria. He came to Brazil before, and then he came again because he wrote something, which I helped in publishing, on entrepreneurs—something which reflected the influence he received from [Joseph] Schumpeter and, in general, from his German training. Medina was never a Marxist; he was a Weberian and always concerned with social actors in the process of development—not just structures but social actors. Medina came to see me in a hotel in Sao Paulo, and asked me to prepare a report for the famous conference in Punta del Este, in which Guevara was present, and which made a tremendous noise when the Inter-American Bank was proposed.

So I wrote a paper about how the Brazilian businessmen—not just Brazilian, but Argentinean, Mexican, and Chilean businessmen—looked at the common market, ALALC (Latin American Association of Free Trade). The fact was that Brazilians just were not paying

attention. For them this was not even demagoguery, it was nonsense, because they are looking inwards, at the domestic market. There was no concern beyond this. Integration was an abstract idea.

TGW: This is tape number two. You mentioned several times the abstraction of Latin America in your own work, that it was important not to treat countries as homogeneous. I just wondered whether you could look back at the 1950s, 1960s, and 1970s and how the initial rumblings of the Non-Aligned Movement (NAM) appeared when you were, I guess, in Sao Paulo in 1955, and how the G-77 (Group of 77) appeared in 1964 and later. This was obviously a useful political movement, but how did it seem analytically?

FHC: Let me qualify. In the case of Brazil, Brazil has been always a little bit isolated from the world. Foreign affairs is one thing, but if you look at political life or the universities, the influence of this kind of movement had been always very restricted, very limited. In ideological terms, there has been some influence by [Gamel Abdel] Nasser, [Jawaharlal] Nehru and others, mainly in the Brazilian left, but not only in the left. As you know, Kubitckek himself proposed a kind of an Alliance for Progress. But in general, we have always had some distance from the core of this kind of movement.

I said that Latin America is not homogeneous. We had no concept of being part of Latin America. This was too vague. I mentioned only what the businessmen said about integration, but in general it was like that. The Brazilian elite, at least, always preferred to see itself as part of Europe—France basically, and also to some extent the U.K. (United Kingdom), and more recently the United States. Even the knowledge was very limited about what was happening in neighboring countries. We don't speak Spanish in Brazil, only "Portunhol"—a mixture of Portuguese and Spanish. Spanish is easy for Brazilians to understand, but easy for those who

really know something. Otherwise, the common person cannot understand and reciprocate. It is easy for us and for them to understand each other, but anyhow we do not speak the same language.

So we had more preoccupation with Argentina and maybe Chile, because of the so-called “ABC,” the idea that we should have an alliance among Argentina, Brazil, and Chile. If you go south in Brazil, you always feel the presence of Argentina and Uruguay. If you go west, the presence of Paraguay to some extent—Bolivia less, maybe a little bit more now. So this was like that. Communications were weak. Let’s give you a concrete example. When I moved to Chile, to speak to my mother-in-law, in Araraquara, a city near Sao Paulo, was impossible by phone. It was just by radio. This was in the 1960s. So Chile was very, very far away in terms of normal Brazilian experiences—another world, Argentina a little bit less. The rest is the rest. Even today, nobody knows about Central America or the Caribbean—nothing. A little bit more about Mexico, Argentina, Chile, now maybe Bolivia, Paraguay. Uruguay.

But we had a very, very weak kind of tie with Latin America up to the 1950s. ECLA again was important—the formation of a new vision, which was again much more active in putting people together, and so on and so forth. But it was not like that in general terms. Of course, some intellectuals since the nineteenth century had contacts, et cetera, but these were isolated cases. I remember my first contact with non-Europeans, or non-Americans, for intellectuals was in the late-1950s, again because of the United Nations. There were some UNESCO (UN Educational, Scientific, and Cultural Organization) centers in Rio, so my first Latin American friends were from Argentina. Gino Germani was a sociologist. Torcuato Di Tella and Jorge Graciano were my friends at the end of the 1950s. And I was one of the rare

Brazilian intellectuals with some sympathy vis-a-vis Argentina. I had been always pro-Argentina and Uruguay.

Regarding the 77 movement and the non-aligned initiatives in general, the leftist sentiment was in favor. Some presidents, like Quadros—because Quadros utilized a little bit this kind of rhetoric—went to Cuba. Cuba was maybe the landmark for the discovery of Latin America. Cuba had a tremendous impact on the social life and political life in all of Latin America. Much more than the rest, much more than the G-77, Cuba was really something concrete and very influential. The idea that a revolution is possible, a better way of life, good for people—this has been always very important as an influence. So ECLA and Cuba could be the basis for the rediscovery of Latin America.

