Brazil's Enigma: Sustaining Long-Term Growth
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Syndicate 8
2013/14 Part-time Group

Sustaining long-term growth
TheCasesolutions.com
Case Issues

Growth stalled
Deficit increasing
Inefficient production - "Custo Brasil"
Monetary environment
  • Inflation
  • High interest rate
  • Strong currency - "Currency wars"

C + I + G + (X - M)

Uncompetitive industries
Cheaper to produce abroad
Hot money inflows
Move from manufactured -> primary
Policies

GDP growth vs Inflation targeting
- Stimulus packages
- Interest rates
- BNDES

International competitiveness
- IOF
- Tariffs on imports
- Stimulus (textiles, footwear, software)