

Name: \_\_\_\_\_

Block: \_\_\_\_\_

**People and World Cultures**  
**Political and Economic History of Brazil**

**Vocab to Know Before Reading:**

**During the reading find one example of each of the terms below and explain the context in which it is used. Simply highlight the word in the document and explain in the margins how it is being used.**

independence - freedom from control by others. In this reading, when one country is in charge of its own affairs

democracy - a type of government in which people have a say in making laws and governing

dictatorship - a type of government in which a single person makes laws and governs

republic - a type of democracy in which people elect representatives to make laws and govern

junta - a type of dictatorship where the military takes over a country's government

Gross Domestic Product (GDP) - all the goods and services sold in a country in a single year added together

elite - in this reading, the rich and powerful people of a country

**Directions**

Mark the statements True or False based on your own prior knowledge.

<b>Before Reading</b>	<b>Assertion</b>	<b>After Reading</b>
	Brazil's economy is larger than every other country in South America combined.	
	Brazil gained its independence from Spain in the 1800s.	
	Brazil is ruled by an all-powerful emperor, Dom Pedro IV.	
	Brazil and the United States do not trade much with each other.	
	Over 90% of the Amazon rainforest in Brazil has been destroyed in the last century.	

## Section 1 - A Short History of Latin America (1811-today)

From which country did most Latin American countries gain independence? By what means did these Latin American countries gain independence?



In the same way that the United States revolted from Great Britain to gain our independence, many nations in Latin America revolted against Spain to gain independence. Mexico fought Spain from 1811 until 1821 to gain its independence. In South America, revolutionary leaders Simón Bolívar and José de San Martín led another rebellion that drove the Spanish out of South America by 1825. The nations of Colombia, Venezuela, Ecuador, Panama, Argentina, Chile, and Peru would be established in the aftermath.

Unlike these other countries, Brazil was a Portuguese colony. The first inhabitants of Brazil were Native Americans, arriving over 10,000 years ago. The first Portuguese colonists arrived in 1532, settling along the east coast. The lure of gold and diamonds led them to explore and conquer the interior, coming into conflict with the native tribes already there. Portuguese colonists also started sugarcane plantations (*right*), and imported African slaves to work for them.



In 1807, the royal family of Portugal was forced to flee to Brazil because of wars in Europe. From 1808 until 1820, the Portuguese Empire was led by Brazil. Many thousands of Portuguese people came with the royal family, increasing the size of the colony. When King João VI returned to Portugal in 1821, he left his son, Dom Pedro, in charge of Brazil. When Portugal tried to reassert control over Brazil in 1822, Dom Pedro (*right*) declared Brazil independent, becoming the first emperor of Brazil. The United States was the first country to recognize Brazil as an independent country. A short conflict against forces loyal to Portugal ended with Brazil's victory in 1824. A member of the Portuguese royal family would continue to rule the new independent Empire of Brazil until 1889.

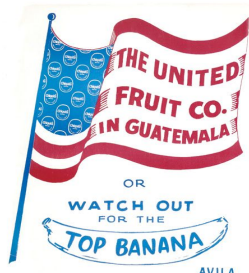


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**Identify and explain two reasons why Latin American countries have struggled with instability since independence.**

In the years after independence, many Latin American countries struggled to establish democracies and to develop their economies. In many of these countries, the elite (“caudillos”) who had been in power under Spain stayed powerful while the poor remained poor. As a result, many dictatorships rose across the region. The elite kept the wealth in their own hands and did little to improve the economies of their countries. Poor people would support dictators who promised to make their lives better. These dictators were often overthrown by the economic elites, and there has been much political instability over the last two centuries in Latin America.

This instability was often made worse by the involvement of powerful foreign companies who supported unpopular governments in order to maintain access to Latin America’s natural resources. An example is the United Fruit Company of the United States, which had close ties to several



authoritarian regimes and corrupt governments in the region and gave birth to the term “Banana Republic.” The United States and powerful European nations have often intervened militarily in the region. For example, France invaded Mexico between 1861 and 1871 to support the unpopular emperor Maximilian. Britain, Germany, and Italy blockaded Venezuela in 1902 in a dispute over that country’s debt. The United States supported a revolt to separate Panama from Colombia in 1903. The United States did this to obtain the rights to build the Panama Canal, connecting the Pacific and Atlantic Oceans.

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## ***Section 2 - A Short Political and Economic History of Brazil (1889-today)***

**What is the major export crop of Brazil?**



For its own part, Brazil followed a different path from the rest of Latin America. The monarchy provided relative stability to the Empire of Brazil until a revolution in 1889. *(left: a painting of Rio de Janeiro during the empire in the 19th century)*. The king was driven out, and a “republic” was established. In actuality, the government of Brazil would be dominated by the military and series of dictatorships

between 1889 and 1894. After that, control of the republic passed into the hands of civilians, mostly from the Portuguese elites in the south near Rio de Janeiro. In the next decade, coffee production became a major export crop for Brazil. For seventy years, most development was focused in the south-east of Brazil, where rich coffee plantations were. The large Amazon Basin remained largely undeveloped. The coffee farmers dominated the new Brazilian republic. There were several revolts, mostly by military officers who were unhappy with the elite coffee farmers in control of Brazil.