Now it is different, not only because of telecommunications, and the fact that everyone travels abroad. Now, I believe that, perhaps not the average intellectual in Brazil, but those who have influence in the economic area, became much more influenced by America, by North America, than by any other thing. They are trained in America. They have contacts with friends from Latin America because they were together in America, not because they were together in ECLA, or in Chile, but because they had been colleagues in Yale or Harvard or Princeton or I don't know where.

TGW: You mentioned your friend Albert Hirschman. It's been a while since I read him, but I was reading one of your speeches in which you quoted Hirschman, and it reminded me of what I had read. He was quoting [Søren] Kierkegaard—"A passion for the possible." How has your own notion about the possible changed since you are now a politician rather than an analyst? What happens to a person once in power? Did your own notions about how you change

things, or what's possible to do, contract? Or do you become more aware of the constraints? Did you change your ideas? What dynamic goes on?

FHC: The constraints are there, of course, but politics cannot be based on constraints. Always some grains of utopia are normally necessary to do politics, to move beyond the constraints. The idea is not to accept the limits of the possible, but how to rebuild those limits and how to make a reality out of what is possible. So the idea that politics is the place for those who understand what is possible is wrong. What is necessary is to remake the limits, and to try to go ahead. So when Hirschman speaks about Kierkegaard's "passion for the possible," you have to pay some attention, because it is not a passion for conservatism. The possible is the conservatism. You have to try to move ahead, to create the conditions for what at the beginning appears as impossible.

This is the main challenge for me in political life. If I believed in remaining limited to the possible, I would never have started up a stabilization program in Brazil because in political terms it was impossible. In economic terms it was impossible. The economists surrounding me were insisting all the time that it would be impossible, because the president at the time was a weak president, because the congress was in a situation of disarray, because everyone was to some extent motivated by the inflationary culture. My opinion was the contrary—let's try to do it.

Now the candidates in the presidential elections have to face the issue of crime and violence. When I was finance minister and candidate for the presidency the first time, the main issue was inflation. Inflation was really the number one issue. Everyone was in a situation of despair because of inflation. Now it is violence. So we have to face this. All this is true, but this

is a task for the coming president. So I think that we should not always assume that what is a limit will remain a limit.

TGW: Is this what you meant by—I was struck by the expression—“a viable utopia”?

FHC: Yes. Viable, because a pure utopia has no practical action. So it is a contradiction, but a contradiction that is an integral part of political life.

TGW: How do you look back? I looked at your first inauguration address, and you said that your number one objective was social justice. It seems to me if we look at the work program of the United Nations and the priorities in the Human Development Reports, that the abolition of poverty, I think, would come toward the top. If one looked at any statistics related to poverty alleviation—the United States, Brazil, or the planet—I think one would be slightly depressed. What would you see as a middle range utopia in terms of poverty alleviation, say in the next ten years?

FHC: Well, I have been very optimistic, based on what happened in Brazil. For instance, the percentage of people below the poverty line was reduced roughly from 40 percent to 30 percent in Brazil, in spite of several financial crises—five or six in the world. And as part of a fiscal program necessary to cope with these financial crises, in addition to a continuing effort to curb inflation, we significantly reduced the number of people below the poverty line. And if you look at the social data, they are very impressive. The head of the World Bank in Brazil published an article in *The International Herald-Tribune* this week saying that only Cuba and Malaysia have made progress as fast as Brazil in the last ten years in terms of infant mortality, access to schools, reduction of illiteracy, and so on and so forth.

Progress in the social area is very impressive. Why? Because we have programs with focus, programs which target the poorest strata of the population. It is easy to give examples. In

terms of access to primary schools, we had maybe 90 or 91 percent in 1994, and now we have 96 or 97. But if you look at the black population, in 1994 they had 75 percent with access and 25 without. Now they are 93 percent enrolled in primary schools—so the percentage of children without access to basic schooling was reduced from 25 to 7. This is the poorest segment of the Brazilian population. If you look at the reduction of infant mortality, the UN target was to reduce to at least 30 per 1000. We had 48, I think. We reduced to 29 per 1000 in less than 10 years.

