

Brazil – The Country of the
future

Portugal and Spain are “Discovering the World”

- 1492 Columbus discovers America
- 1492 Spanish begin conquering North Africa
- 1493 Hispaniola becomes the first Colony in the new world
- The treaty of Tordesillas is signed by Portugal and Spain defining a line 370 leagues(1110 miles) West off Cape Verde would belong to Spain and everything to the East would belong to Portugal. The treaty was prepared by Pope Alexander VI (Rodrigo de Borja – Spanish).
- 1498 Vasco da Gama travels to India and back

Spain and Portugal Rule the Oceans

- 1500 Pedro Alvarez Cabral Discovers Brazil
- 1505 Portuguese establish trade posts in East Africa
- 1519 Cortez begins conquering the Aztec Empire
- 1520 Magellan crosses the Pacific Ocean
- 1557 The Portuguese establish a Colony in Macau
- 1580 – 1640 Spain incorporates Portugal as part of their Kingdom
- 1588 The Spanish and Portuguese Armada are defeated by the English
- 1640 After the restoration war, Brazil is Portugal's only meaningful possession. Other possessions include Mozambique, Angola and Macau.

Other notable facts of the 16th Century

- 1516 Hispaniola is the most important sugar producer in the World
- 1525 Potato is introduced to Europe
- 1559 Tobacco is introduced to Europe
- 1560 Portuguese start Planting Sugar Cane in the North east of Brazil
- 1580 Brazil becomes the largest Global producer of Sugar
- The Dutch are the largest trade partner with Portugal
- With Portugal being annexed to Spain, the Dutch occupy the North East of Brazil between 1630 and 1654

Who will take possession of the new world?

- 1600 the West Indies Company is created
- 1607 the first British Colony is established in Jamestown, Virginia
- 1608 Quebec is founded
- 1620 the Puritans arrive in Plymouth
- 1625 the Dutch establish themselves in New Amsterdam
- 1636 Harvard University is founded (In 1792 the first high education School is founded in Brazil)
- 1664 the British take New Amsterdam from the Dutch
- 1684 La Salle claims Louisiana for France

Brazil – Economic Cycles

Pau – Brasil extraction

- Upon first arrival it was thought that they arrived on an Island and thus called it Ilha de Vera Cruz (Island of the True Cross)
- After traveling the coast and learning it's not an Island Pedro Alvares Cabral erects a Huge Cross and names the land Terra de Santa Cruz (Land of the Holy Cross). The name was too long for it to “Stick”
- Between 1506 and 1512 the crown provided a lease to Fernando de Noronha to explore the “*land of Brazil*”, this is a reference to the abundance of the brazilwood tree, a dye wood that produces a deep red dye that was in great demand by the European clothing industry.
- The name evolves from Terra do Brasil (Land of Brazil) to Brasil.

Cut and Go

- Portugal is a trading nation they have great profits from trades coming from Asia, India and Africa.
- Brazil's indigenous population are primitive and are not traders.
- The Portuguese population is less than 2 million in 1500 and nobody wants to go to a primitive Country when there is plenty of wealth to be made in other places.
- Wood is the only thing of apparent value so concessions are given to Portuguese traders to cut the trees and bring them back to Portugal
- Mostly indigenous inhabitants are used for the job . By 1530 the tree was almost extinct.

Brazil – Economic Cycles in the Colony

- Pau-Brasil Extraction 1500 – 1530
- Sugar Cane 1530 – 1700 Late 16th Century largest Sugar producer
- Gold and Gems 1690 – end of the 18th Century
- Rubber 1879 - 1940
- Coffee 1770 - In 1840 Brazil reached 40% of World Production. When the Slave trade was outlawed in 1850, plantation owners turned to European immigrants. by 1920 Brazil controlled 80% of the World's coffee

