Brazil on the rise — book by Larry Rohter

Brazil on the rise— the story of a country transformed is a book which fills the need and curiosity of the world which has started taking note of the emergence of Brazil in the world stage. It is now Brazil’s turn to attract book writing after the boom in the business of books on the rise of China and India. While being smaller than these two giants, Brazil has its own distinct and enviable advantages in comparison to them. These include manageable population, large size beyond the need of its population, abundant water and natural and mineral resources, large fertile area, energy and food security and surplus for exports, absence of religious fundamentalism, terrorism and internal conflicts based on ethnicity, religion and other divisions in the society and absence of conflicts with neighbours and hostile and unstable neighbourhood.

Larry Rohter, the author of the book has an insider’s view of Brazil since he had lived in Brazil for fourteen years as the Newsweek correspondent in Rio de Janeiro and later as bureau chief of New York Times.

He has explained the transformation of Brazil in the last four decades since 1972 and has commented that Brazil has experienced deeper and more profound changes in this period than it did in the previous centuries. But I would say that the paradigm shift took place only after the Real Plan of 1994 when Inflation was reined in irreversibly, economy was stabilised and democracy institutionalised.

Rohter starts off by referring to a book “Brazil: country of the future”, written seventy years back by Stefan Zweig, an Austrian writer. It was a global best seller at that time. Zweig had praised Brasil for creating “quite a new kind of civilisation” and forecast that the country was “destined undoubtedly to play one of the most important parts in the future development of our world”. Eversince, that slogan has been a cliché and the Brazilians, frustrated by their inability to live upto the expectations, considered it as much as a stigma as a prophecy. There was a counter cliché “Brazil is the country of the future and always will be.” Rohter has commented “May be, just may be, the future has finally arrived”. I would go further and say a definite “Yes. The future has arrived”.

I agree with Rohter’s analysis that Brazil’s rise is partly god’s work. Of course, the god’s blessings of resources were always there. Brazilians became too contented with the country’s good fortune and did not bother to work in any sustained or disciplined fashion to achieve greatness. At times the Brazilians succeeded only to fall thereafter. This boom and bust cycles of the past made them suspect their success stories as illusion. The country
had suffered political instability and economic crises caused by the adventures and mismanagement by its military dictators and corrupt politicians. Military dictatorship continued till 1985. The first elected President after the restoration of democracy was impeached following a massive corruption scandal. Even as late as 1994 Brazil had an inflation of an astonishing 2076 percent. The country had gone through eight different currencies from 1940 to 1994. Brazil has now broken free from its past curses and conquered its demons. Democracy has taken strong roots, the economy is stable and there is a general consensus about the future direction of the country shared by political leaders, businessmen and other stake holders in the society.

Brazilians have clearly awakened from their comfortable slumber and has left the cradle behind as they stride with vigor toward full maturity. They have now come around to believing in the long term and success which comes with discipline. The vast majority of Brazilians have already reaped some of the benefits of the fruits of the discipline and sacrifice they made beginning in the 1990s and they realize that more benefits will be coming into reach in the future if they continue to stay the course. This is the beginning of the New Brazil.

Rohter has given a historical background to the political, economic and social issues of Brazil. He has given details of the boom and bust of Brazilian economy which surfed the waves of brazilwood, sugar, gold, coffee and rubber and crashed after brief prosperity and promise. But now Brazil has become one of the most balanced and diversified economies in the world. It has dramatically reduced its dependence on any single commodity and even on exports which constitute only 10 percent of the GDP. Its growth is driven mainly by domestic demand. Brazil has created world class companies which have become global leaders in the production of regional jets, beer, steel, iron ore, chicken and meat.

Rohter has quoted Colin Powell who described Brazil during his visit in 2004 as an "agricultural super power." Brazil has diversified and modernised its agriculture increasing yields and introducing new varieties of seeds thanks to the cutting edge research work done by Embrapa the government agroresearch agency. This agricultural strength gives Brazil a clear competitive edge over heavily industrialised countries such as Japan and Germany and vis-a-vis the other emerging powers India and China who face challenges of feeding their billion plus populations. Brazil’s resource base is strong and its trading partners diversified. Brazil has more options about which industries to develop, which crops to plant, which minerals and metals to mine and what energy sources to exploit than all but a handful of nations.
Embraer and Embrapa are examples of Brazil’s strategy to climb up the economic and technological ladder in niche areas in this globalised and competitive world.

