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DEVELOPMENT IN UNDERDEVELOPED REGIONS OF BRAZIL

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Brazil over the past 35 years has presented on development policy, and economic policy, some advances, among which stand out: the Programa de Cooperação Nipo-Brasileira para o Desenvolvimento dos Cerrados (PRODECER); established in 1979; the Plano Real, inflationary control, deployed in 1994; and the control of public expenditure by the Lei de Responsabilidade Fiscal, of 2000. A range of macroeconomic policy, which has raised the expectation of the country break out of underdevelopment. However, two major regions, Amazon and Northeast continue to present themselves as troubled regions to break away from the underdevelopment. Why?

Before fetching the implicit response to these regions, it is important that some concepts and information about economic development are placed. He settles with the following points: i) economic growth; ii) distribution of income; iii) sustainability; iv) increase human development index.

The idea of economic growth is recent. Before the advent of capitalism societies were in comparatively stagnant stages. They were basically agriculture and varied little over the years, with the exception of the occurrence of good or bad harvests, of wars and epidemics.

Capitalism comes so slow with the Mercantilism (1450-1750), under the control and direction of the National State in acting training with the bourgeoisie. At first had as rationality profit and capital accumulation as a means to achieve it. This is the time of the Commercial Revolution, of the great navigations. n a second stage, with the

Industrial Revolution, from the second half of the 18th century, the rationality is expressed through a more rational specifically to achieve the profit and capital accumulation: the acceleration of progress makes the systematic incorporation of new technologies, and the consequent increase in productivity turns out to be a fundamental condition. ¹

A third factor would consolidate the expansion of the capitalist system, are the nation States already consolidated, and their Governments that are the drivers of this process, by establishing institutions necessary for capitalist development, as the guarantee of property and contracts, protection of the domestic industry, and the most varied investment stimuli productive systems, and also for the institutionalization of universal public education that would allow increased productivity throughout the economy. ²

This new rationality placed by capitalism radically changes the structures of these new societies. In the last 100 years the world industrial production grew between 30 and 40 times and, as world population doubled, production per capita has grown between 15 and 20 times. ³

The observation of this reality walked to an attempt of understanding and explanation of how a society grows economically. The conclusion is that it grows from occurring: i) availability or via savings, capital accumulation funding, machinery and equipment, industrial, arable land etc; ii) the completion of infrastructure works such as roads, energy, ports, etc.; iii) investment in human resources; iv) population growth implies an increase of the labor force and in domestic demand; v) technological progress able to modernize the productive systems increasing productivity. ⁴ Economic growth is the engine of economic development, without him the other constraints are enormous difficulty in expressing themselves.

Attention with the economic development began to participate in the international agenda from the end of the Second World War (1945), motivated by two main forces that prompted the study of problems that affect developing countries. The first was derived from the existence of international tensions, and its central concern is with the need to make something concrete, with the utmost urgency, in relation to the problem of poverty in these countries. The other, with academic tradition is concerned with understanding the reasons that would exist behind the big differences that are observed in the processes of economic growth and development of developed and developing countries. I would be so worried about the nature and cause of the poverty of Nations. ⁵ Therefore, it is important to the knowledge of the history, the performance

of the economy and society, behavior, to understand the processes that lead to the development or under development.

Theories of economic growth, since the classic presented by Adam Smith (1723-1790), Thomas Robert Malthus (1766-1834) and David Ricardo (1772-1823), passing by John Maynard Keynes (1883-1946), by Karl Marx (1818-1883) and, finally, the neoclassical theories and neo Keynesian, were developed from the identification and analysis of the problems observed in the processes of economic growth of the developed countries, 6 of which England had unique importance. They consider economic development as a gradual and continuous process, harmonious and cumulative.

However, it is important to stress that this approach balanced growth does not explain the influence in the development of important factors such as: migration, dualism, distribution of income, savings, use of natural resources, trade, institutions, etc. This explains why one should not give up the history of society.

