

## Brazil's Illusion of Wealth Forgets "Made in Brazil" Is Not the Same as "Created in Brazil"

Written by Cristovam Buarque  
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The upsurge of the so-called "emerging countries" is a worldwide geopolitical phenomenon at the beginning of this century. Until recently, countries were divided into First, Second, or Third World. After the fall of the Berlin Wall, the Second World concept was dropped. Now, a group of countries is integrating into a different bloc, called "emerging."

Although not part of the First World, this group is differentiated from the other developing countries. China, India, Brazil, South Africa, Indonesia, South Korea, Mexico and others form the group, which is characterized by its important participation in international commerce, as well as in the worldwide GDP.

Beyond this, they are countries marked by low educational indices, precarious healthcare, income concentration and a high corruption index. They are emerging economically but not socially.

Even worse, they are emerging tardily and making a belated arrival in the First World.

The emergence of these countries coincides with a crisis in the proposal of the world into which they are emerging. The countries that serve as their model and define the ideal now seek new models to measure development.

We are emerging in the direction of a no-longer-satisfactory objective. It is as if a plebeian family should be emerging into the nobility in Czarist Russia on the eve of the socialist October Revolution.

The developed world is based upon four great principles: Political Democracy; Economic Growth; Social Welfare; and Technical Innovation. At the very moment in which the new

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countries are emerging, however, this synergy has entered into crisis due to four new factors: the Ecological Limits to Growth; the Mega-Concentration of Income; a Scientific Revolution; and the Unraveling of the Financial Sector in relation to the economic reality, as well as to the national borders.

From now on, the First World countries, rich countries, will be obliged to choose among continuing their economic growth, leading to a grave ecological crisis; restraining the social benefits in the direction of fiscal equilibrium; balancing their national economies in an integrated world; adjusting their jobs in the era of the new science and technology; dominating the mega-concentration of income without putting the brakes on the democracy; fulfilling presidential commitments to a population with a longer lifespan.

The concept of development and progress that attracted the emerging countries is seeking an alternative.

Throughout the world, the measurement of progress and, therefore, the standard to define who has emerged or who continues to lag behind, cannot now be based merely upon economic growth. The new emerging countries, concerned with emerging into the world of elevated GDP, underestimate the concern with the environment and with their people's well-being, and they are not making the investments necessary for their own leap in the direction of innovation.

Even worse, just as these countries are emerging, thanks to production of agricultural or industrial primary goods, the developed countries are entering into an economy based upon knowledge, science and technology. The emerging nations are copying and anyone who copies is already lagging behind.

Brazil is emerging into a type of development that faces extinction. The industrial civilization consolidated in the 20th century has entered into a crisis and is preparing for a new standard of progress.

We continue, however, to be so dazzled with our emergence into the old one that we are living in the euphoria of one that is newly obsolete.

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This has happened with other course changes in past Brazilian development. Brazil was a rich country producing gold and sugar at the same time that England was industrializing.

Brazil and Portugal came into wealth in the old colonial world, but they lagged behind because the Industrial Revolution was consolidating as a new way to make and define wealth.

Once again, we are repeating the same situation.

We are emerging thanks to the exportation of commodities that have left us with a strong currency, with an elevated GDP. With some exceptions, however, we continue to be importers of high-tech goods.

We are emerging as the country of "made in Brazil" at the same time that wealth is measured and defined by "created in Brazil."

We are emerging for production and per-capita income when the world has evolved toward more free time, greater cultural production, better distribution and more quality in public services, respect for the environment; more attention to public health, to the retired and to the children; revolution in universal education and in the concept of lifelong education; concern for welfare and even for happiness, instead of the moth-eaten GDP into which we are making our tardy emergence.

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