

Brazil: 'IMF & Co. Have to Change'

Contributed by Brazzil Magazine
Friday, 17 September 2004

Representatives from Argentina, South Africa, Canada, Kenya, and Uruguay have already endorsed the Brazilian government's proposal for an international pact to exclude housing investments from the category of debt in calculations made to determine the primary surplus of poor and developing countries.

France and India have also expressed interest in this idea, which was presented to the II World Urban Forum, in Barcelona, by the Brazilian Minister of Cities, Olívio Dutra.

For the Minister, the five countries' declarations of support indicate the "emergence of an awareness" around the world that a new relationship needs to be conceived between international financial institutions and countries, like Brazil, which are making an effort to universalize housing and basic sanitation for the neediest segments of the population. He pointed out that 92% of Brazil's housing deficit - on the order of 6.6 million residential units - is concentrated in the part of the population that earns the equivalent of five minimum wages or less.

"I am not saying that the matter is resolved here at the World Urban Forum. But this is a consultative arm of the Secretary-General of the United Nations, Kofi Annan, and this is very important, because local officials, communities, non-governmental organizations, universities, and researchers are gathered here to discuss this issue," he observed.

The Minister insisted, once again, that, without a new posture by poor and developing countries vis-à-vis the international agencies, it will be impossible to halve the number of people without access to basic sanitation by 2015 or make significant improvements in the living conditions of at least 100 million residents of substandard settlements by 2020.

"These countries are not permitted to invest beyond a certain limit in the poorest areas, because these areas cannot produce immediate economic and financial returns.

"So, we keep putting off - I don't know for how long - the need to meet the demand for decent housing and sanitation for the poorest segments of the population, especially the residents of peripheral settlements and shantytowns," Dutra remarked.

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