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## How does Brazil make its money?



In 1930, a military junta took control of Brazil and installed a dictator. The military used its power to develop industry in the interior of Brazil. Brazil became increasingly important in mining, chemicals, and manufacturing. Cattle ranching and agriculture were other big industries that thrived in the Amazon Basin, replacing rainforest. Democracy was briefly restored between 1945 and 1964. In 1960, the capital city was moved from Rio de

Janeiro to the new city of Brasília (*left*), which was built from scratch. It was innovative and remains a masterpiece of modern design. Brasília is located closer to the center of Brazil, and reflects a loss of power among the wealthy elites in Rio de Janeiro. Another military coup, supported by the United States, took over the country in 1964. The military began a Trans-Amazonian Highway project that sped up development of the Amazon Basin which has endangered millions of species in the rainforest. It also, however, helped Brazil's economy to boom.

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**How is Brazil's government like the United States'? Find two similarities.**

- 1.
- 2.

True democracy began to be restored after the the military gave up its control of the government in 1985. Since that time, six different people have served as the elected President

of Brazil. The Federal Republic of Brazil is structured similarly to the United States. Brazil has 26 states, and a federal district (the capital city of Brasília). Like the United States, the government is divided between executive, legislative, and judicial branches. Each state has its own governor, legislature, and state courts. The federal government has an elected president, a national Congress, and a Supreme Federal Court. The Republic of Brazil has a mixed economy: capitalism dominates, but there is a strong presence role of the government in managing the economy.

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**What new ways does Brazil make money?**

The discovery of offshore oil reserves has brought Brazil much money. China's growing economy also required natural resources that Brazil could provide, like iron ore and crude oil. Increasing wealth and power brought Brazil to a leadership position in the world community. For example, in 1992, 100 world leaders met for the first International Earth Summit in Rio de Janeiro.

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**What is Bolsa Família? We have programs like it in the United States. Provide two examples of similar programs here.**

Despite prosperity for some, most Brazilians continued to live in poverty. In 2002, President Luiz Inácio "Lula" da Silva was elected. Lula was supported by many who were

unhappy that they did not share in Brazil's prosperity. He worked to further develop Brazil's economy and to raise living standards for all. One popular strategy of his was to increase the Brazilian minimum wage by 150% to about \$150 dollars per month. He also worked to reduce hunger among the poor in Brazil through small loans, free education, vitamin supplements, financial assistance, and resources for small farming. This collection of social welfare programs was called the ***Bolsa Família*** ("Family Allowance). For most of this century, Brazil's economy has grown between 2% and 7.5% every year. The size of Brazil's economy peaked in 2011 with a gross domestic product (GDP) of \$2.6 trillion. A serious economic recession hit Brazil in 2012 and economic problems are ongoing. Today (2016), the economy of Brazil has a gross domestic product (GDP) of \$1.8 trillion. This is more than the rest of South America combined. That makes Brazil the 8th largest economy in the world, just below France and just above Italy.

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### **What economic problems developed under Dilma Rousseff?**

Lula was very popular, and his hand-picked successor, Dilma Rousseff (*right*) was elected Brazil's first woman president in 2011 and was re-elected in 2014. But under her watch, Brazil slid into serious economic problems. Drops in the global price of oil undermined Brazil's funding for the Bolsa Família and caused the value of the Brazilian Real (Brazil's unit of currency) to drop. Economic slowdown in China meant less demand for Brazilian products, which also hurt the economy. The gap between rich and poor remained large: 21.4% of 196.6M Brazilians remain in poverty. Unemployment hit a record high of 13.6% in 2017, with 14 million Brazilians unable to find work. In 2017, Brazil is in the middle of its worst economic recession in 25 years. To make matters worse, a wave of corruption and fiscal mismanagement trials hit the Brazilian government, including Dilma Rousseff's administration. She was impeached by the Brazilian Senate and removed from office in 2016.



The destruction of the Amazon rainforest also remains a long-term problem. In 2005, the government announced that 20% had been destroyed by development. The resources of the Amazon are essential to Brazil's economic success, and the destruction of Brazil's environment

threatens the health of it's people.

In 2017, the United States and Brazil are the two largest democracies and also the two largest economies in the Americas. Under President Obama, the United States and Brazil signed 15 bilateral agreements, and issued a joint statement on climate change. There is enormous trade between the nations. In 2011, 10% of what Brazil exported was sold to the United States and 15% of what Brazil imported came from America. President Trump has been critical of trade with Brazil, especially regarding the sale of ethanol ( a plant-based fuel), but has also called for cooperation between the countries.

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Further Reading for Students  
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