So I think what is necessary is to persevere, to include other vulnerable groups, such as indigenous populations, along the same lines, in programs for the poorest strata of society. The middle class will react because of the cost of social expenditure. So the university will have less money and primary schools will have more. This is what I did. So the universities are against the government, not because their funds have been reduced, which they have not, but because they would like to have more gains. But if you look at the poorest part of the population, they had gains.

On the other hand, the day before yesterday I attended a discussion about a prize we gave to the mayors who have been able to fulfill correctly the so-called “fiscal responsibility” law. I was insisting on the risks of a biased utilization of statistical data. And I recall how Hans Singer insisted on the need for correctly understanding statistics, because in Brazil, as elsewhere, statistics are often used for political purposes—to be pro or against.

So there is a tremendous discussion about the so-called Gini coefficient. The Gini coefficient is terrible because it moves very slowly. Brazil is no exception, because it is impossible to move in a short period of time. This is long-term. The only part of the world in which it is possible to see a more expressive reduction of the Gini is in Africa, because everyone

becomes poorer. So now they are more equal. In America, inequalities are augmenting. In our case, at least, inequalities are not increasing. We have been able to slightly reduce inequality, as shown by the Gini, in five years—but, I insist, it cannot be measured over a short period of time.

But what is happening here is that the whole society is moving up. So the poor are not becoming poorer, and the rich maybe are also becoming richer, but everyone is having some gains with economic progress in spite of the fact that the rate of growth is very modest. If you look from 1993 up to now, the whole gain was around 20 percent in the output of the economy. It was around 2.7, I guess, in the last decade, on average. Of course, we would prefer 5 or 7. But anyhow, we did not have a single year of negative growth. That explains the fact that we are reducing the level of poverty despite the fact that there is not a significant change in the GINI coefficient.

But also we have created what we call a “social protection network” in Brazil—twelve programs oriented towards those who face real necessities, the poorest. Through these programs, we are redistributing income directly. Practically all income tax from persons, firms, and businesses—the part of the income tax that comes to the federal government—goes directly to the poorest Brazilians through these programs. For example, we have a fellowship program for the poorest students, so one third of the poorest students attending public schools—that is to say 9.5 million—receive a small amount of money. The mother receives the money, and receives it directly, not through the intermediary political processes. They have a magnetic card. They go into a local agency of the savings accounts and receive money.

There is also a program aimed at replacing children in jobs that are not appropriate for children, by paying a small sum to the family of the child. Senior citizens also receive a grant. If their income is less than X, they receive money from the federal government. And this does

not show in the Gini coefficient, because it is not labor income. So this cannot be measured, and nobody notices. But all in all this corresponds to a very important amount of money. So I think in time this will bring positive results. It's a matter of persistence.

TGW: One of the topics you mentioned at ECLA, and it certainly hasn't gone away since, is the role of the state.

FHC: Yes.

TGW: We went through a period in which the orthodoxy was—I suppose the Washington, or Brussels, or whatever variety—everything the state can do the private sector can do better. We seem to have moved a little away from that. How have your own views about the role of the state changed from those first years in ECLA to now being head of state?

FHC: They changed a lot—not in a literal sense. In a country like ours, in Brazil, it is not possible to imagine a reduction of the state size. The downsizing of the state makes no sense. In the federal system, we have about one million civil servants—much less than America, even in proportion. If you put together the local government plus the states, there are around four million public employees. Of course, we have tremendous fiscal problems because of the retirement. The real problem is qualification of civil servants.

So what we did in Brazil was to reduce the role of the state in direct investment in business. So we privatized—not completely, not totally; but in telecommunications, totally; in energy, half. We broke the state monopoly for the exploitation of oil. In railroads, we privatized, and so on and so forth. We replaced the old role of the state by the formation of regulatory agencies to take care of the public interest. On the other hand, we expanded the amount of public expenses in social areas—in education, in health, in social assistance, in

agrarian reform, in credit for families in the agrarian areas. We created new programs—as I said, seven new programs in social areas.

So we expanded the role of the state, if you look at public expenditures. In the campaign, they criticized me because we are expanding also taxes. The tax burden now is about 33 percent of GDP, and it was 27. So this increasing was what allowed us to simultaneously produce primary surpluses in our budget and to expand more, because we are collecting more tax. If you read the newspapers, there is a constant criticism because of the weight of taxes. But without the increasing of taxes it would be impossible to cope with the social necessities and, at the same time, to stabilize the economy. On the other hand, Brazil is one of the few countries in the region that has a planning ministry. This has been abolished elsewhere. We have a planning ministry. We never supported the so-called Washington consensus.