Currently, in developing countries and regions, there is a growing trend in the formulation of economic growth and development programmers geared to the real needs and specific to each country, region, State or municipality. This is because the economic development in the 21st century reveals itself as a phenomenon widely desired by the people, since the human being seeks the improvement of their quality of life, which is possible at the moment in which the needs and desires are met properly.

However, economic development is a major challenge that must be won, and not merely some voluntarism or with the passivity of the society. That's because, at the beginning of the process there is some difficulty in the existence of an appropriate behavior in the rate of capital formation – fundamental element to the dynamics of the development process – accumulation which in most counties was achieved initially with the use of natural resources, already depleted, and the process was continued due to adoption of technical progress to production.

Thus, the resumption of development requires a great effort of those who persecute you. In that effort, are key points to historical analysis, economy, sustainability and the behavior of society, to then be able to plan and act in the achievement of their goals. Then, the actors of economic development should examine these conditions in order to have a better understanding of the path to be traveled and experienced by society, and from these findings pursue policies and programs that lead to the desired goals.

After these theoretical considerations on the economic development, focus the Brazilian reality – Amazon and Northeast – in the development planning. The Amazon was awarded in 1953 with the creation of the Suoerintendência do Plano de Valorização Econômica da Amazônia (SPEVEA), transformed in 1966, in the Superintendência do Desenvolvimento da Amazônia (SUDAM). In 1959 came the Northeast have their planning institution, with the creation of the Superintendência do Desenvolvimento do Nordeste (SUDENE). Still in Amazon emerged the Superintendência da Zona Franca de Manaus (SUFRAMA), in 1967. These institutions have given below the expected contribution to regional development, considering the size and importance of the same. SUDAM and SUDENE to be without the tax benefits they lost the momentum to promote development actions; the SUFRAMA has maintained the Manaus industrial pole through a systematic policy of tax benefits permanently extended.

As already stressed, more recent studies have demonstrated a change of direction in development planning, in order to prioritize local development, i.e. the municipality. This with a smaller area, with a better knowledge of their reality and with the possibility of participation of society, able to plan and execute the desired development more effectively.

In the context of economic development, the municipality is not a marginal space or of scarce importance, on the contrary, it is crucial in terms of employment and income, presents itself as a space for the production and the diffusion of technical progress and economic growth. However, for this potential into reality required social, cultural and institutional changes, in order to facilitate innovation and entrepreneurship. To this end, the local political power will have important role in the induction and support for this process of change.

It should be stressed that over 2/3 of world production does not sell internationally, and 95% of investment decisions correspond to the decisions of national and local level, it is clear, then, that there is a huge scope for territorial economic policies ⁷. This means what the vocation of the productive base of the municipality – agro-industrial, industrial, land, trade or service – modernization plus added value will present positive effects on economic growth, employment and income.

Most of the municipalities of the Amazon and Northeast features low economic development, not that economic growth has not occurred previously. When their genesis, they usually took advantage of the abundance of natural resources and low labor costs, or even the current economic policy – exchange rate differentials and types

of interest. In this phase the comparative advantages of static character. Any accumulation of capital is always being applied notably in trade. After comes the economic stagnation, in which social policies have significant importance in the generation of income.

How to get out of this context? Work by the competitive advantages of dynamic character, based on the constant introduction of technological innovations, organizational and management, all supported – ultimately – the incorporation of information and knowledge and, ultimately, the quality of human resources involved. In this paradigm shift, municipal management the role of these changes, and inducing more, dialogue with society in order to make you understand the necessity of this change.

Leaving once more of the theoretical plan and focusing on reality, the municipalities can initiate this change using the capital available to them, but the vast majority is idle, it is the soil capital. Agriculture and livestock, extensive and supported in the natural resources, not process it in these conditions. The traditional model, little productive, you have to turn into a sector of highly productive and sustainable economy.

