**Social welfare** – The Brazilian welfare system is on the edge of an abyss. The huge deficits continue rising: in 2002 the Treasury had to spend R\$ 72 billion in order to cover all of the costs of retirement for public and private sectors. As for 2003, forecasts emphasise the need of R\$ 85 billion to prevent the system from going bankrupt. The unbalance between the retirement system for the public servants and the private-sector workers has led to the situation like that. Twenty million people from the private sector living on retirement pension mean a deficit of R\$ 18 billion per year, while only 3 million public-services workers consume the amount of R\$ 54 billion. This is why the government is launching a series of proposals to reform the social security system.

**Brazil** – Located in the eastern area of the state of Tocantins, the Jalapao region has its own particularities: a semi-arid environment and water in abundance. The population density is one of the lowest in the country, less than 0.6 inhabitant per square kilometer. Some time ago the population of the small local communities has become engaged in a new activity far more profitable, instead of the hard agricultural labour: the craftwork of the capim-dourado, a kind of native plant from which articles, most appreciated in big cities, are made. But there is a problem: the raw material, picked wholly from natural reserves, is not replaceable by cultivation, posing a major threat to this species.

**Car manufacturers** – In the second half of the 1990s many car manufacturers from foreign countries saw in Brazil an excellent marketplace to locate their plants. As a result of this invasion the country has become the second in number of car industries, following the USA, which are the first. The consequences: the car industries lie now idle, reaching in some cases 50 per cent of the factory full production capacity, due to a declining market for new cars.

**Mental health** – One of the major challenges Brazil faces in the field of health is the consolidation of the psychiatric reform. And the closing of mental health hospitals is the centrepiece of the debate in which the professionals of the area are engaged. On one hand stand the people who want the closing down of these mental institutions because, as they say, the patients must live in contact with other persons in society, not should they be left isolated. On the other hand stand the ones who say that the psychiatric hospitals are necessary, for they are the only place where the patients can get a special medical treatment.

**Environment** – According to the Kyoto Protocol, during the period 2008 to 2012 all the countries will have to limit their greenhouse gases emissions as to reduce the global warming or the greenhouse effect. But some countries won't be in condition for meeting the Kyoto's demands, so the developed nations will have to negotiate quota of carbon sequestration, i.e., a non reducing greenhouse gases emissions country can invest on other country's conservation programmes that help sequester carbon in the soil.

**Zero Hunger Programme** – In spite of Brazil producing enough food to meet its population's needs, the poorest people do not gain access to food. Many projects of fighting hunger were already implemented in the country, but no one has succeed yet. Now the president Luiz Inacio Lula da Silva has launched a new ambitious programme to eradicate famine and fight poverty in Brazil as his top priority.

**Social Pact** – The president of the Spanish Economic and Social Council, Jaime Montalvo Correa, gave a speech in Brazil last December to talk about the council he presides and make recommendations to Brazilians on creation of a similar organ. To him, the country should compare experiences and define the area of activity, besides guaranteeing that the council members must be drawn from all sectors of society.

**Memory** – Born a hundred years ago in the town of Brodowski, in the State of Sao Paulo, Candido Portinari is one of the greatest painters Brazil has had. He was born to Italian parents and began to paint when he was a child. Despite his short life – he died at the age of 58 – he produced a large number of works: about 5,000. Today his son, Joao Candido, develops a project to keep alive Portinari's art.

**Literature** – Sesc Pompeia, in Sao Paulo, at an exhibition called "O Chao de Graciliano", pays homage to the writer Graciliano Ramos, born in the State of Alagoas. The writer, died 50 years ago, is considered the master of conciseness.

**Craftwork** – In the valley of Paraiba in the State of Sao Paulo the art of moulding clay into any shape has a long tradition, right from the 17th century. Although being a very old tradition and a subject of interest from other countries, in Brazil the local craftsmen only now are succeeding in producing and selling their works and making profits.

**Politics** – In a speech made at the Federacao do Comercio do Estado de Sao Paulo the political scientist Bolivar Lamounier analyses the new political situation in Brazil and the possibilities of the new government's success.