

Guest From Brazil



The presentation given by Joao Graca, an advisor to the Ministry of Labor and Employment for the Brazilian Federal government in Brasilia, was very informative on the economic standpoint of Brazil. Joao said that Brazil has \$25 billion available, \$20 billion of which are available for investment and infrastructure. This was a very interesting fact, because while there are parts of the country that are wealthy (as is the case with all countries), there are also a large quantity of impoverished places in Brazil called Favelas. Favelas are essentially shanti towns, where everyone lives out of cardboard, and whatever else they can find, to make up their homes. Joao also said that in order to make way for the 2016 Olympics many favelas are being torn down to make way for more improvements, which begs the questions, if there's \$20 billion available for infrastructure, where is that going? Improving the favelas is a very large task, but they've been around for quite a while, and the only thing that seems to be having an effect on them is the preparation for the 2016 Olympics in Rio.

Joao also said that Brazil is the 7th largest economy in the world, which is both surprising, and not surprising at the same time. Brazil is much larger than we give it credit for; it's almost the same size as the continental United States! So when we were told it was the 7th largest economy it made sense, only because we constantly underestimate its size. Brazil's access to

other countries also makes it easier to have many trades with other countries, because it touches almost every country in South America with the exception of one or two countries. The middle class also makes the economic situation of Brazil very promising. With more than 50% of the population in the middle class it makes it very easy for entrepreneurs to thrive, paying more taxes, and ultimately increasing the economic standing of Brazil. When Joao said that Brazil is expected to be the 5th largest economy by 2020 that's a very reasonable assumption, because their trade paths are ride on their borders, they have an incredible amount of money, and the majority of their citizens are middle class. Joao said the only thing lacking from this booming economy is education. He said without education the middle class can't move up, because, as he put it, if you give a man a fish he'll expect more, but if you teach a man to fish, he'll be fed for the rest of his life. I think that this is very true, and the Brazilian government should turn its focus more towards education than GDP, because it appears as if they care about right now is money, and while that will help them in the short term, education will be their long term success.

Alex Nowjack, UVU Student