Brazil has been successful in bringing millions of people out of poverty through innovative schemes like Bolsa familia. Its labour force is young and productive. Brazil ranks second in the world in terms of spending on education as a percentage of GDP. The economy has become more stable, diversified and resilient than at anytime in the country’s history. Much of the hard work of adapting Brazil to a globalised economy has already been done and the political cost already paid.

Brazil is singularly more blessed and have more options than any country in the energy sector. It has discovered huge oil reserves of an estimated 80 billion barrels, besides gas and is becoming an important oil exporter. Petrobras has become the third largest publicly traded company in the western hemisphere and is a global leader in deep sea drilling. Brazil has the second largest deposits of oil shale which are yet to be exploited. Brazil generates 80 percent of power from hydroelectric sources. With its huge rivers, Brazil still has potential to produce more from this sustainable source which makes Brazil with more hydropower capacity than any other country. On top of that, the country has unlimited solar and wind power which is being developed now. It also has significant deposits of uranium for nuclear power. Brazil is a pioneer and global leader in fuel ethanol one of the cheapest and most promising source of renewable energy.

Of course, the Brazilians will continue with their mischievous spirits without which they will not be Brazilians.
- the sexual permissiveness and freplay despite being the largest catholic country in the world
---beach is not just sand and water but a social laboratory reflecting their tropical body oriented culture.
- carnival, the Festival of Flesh and anything can happen if you come, see, let it happen,kiss...
- the Jeitinho culture according to which Brazilians “find a way around” problems and barriers. Brazilians believe that everything is going to be all right in the end, and if everything is not yet all right, it is only because we have not reached the end”.

Brazil’s challenges include corruption, bureaucracy, drug trafficking, urban crime and poverty specially among the blacks. The corruption is not just the privilege of politicians. While the Brazilian soccer players are known for their flair and supremacy on the field, there is stinking corruption and rot in the
football business run by the clubs and federations of the country. There is uninstitutionalised, unspoken and subtle racial discrimination against the blacks despite the appearance of a rainbow nation. This is not just Rohter’s view but has been acknowledged by the former President Fernando Henrique Cardoso himself. There is this popular men’s preference for a white woman to marry, a black to cook and a mulatta to screw. In Brazil there is no sharp divide between black and white but it is rather a continuum in which it is difficult to establish where white ends and black begins. The system of political representation has made it difficult for the presidents to get laws and reforms through the legislatures and the consequent practice of horse-trading. Getting any legislation passed requires constant negotiations to achieve the necessary majority, with shifting unstable alliances whose composition changes from one bill to the next. Brazil’s unusual system of proportional representation is flawed and allows defection of candidates from parties. In one notorious case, a congressional deputy changed parties eight times during a single legislative term including three brief returns to the same party.

Rohter places his bet on Aecio Neves, a senator from Minas Gerais state and member of PSDB party, as having a bright future to become President of the country. Aecio was earlier governor of the state and was also President of the chamber of deputies. He is the grandson of former President Tancredo Neves.

Rohter has praised the Brazilian diplomats for their skills and competence. But as an American, Rohter has exhibited predictable prejudices about Brazil’s foreign policy. He is critical of the independent foreign policies—which mean not following the American line—of Brazil. He calls the Brazilian sensitivity on the Amazon forest issue as paranoia. He has termed Brazil’s alignment with India and Japan for permanent membership of UN Security Council, as a mistake.

Rohter says, “I write with a deep and abiding affection and sense of admiration for Brazil and its people. Their society is one of the most richly humanized I have ever experienced, both in terms of its many flaws and equally plentiful virtues.” I agree with him. The Brazilians make you love them for their flaws as much as for their virtues.