

Brazilian workers demonstrate against social security cuts

By Bill Vann
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On February 11 the lower house of the Brazilian parliament approved sweeping cuts in Brazil's social security system while thousands of workers confronted heavily armed police outside the parliament building in Brasilia.

The government of President Fernando Henrique Cardoso estimates that the changes in social security laws will slash \$17 billion from the federal budget over the next eight years. Cardoso urged legislators to approve the legislation, together with other measures cutting social spending, claiming that they were necessary to avoid a flight of international capital from Brazil. The president said that if Brazil were to avoid being swept into the crisis that has devastated the Asian markets, it would have to take drastic measures.

More than 4,000 workers demonstrated outside the parliament house, clashing with mounted police and paramilitary police who used tear gas, attack dogs and clubs. At one point several dozen workers broke through the police lines and attempted to force their way into the building. Tens of thousands of workers in Sao Paulo, Rio de Janeiro and other cities also demonstrated against the new measures.

The new social security legislation raises the minimum retirement age by five years to 60 for men and 55 for women. It also requires 35 years of contribution into the system by men and 30 for women. Opponents of the plan demanded that retirement be based strictly on the number of years worked. They point out that the working class in Brazil is often forced to begin work at a very early age, and that in the more impoverished areas of the country life expectancy is just 50 years. Keeping workers on the job longer is also expected to increase Brazil's unemployment rate, which is already reaching record levels.

Under the system established in Brazil in the 1950s,

retirement was based solely on years of employment and workers were able to receive additional benefits based on having worked at more than one job.

The law also sets a minimum monthly benefit equivalent to \$1,010. Critics point out that the next bout of inflation could easily reduce this amount to a level insufficient to meet the minimal expenses of Brazil's retirees.

In addition to the cuts in social security, the Brazilian parliament passed a measure denying job security to government workers. Lifting the ban on firing these workers is expected to result in the elimination of tens of thousands of jobs in the coming months.

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