TGW: I am interested in your views on the state, because obviously at the international level we have nothing approaching a state. We have some feeble international organizations. I happen to be the editor of a journal called *Global Governance*, and I was interested in a couple of your speeches. You have used the term “world governance.” What role do you see in the future for intergovernmental organization? I think frequently we talk about the private sector, we talk about NGOs, we talk about states, and then there are intergovernmental organizations as a really feeble fourth pillar or fourth leg on the stool. What is your own notion about intergovernmental organizations in the future? Where do we go from here?

FHC: I think that in the economic area, we have to strengthen intergovernmental organizations. Some attempt at this—the so-called G-20 (Group of 20), the group that takes care of the international financial system, composed by some heads of international banks, and some

finance ministers. I think this is important, and we have to build on what has already been achieved.

On the other hand, the whole thing is related to international crime. Now the interconnections are also expanding, and are necessary—not to mention the “new wave” in America, security. But anyhow, apart from security, in the economic area I think we are moving forward. In other areas, it is still very feeble. In education, for example, there are some programs, but hardly effective.

Africa faces big problems. Now, even the G-7 (Group of 7) have to look at Africa and the problem of the poorest. Some intergovernmental links could be increased. I think it is necessary, because I don't believe the world could be managed just by international capital and NGOs. I think that the states will continue to play a role, and that globalization is not necessarily opposed to national states, or even to interconnections between national states.

TGW: You have spent a lot of time thinking and living with, I suspect, the impact of globalization in the last decade. In your view, what are the main opportunities arising from globalization, and what are the main disadvantages? You used last year, in a speech, this term “globalization in solidarity.” I just wondered if you could tease out this notion a little bit. What would that mean in practice?

FHC: Let's see, how can we take advantage of globalization? I think that in the case of Latin America, basically two nations have been benefited by globalization: Mexico and Brazil, and marginally Chile, because Chile is a small-sized economy. But anyhow, Chile was able also to cope with the globalization challenges without being destroyed. The rest of the region, apart from Central America—but Central America becomes more and more organized and linked to America—in South America, apart from Brazil and Chile, most of the countries are in a situation

of disarray. The economies are being disaggregated because of the lack of opportunities, or even maybe the lack of opportunities to take advantage of globalization.

But why has Brazil been able, and Mexico? Mexico because of different reasons, because Mexico is close to America, and the decision of becoming part of the North American trade system (North American Free Trade Agreement) was positive for the Mexicans. The Mexicans increased trade and they increased investment. They had, of course, to face other problems. But they have made consistent progress in economic terms, and they are paying a price. They become politically less free to take decisions.

In our case, we have been able to take advantage of globalization, mainly because of the size of our domestic market. Brazil has universities and has well-trained people in technical areas. It has competence. Brazil became attractive for foreign direct investment in productive areas. The transformation of the Brazilian productive system was very impressive. What happened here cannot be analyzed only by looking at it from the point of view of the rate of growth. You have to compare what is produced now to what was produced in the past. Brazilian cars now are quite different from what they were in the past. Our cars now are “global cars.” They can be exported abroad. And the Brazilian plants are the most advanced in the world because they are the more recent, and all the big companies are here.

The same applies to agribusiness, which has advanced significantly in terms of technology. It is very impressive. What happened in agribusiness is very, very impressive. I will give you an example. In 1991, we produced 56 million tons of grain, and last year 100 million. And the area is about the same, so we are not destroying forests to add to our productive capacity in agribusiness. What happened was a tremendous change in terms of technology, in

terms of training of those who are planting, and so on and so forth. The same applies in different areas—aircraft, or the exploration of oil in deep waters. There are different examples of that.

So for us, globalization was not a disaster. But for several other countries, it was a disaster, because they are not yet engaged in the international market, or in the new way of production. So they are in between. What I am saying is that it is possible to take advantage, but not for everyone. It depends on previous conditions. It depends on the capacity to stabilize the economy, to govern, and to exercise democracy. Just to give you another example, the last strike in Brazil in the private sector—almost private—was the 1995 oil strike. No more strikes. Why? Because the unions are free and they can negotiate. The entrepreneurs and businessmen are aware of the need for negotiations. So it was a complete transformation. From the 1970s up to today, it is a total transformation in terms of this kind of relations with labor.

