

## Gabinete Ministerial do Brasil

### Welcome

Welcome Delegates!

My name is Ben Xiong and I'm the chair of the Brazilian crisis committee for BUSUN 2010. I'm a senior at Brown majoring in economics and political science, and have been involved with Model UN since my freshman year in high school. I'm currently the Conference Director of Brown Model UN. I'm excited to be your chair, and since this is a crisis committee, I'm sure this weekend won't be lacking in excitement for any of us. If you have any questions about Brown or college in general, I'd be happy to answer them for you, as well.

This background guide is intended to give you a broad overview of the topics you will be discussing in committee, but it is up to all of you to do the research and have the preparation necessary for a productive session. In addition to understanding the issues, it's important for you to have an understanding of Brazil as a whole and of its role on the world stage and positions on important global problems. Since the committee will be set in real time, it is important for you to follow the news for any changes to the issues or political situation that have occurred before the start of the conference.

The most important thing to remember is that you are all working together to achieve common goals. Writing the best resolution and forcing it through the committee will not win you a prize if your fellow delegates are left unsatisfied with your diplomatic skills or lack of tact. Cooperation between delegates and the achievement of a broad understanding of the issues is what I will be looking for during the conference. Don't forget to have fun!

Sincerely,  
Ben Xiong  
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Brazil is a rising world power and the largest country in South America. After achieving independence from Portugal, which had colonized it in the 1500s, Brazil alternated for a long time between periods of democratic rule and dictatorship, with the nation finally being returned to civilian rule in 1985. The current president is Luiz Inácio Lula da Silva, referred to by Brazilians simply as "Lula," and over the past 25 years Brazil has seen an astounding amount of growth that has accompanied its emergence as a player on the international stage.

Brazil is part of the BRIC group of nations, which also includes Russia, India and China. These four nations all have similar emerging economies, and share numerous interests in global politics. Leaders of the four nations met for the first time in 2009, and issued a statement calling for a more diversified international monetary system and calling for greater representation of developing countries in international institutions. Projections show that the economies of these nations will all grow rapidly over the next few decades, and this new economic strength will have profound political implications as well.

Brazil is one of the dominant powers in Latin American politics, and it has significant regional influence. When proposals to expand the UN Security Council are brought up, Brazil is inevitably one of the countries being talked about. In 2005 Brazil launched a joint bid with India, Japan, and Germany to push for new seats in the UNSC, but the group was unable to attract sufficient support from the current veto powers. Despite the global financial crisis, Brazil's economy looks like it's on track to keep growing, and the country's political clout should continue rising along with it.

### Cabinet Members

President – Luis Inácio Lula da Silva (committee chair)  
Vice-President – José Alencar (committee

director)  
 Minister of Defense – Nelso Jobim  
 Minister of Transport – Alfredo Nascimento  
 Minister of Education – Fernando Haddad  
 Minister of Cities – Márcio Fortes  
 Minister of Health – José Gomes Temporão  
 Minister of External Relations – Celso Amorim  
 Minister of Communications – Hélio Costa  
 Minister of Social Development – Patrus Ananias  
 Minister of Tourism – Luiz Barretto Filho

### Topic 1: 2016 Olympics

In October 2009, the International Olympic Committee (IOC) selected Rio de Janeiro as the host of the 2016 summer Olympics. This will be the first Olympics ever held in South America, and Brazil's surprise victory over Chicago represented the IOC's hope for Brazil and for the region as a whole. All over Brazil, the news was greeted with jubilation. Brazilians were hopeful that the Games would become Brazil's coming out party and a demonstration of its strength as an international power, much as the 2008 Olympics were for Beijing and China.