Although the economy change its structure, allowing the existence of an industrial sector – which is not common in Northeastern and Amazonian municipalities – and of trade and services, farming is still relevant, because its growth is critical for the expansion of other sectors of the economy, or on its optimization – many economic agents – streamlined the process of capital formation , and by the expansion of the internal market. The latter, extremely necessary in order to allow for the absorption of agricultural production, and increase the demand for trade and services.

Sensitive effort is required for the transformation of traditional agriculture in these municipalities reach, with its development, levels of modernization really compatible with the important role that it must play in the process of economic development.

The key point of the problem lies in the possibility of identifying the factors that are slowing down the proper growth of agricultural production, and adjust correctly, the combinations of factors that will allow the Elimination of the low productivity of this production.

A key factor is investment, but it is not primarily a problem of obtaining financial capital, before is a problem to determine the forms that should take this investment,

ways to make profitable investments in agriculture. By taking this path, it will be the agriculture as a source of economic growth, and the analytical task is to determine how low can be the costs and how much growth can be obtained, to become the traditional agriculture, through investing in a more productive sector. ⁸ And why the agriculture? Because she is a thread that is active or latent in the vast majority of Brazilian municipalities. There are areas occupied by man and an incipient agriculture.

But how to turn the traditional agriculture of these municipalities in a modern and productive economic sector? The Brazil, from the years 1970, has been transforming its agriculture so that, in the second decade of the 21st century, presents itself as a world power in food production, raw materials and biofuels, with environmental preservation. It can be affirmed that the country made a "revolution in Tropical Agriculture". This revolution is measured via the following numbers.

Brazil's position as exporter of agricultural products in relation to the world market in 2015: 1° position in exports of orange juice (77.4%), sugar (44.2%), soybeans (44.2%), poultry meat (36.6%), coffee (29.4%), beef (21%); 2° position for exports of corn (21.0%), soybean oil (12.2%); 3° position in exports of cotton (11.6%). ⁹

About the Brazilian trade balance, agribusiness contributed to a surplus, in 2015, from \$ 5.76 billion, while the other sectors continued with deficit. ¹⁰

The transformation of traditional agriculture, concerning the use of inputs for plant nutrition, presents the following table between Brazilian regions: i) Southeast, 36%; ii) Midwest, 23%; iii) South, 21%; iv) Northeast, 10.6%; v) Amazon (5.2%). ¹¹

With regard to sustainability, in the period between 1960 and 2015, agriculture spared 209 million hectares, because productivity grew 361%. With the livestock reduction of area used was 239 million hectares; due to the increased ability of animal stocking per hectare have increased 161%. ¹²

Advances in Brazilian agriculture presented above can be summarized in four achievements of the Brazilian agricultural research. The first is the availability of all Brazilian latitude for soybean cultivation, which out of Rio Grande do Sul, with 32 ° S latitude, comes to Amapá, with latitude 0 °. The second places Brazil as the leading provider of Zebu genetics in the world. The third relates to the potential productivity of pastures can reach up to 5 AU/ha (animal unit per hectare). The fourth is presented in integrated production systems: crop-livestock-forest integration (ILPF in Portuguese); crop-livestock integration (ILP); livestock-forest integration (IPF); tillage (PD); biological nitrogen fixation (BNF).

The transformation of traditional agriculture to modern agriculture provides three types of crops: conventional, organic and GM. It is up to municipalities know insert them into the economy through agribusiness and family farming, and thus have a powerful force for economic development.

To achieve it necessary to understand that two factors are essential to determine, directly the economic development: are the rate of capital arising from the production accumulation, and the incorporation of technical progress capacity production. The main factor to determine the greater or lesser acceleration of this process is the existence of a municipal development strategy.

NOTES

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8 SCHULTZ, T. W. *A transformação da agricultura tradicional*. Rio de Janeiro, Zahar Editores, 1965, cap. 1.

9 FONTE: USDA; CNA.

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