Democracy was also important—democracy, stabilization, technical competence, and the size of the domestic markets. Argentina is a different case, and Uruguay. Uruguay is suffering from what happens in Brazil and Argentina, but they are organized. They are like Chile—small economies with some possibilities to survive in spite of international challenges. Argentina is different. I do not have enough time to explain my thinking about Argentina, but they made historical wrong decisions. Argentina is a wealthy country. They are educated people. It has enormous advantages, but they have not been able to understand that they have to save more, to invest more, to increase technology, to increase productivity. And they have been caught by the Washington consensus. They destroyed the capacity of the state. They privatized without any consideration of different nuances in the process. So now they are facing tremendous difficulties. But anyhow, they can recover because they have agribusiness in very good conditions. So they can recover.

I am suggesting that there are possibilities. But for some parts, the point is that globalization is concentrated more and more. And if you look at Africa, or at parts of Asia, or Latin America—something has to be done. Otherwise, what will happen? I don't know. What will happen with migration, fear of the presence of the “new barbarians?” Everyone in the state is after self-defense. So the right-wing gains more space. It is a bad world, and this bad world requires more action from leaders and also international actions. Again, the United Nations can play an important role.

Unfortunately, to my mind, what happens now is that the other members of the G-7—the richest in the world—are not rich enough to compete with America. They are rich, but the disparity is very impressive in regard to what happens in America. America is hegemonic in everything—in military terms, in technological terms, in cultural terms, in social terms, in economic terms. And America is now also affected by this sentiment of fear and a new kind of isolationism. It cannot be isolated from the world, but it now seems to fear the world and to believe that it is possible to control the world by unilateral actions.

In my opinion, only American public opinion can change this—no other force in the world, only American public opinion, and the world public opinion, maybe. But American public opinion must play a role because the Europeans have not, at least by now, enough leadership to provide a countervailing influence. In our case—I can speak for myself and Brazil—the man who is the inspirer of Brazilian foreign affairs was a baron, Baron of Rio Branco. He used to say that what is necessary for Brazilian foreign affairs is to be close to the Americans, and to keep our eyes on the southern part—*Bacia do Prata*. So I think, in the present circumstances, it still is an available approach—a good relationship with Americans. We have the benefit of being a little bit far away. We are not as close as Mexico, and we have to look at

Europe, China, and Japan—a very good relationship with the *Cuenca del Plata*, or, more broadly, South America—and take care of ourselves, if the world’s circumstances give us the chance of being a little bit isolated.

The other day I said something to a Mexican intellectual who came here to interview me, and they published it with some noise as if it were gossip and not something stated on the records. I said, “Now the American government has one obsession—security. And we are not a threat to the Americans. Like other countries in this part of the world, Brazil is not a threat. We are not on the radar. This is good, not bad.” This is what I think about the present situation.

But I have some fears. The only possible countervailing power, vis-à-vis America, is China. In fifty years time—fifty years is a long time—I don’t know what will happen in China. And I don’t even know if it is good or bad to have this kind of countervailing power to the Americans. So I prefer to bet on the American public opinion. At least you have to feel a little bit guilty.

TGW: Well, you are probably speaking to two people who are not smack dab in the middle. A long time ago, you studied sociology to change the world. Then you got a chance to do something about it. Most social scientists don’t have that opportunity. If you were providing some advice to a young social scientist, or if you were going to go back and redo your own research, what kind of advice would you suggest to make ideas useful to people in decision-making situations in governments or in industry? What kinds of research would be high on your priority list?

FHC: I think that the reality nowadays is that we are living in mass societies—not in the sense of the past. In the past, mass society meant people having access to goods through markets. Now it is different. We are living in a mass society because of communication

systems. So it is a strange situation, because more and more there is a tremendous world network and instant information. We live in a society that is deeply affected by a feeling of anxiety. I myself, whenever I can I check the news in my computer—all day, because you never know. Corporations in America have a tremendous problem with corruption in accounting practices, and immediately the market in Brazil goes down. It is a very difficult world because of that.