Slavery in Brazil

- Upon discovery, the native inhabitants were the principal labor force to cut the Brasil wood
- The Jesuits were responsible for converting the native inhabitants to Christianity and utilize them for labor and to help fight foreign invaders
- The Indigenous people were not productive for agricultural labor resulting on bringing slaves from Africa began.
- From the mid 1500's to 1850 4.9 million slaves were brought from Africa
- After successive restrictive legislation Slavery was abolished 1888

Immigration in Brazil

- Brazilian Population:
- 1600 – 100,000 Only Roman Catholics mostly Portuguese
- 1700 – 300,000 Only Roman Catholics mostly Portuguese. Dutch invaders in the N.E. and French occupiers in Rio.
- 1800 – 3,250,000 The Country was open to Immigration, the government wanted Immigrants to settle along the Country's borders
- 1900 – 17,438,434
- 1950 – 51,944,397
- 2000 – 169,544,443

Immigration in Brazil

- 1808 The Portuguese Crown relocates to Brazil and Opens the Ports for trade with friendly nations.....not France.
- The first Immigrants were Portuguese, Swiss and from Central Europe. The government was looking for small land owners to occupy the areas close to the borders.
- After Napoleon's defeat many German farmers and former soldiers Immigrated.
- Between 1808 and 1870 over 290,000 immigrants arrived.
- Between 1904 and 1930 over 2,000,000 immigrants arrived.

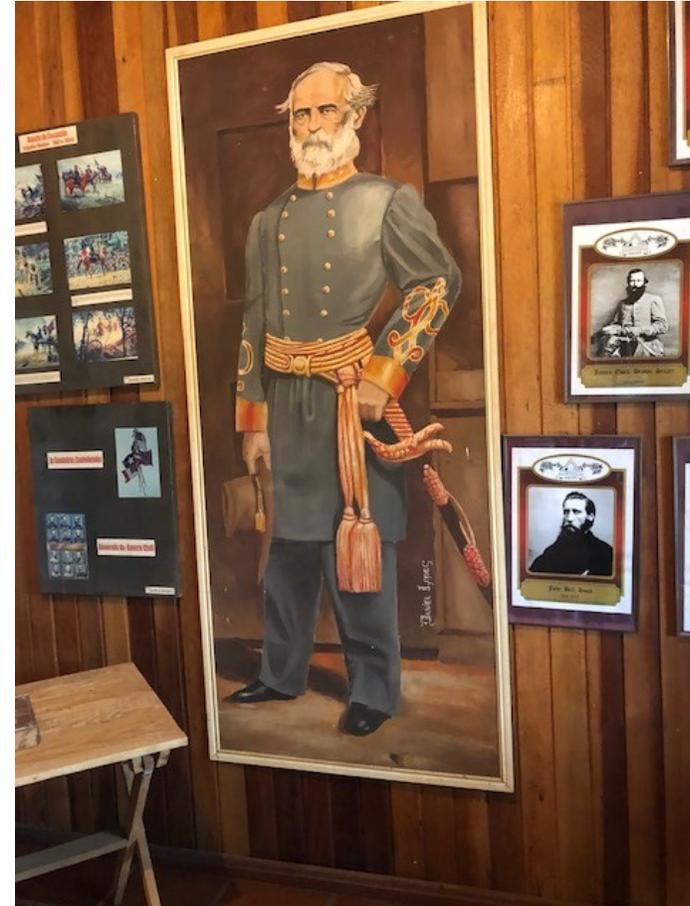
Immigration in Brazil

- After WW1 most Immigrants were from Poland, Russia, Romania, Christian Syrians and Lebanese.
- Between 1932 and 1935 30% of all Immigrants were Japanese. With an estimated 2 Million Immigrants, Brazil is home to the largest Japanese population outside Japan.
- Portuguese, Italians, Spaniards, Germans and Japanese are the five major Immigrant groups to Brazil.
- In 1865 approximately 10,000 Confederate families moved to Brazil primarily to the State of Sao Paulo where they founded Americana

