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TITLE: PATTERNS OF ECONOMIC GROWTH AND STRUCTURAL TRANSFORMATION OF THE BRAZILIAN ECONOMY 1985-2005

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ABSTRACT:

From 1980's to 2005 the Brazilian economy was characterized by a low average rate of growth and an increasing degree of trade openness. This pattern of economic development is in sharp contrast with the one observed in the post-war period, which was typified by high average rate of economic expansion. During this period, the Brazilian economy went through different competitive regimes, moving from a "pragmatic protectionism" of the 1970 to a "ultra liberalism" of the 1990's. This paper analyzes the process of economic growth and structural transformation that characterized the Brazilian economy in the period between 1985 and 2005. To accomplish this task it is applied an input-output methodology of structural decomposition analysis (SDA) of this process in the period under investigation. The aggregate and sectoral growth rates of gross output and employment are split into the contributions of the domestic demand, exports, import penetration/substitution and technological change. The preliminary results indicate that during the whole period the domestic demand is usually the driving force of the economy, but the diversification of the industrial sector and the increase in the links in the economy that marked the previous period seem to have come to a stop or to have slowed down in the period analyzed.