The other day, in Europe, I met the head of Merrill Lynch. He's from Israel, I think—a very bright person. He said, “We are used to risks. We specialize in risks, but not in uncertainties. And the world now is full of uncertainties. We can assess risks, but not uncertainty.” When I was a student, the idea was that we had to train people for a changing world. But a changing world is a risky world, not a world full of uncertainties. So I think that now we have to analyze a little bit more this kind of uncertainty. Although I was not fully aware of this, when I gave my final speech as president of the International Sociological Association (ISA) in Delhi, India, many years ago, I tried to draft an approach to the theory of change.

TGW: Right, it's a good speech.

FHC: This was maybe a rudimentary approach, but it is what happens now. Changes occur by means of what I then called—“short-circuits.” So we have to pay attention to what happens, because very often when we are expecting one thing, a quite different thing suddenly occurs. This may have something to do with what they used to call the “theory of chaos.” Maybe it is necessary to introduce the theory of chaos in social and political analysis, and to try to understand these very rapid processes, and to try to see to what extent this kind of change really affects the bulk of society's structures or not.

On the other hand, paradoxically, this new society requires more in the way of personal performances—actors. It is very paradoxical, because it is a mass society with instant communications, but the leader has maybe more room for maneuver than before. Actually I am not sure that you will necessarily have more room for maneuver, but the fact is that it is more necessary. The style of leadership makes a difference. What is now occurring in Europe is that influential leaders with consolidated reputations are being replaced by relatively unknown leaders. It will take time for new leaders to be formed. So again, maybe a revision of the theory of the elites, of the theory of leaderships, in sociological terms, will be necessary.

Third—I have many ideas, but my time is limited—there are new important actors such as those coming from the social movement, from NGOs, etc. How can their relations with the government, with the administration, be made more fruitful? To what extent do we have to rethink the theory of representation in modern days? What is the meaning of legitimacy in today's politics? In practice, legitimacy depends on performance in everyday.

The first time I recognized such a phenomenon was in the 1970s, because of union leadership, because of Lula's (Luiz Inácio Lula da Silva) and others' leadership. How was Lula able to keep his prestige within the union movement when he was a union leader? Because of the lawyers. So far, nobody has analyzed this, but it was because of the lawyers. Under the military regime, the military kept all unionists away from political power, the big power, but they gave room for labor litigation in the courts. And the lawyers, some lawyers—one of them later became minister, like Almir Pazzianotto—have been able to link the workers once again with the unions, because they obtained significant gains by using union lawyers in defense of their rights. So this renewed the prestige of some of the unionist leaders. Otherwise, the delegitimation of the leader would have been immediate. As soon as someone was elected, he went down, because he

started to be perceived as a member of the powers-that-be. This is bad. Under the military regime, it was like that.

The fact is that political leadership has to relegitimize every day. So more and more leaders have to speak, to influence, to try to influence. This is not easy, because the president cannot speak every hour. There are lots of things to rebuild in the social sciences. But I suppose the universities are working very hard, aren't they?

TGW: I wanted to ask one more thing. In going back and reading some things, I don't know if you were minister of foreign affairs or the economy then, but in 1993 you said, "It is not simply a matter of ethics. Third World poverty, cultural regression in some areas, and the hopelessness that all this brings will have an impact on the First World." I don't know whether you were looking ahead to September 11th, but what other kinds of consequences are there for an ignorant America, or ignorant First World? And what do you think can be done about it?

FHC: Well, I was not, of course, predicting anything like September 11th. What I had in mind was rather what is now happening in Europe—I mean migration, crime, AIDS, drugs, the internationalization of crime, this kind of bad influence. I think it is really a kind of blindness not to take into account what is happening in Africa. It really is tragic. It is tragic. It is possible to solve the problem, because it is not so much the amount of money that is necessary. The G7 took years and years just to cancel debts. We did it with Central America and Africa. If Brazil was able to write off debts, why not the Americans or the Europeans? And we did it because it is the only thing you can do, because they can never repay. But they suffer because they have to ask the International Monetary Fund for help, and the IMF then imposes rules on these poor people. This is ridiculous. I was thinking on this kind of bad effects.

Now things look better. But the destruction of the socialist world in Europe could still produce a tremendous disaster. Fortunately, the Germans have been very active in trying to reorganize—also, the Italians and others—the old socialist economies. Russia was in a terrible situation. Now it is a little bit better. But crime is there, violence is there, drugs are there, corruption is there. And what happens with China? Who knows?

TGW: I see people looking at their watches and looking at me. It remains for me to just thank you immensely for having gone on the record. Not only our project, but other researchers will be grateful. Thank you.

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