Immigration in Brazil



Immigration in Brazil



Brazil – The Country



- Land Area: 3,291 950 Sq. Miles (Fifth Largest Country)
- 26 States and a Federal District
- Population : 212 Million
- Sao Paulo State Pop. 45 Million
- Greater S.Paulo Pop. 23 Million
- Rio State Pop. 17 Million

Brazil – Key Economic Data 2020

Top Exports

- Soy Bean \$26.1B
- Crude Petroleum \$24.3B
- Iron Ore \$23B
- Corn \$7.39B
- Sul. Chemical Wood Pulp \$7.35B
- Poultry \$6.55B
- Frozen Bovine \$5.67B
- Sugar \$5.33B
- Coffee \$4.72B

Top Imports

- Refined Petroleum \$12.4B
- Vehicle Parts \$6.19B
- Crude Petroleum \$4.35B
- Integrated Circuits \$3.83B
- Pesticides \$3.75B

Political Structure

- 1500 – 1808 Monarchy with local governors appointed by the King with the mission to care for the land and collect Taxes
- 1808 – 1821 Monarchy with the King and the Government residing in Rio
- 1822 – 1889 A representative parliamentary constitutional Monarchy with a Prime Minister, with an elected general assembly, Senate and Chamber of Deputies
- 1889 – 1930 Military Regime between 1889 and 1894 and a Oligarchic federal presidential republic between 1894 and 1930

Political Structure

- The first Republic (1889- 1930) was plagued by rigged elections and a dominance of Sao Paulo and Minas Gerais alternating positions for president.
- An altercation during the Election and a drop in Coffee prices leads Getulio Vargas a Candidate from Rio Grande do Sul to take the government by force and establishes a right wing dictatorship until 1945
- In 1932 The State of Sao Paulo lead a failed military up rise against the federal Government. Some of the demands were met.

Political Structure

- In 1945 a Military Coup deposes Vargas and calls for elections.
- Known as the populist republic it was marked by political instability leading to the 1964 Military Coup which led to a Military Government which lasted until 1985. Only two political parties are allowed
- Since 1985 there have been free elections at the Federal, State and Municipal Levels
- In 2020 there are 32 active political parties with more than 15 million people affiliated. There are an additional 40 parties waiting to be approved. Candidates are voted for their Persona

Industrial Development

- During the colonial era all manufacturing activity was limited to support the agro business
- With Immigrants arriving from Europe in the 19th Century Small industrial operations began
- During the Getulio Vargas government more incentives were made for Industry development and in 1942 following an agreement to join the allies, Vargas negotiated American investment in steel production and airports.

Industrial Development

- During the military government between 1964 – 1985 the focus was on building Road, Power and Communication infrastructure.
- In the same period Imports were restricted to machinery and consumer goods had to be manufactured in Country. This led to large manufacturing facilities for International companies like Ford, GM, Volkswagen, Fiat, Johnson & Johnson. Local Industry followed in the foot steps of these companies and the expertise they were bringing i.e. Embraer that exports commercial and private planes all over the world.

Socio – Economic Situation

- Education – In 2019 22% of people between 15 and 25 were not studying, 51% over the age of 25 didn't attend High School. Between 0-3 years of age 36% were in School and between 4-5 years 93% attended school.
- The government incentivizes school attendance by offering food to the children that attend classes.....not enough for older children who are expected to earn an income for their families.
- In 2017 over 8 Million Students were enrolled in Universities

Socio – Economic Situation

- Income Distribution – The minimum monthly wage in Brazil is approximately US\$200.00
- The Country's richest 5% have the same income as the remaining 95%
- In the last 15 years 28 million people have lifted out of poverty level (People making less than US\$528/year are considered under poverty level).

Key Issues for reaching the Future

- Increase Education at the early stages and create more technical schools
- While the Public Health system is acceptable it has to reach out further in the Country
- Implement a serious anti corruption process that actually penalizes the offenders and motivates the population to call it out
- Reduce Bureaucracy at all levels
- Simplify tax laws
- Incentivize local and international Investments