Despite the widespread optimism, there are many concerns about the Games, and many who feel that Brazil is not ready. One major concern is the safety of Rio de Janeiro and the city's high crime rate. On October 17, 2009, just a mere two weeks after the city was awarded the Olympic bid, 14 people were killed in Rio after shoot-outs between rival drug gangs. Close to 6000 people are killed in the state each year, and it is currently unclear if the city will be able to guarantee the safety of the hundreds of thousands of expected athletes and spectators. Rio's homicide rate has fallen in the past few years, but it still sits at 33 per 100,000 people (much higher than the rates of its competitors for the Games.) In its official report, however, the IOC said it was convinced that Rio was "capable of providing

the level of security and safety required for the Games". Improving the city's security will undoubtedly be one of the most important tasks facing the organizers of the Games over the next few years and, by extension, one of the most important tasks facing the country as a whole.

The other major issue facing the Games is the ability of the city to provide the necessary infrastructure and facilities for such a large undertaking. The budget submitted by the organizers totaled an astonishing \$14.4 billion, which was almost as high as the budgets of the other three finalist cities combined. This budget includes money for construction and renovation of airports, roads, and subways, and much of it is guaranteed by the federal government. Despite the high figure, some are worried that it may not be enough. Rio hosted the Pan American Games in 2007, which had a budget of \$177 million, but corruption and organizational inefficiencies pushed the final costs up to a reported \$2 billion. If the Olympic Games faced similar cost overruns, there would be serious questions about Brazil's ability to finance them, and it would be a major embarrassment for the country if it was forced to turn to the international community for support.

#### Questions to Consider:

What should the role of the federal government be in ensuring that the Games are a success?

What can be done to reduce the crime rate in the city and guarantee the safety of the athletes and spectators?

How can the corruption and inefficiency in Brazil's public sector be tackled in time for the Games?

#### Additional Resources

Official website of the Games – [www.rio2016.org](http://www.rio2016.org)

New York Times 2016 Olympics Topics Page – <http://topics.nytimes.com/topics/reference/ti>

mestopics/subjects/o/olympics\_2016/index.html

## Topic 2: Economic Liberalization

Brazil has the largest economy in Latin America and one of the top ten largest in the world. Following the final restoration of democratic rule in 1985, Brazil pursued a path similar to its neighbors, introducing more liberal economic policies and reducing trade restrictions. These policies, collectively known in the region as the “Washington Consensus,” brought about a period of relatively stable growth, and received acclaim from economists and politicians around the world. However, they were also blamed for an increasing amount of inequality.

The World Bank recently issued a report on income inequality in Latin America, and one official noted that “Latin America and the Caribbean is one of the most unequal regions in the world, where the richest 10 per cent of the population captures 40 per cent of total income, while the poorest 10 per cent receives a mere 1 per cent.” Brazil has done relatively well in recent years, and President Lula instituted a series of reforms under his rule that have been credited with helping to narrow the gap between the country’s richest and its poorest.

The global recession has not left Brazil untouched. Brazil fared better than most, experiencing only two quarters of negative growth, thanks to a government stimulus plan and several tax breaks. These measures, though, have raised concerns about inflation and have largely ended as the government becomes more concerned about fiscal restraint and deficit control. The long-run debate now centers on what direction the country’s economy should take in the future. Free-market liberals say that lower taxes, fewer trade restrictions, and reduced government

involvement in the economy will encourage further growth that will benefit the country as a whole. Those concerned with Brazil’s income inequality say that the government needs to do more to help the country’s poor and that government intervention is sometimes necessary to correct market imbalances and ensure fairness.

### Questions to Consider

What kind of economic policies should Brazil implement to both sustain growth and reduce income inequality in the country?

What should the role of the government be in regulating the free marketplace?

How liberal should Brazil’s trade policies be to both protect the country’s manufacturers and promote economic growth?

### Additional Resources

Knowledge@Wharton Brazil Special Section – [http://knowledge.wharton.upenn.edu/special\\_section.cfm?specialID=42](http://knowledge.wharton.upenn.edu/special_section.cfm?specialID=42)

Economist Country Briefings: Brazil – <http://www.economist.com/countries/brazil/>

CIA World Factbook: Brazil – <https://www.cia.gov/library/publications/the-world-factbook/geos/br.html>