Southern Brazil: notes on exports and international presence of large industries

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Introduction

Exports of manufactured goods (manufactured and semi -manufactured) of the southern states (comprising the states of Paraná - PR , Santa Catarina - SC and Rio Grande do Sul - RS) in all Brazilian exporter has grown significantly since the late 1970 when the first great impetus to national industrial exports (Mamigonian , 1988) . Since then , it appears that foreign sales showed significant increase with respect to the values and quantities exported , but interrupted in the period 1997-1999 , resulting from neoliberal policies of the Cardoso government , such as the appreciation of the Real against the Dollar . Also , the trade balance shows worrying results in recent years due to the sharp increase in imports , mainly in Santa Catarina .

Moreover , to overcome internal difficulties since the 1990s , especially , there is the installation of factories , warehouses , offices etc. . abroad, mainly in significant markets in Latin America, Europe , the United States and China. This paper presents some preliminary results obtained for the detection of Economic Geography titled Exporting large industries in Southern Brazil in world space : analysis of the logistics, developed with funds from the Universal Public Notice 14/2012 - CNPq . The main objectives consisted of a) systematize the exports of the states of southern Brazil in the period 1990-2013 and b) raise the installation of factories outside of some large exporting industries (as classified BNDES) in the states of Paraná , Santa Catarina and Rio Grande do Sul

The theoretical perspective used is based on the work of the Brazilian and world economic development Ignacio Rangel (Long Economic Cycles) and Armen Mamigonian studies , discussing not peripheral economic dynamism in Southern Brazil . The methodological procedures included the survey , systematization and analysis of data and information available in printed documents and websites .

a) Table of foreign trade of Paraná , Santa Catarina and Rio Grande do Sul

Besides the important exports of industrialized Durantes the two world wars products , it appears premature demand of the foreign market by Artex (Blumenau) that starts in 1958 exports of plush fabrics , the Consul (Joinville) exporting refrigerators in 1959 and Tupy Foundry (Joinville) with the first external sales (1959) of the connections in malleable iron . This way abroad occurred well before the first national momentum exporter of light consumer goods , then promoted by national and state economic policies , the second polishing 1960s . And since then , the agenda southern exporting mainly Catarina , will compose a growing list of new industrial products shipped to different countries , mainly in South America and Africa.

The oil crisis of 1973 , pushing the national context resumption policy of import substitution and the pursuit of balance of trade through export incentives , pushed many manufacturing branches to the external market (second pulse exports of processed products) . Although domestic economic force extended by the II PND , many industries increased foreign sales or entered the international market , especially in Africa and the Middle East , supported by national economic policies .

The consequences of the oil pressures , among other facts , printed to a violent 1980s recession and unemployment , activated by the policies of increasing exports in order to obtain positive balance of trade , then , becoming the third boost exports of processed when a large number of industries began to export . The export customer in the eighties and nineties continued strongly linked to the U.S. and Europeancountries , besides major expansion for Mercosur .

More recently become the flagship statement of the southern export sector : " For various reasons the South does not follow Brazilian exports [...] the international environment favors sales of mineral commodities , such as iron ore and agribusiness , such as sugar and coffee . International prices for high outweigh the unfavorable exchange relationship. With a staff of more diversified exports , with great weight of manufactured articles , the South suffers " (EXPRESSION , 2007, p. 15) . This assertion may seem exaggerated , but the data of foreign trade for the three southern states , presented in tables and graphs below , it considers that the scene has not been the same dynamism seen in previous decades , to the time of the first exporters of pulses manufactured products of Brazil (Mamigonian, 1988 and Rocha, 2004) .

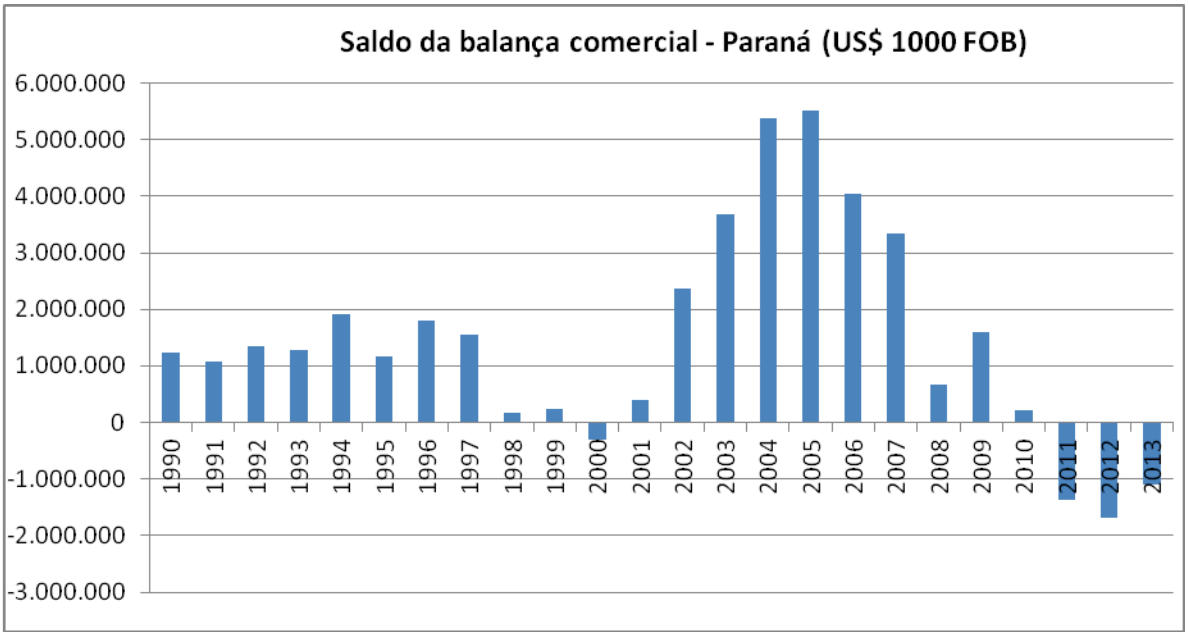
Paraná trade balance: 1990-2013

Year	Exports	Imports	Surplus	Total (Exports+Imports)
1990	1.868.130	626.154	1.241.976	2.494.284
1991	1.807.229	739.488	1.067.741	2.546.717
1992	2.110.039	769.453	1.340.586	2.879.492
1993	2.481.143	1.201.065	1.280.078	3.682.208
1994	3.506.749	1.589.440	1.917.309	5.096.189
1995	3.567.346	2.390.291	1.177.055	5.957.637
1996	4.245.907	2.434.733	1.811.174	6.680.640
1997	4.854.032	3.305.265	1.548.767	8.159.297
1998	4.227.995	4.063.890	164.105	8.291.885
1999	3.932.564	3.699.105	233.459	7.631.669
2000	4.392.091	4.685.670	-293.579	9.077.761
2001	5.320.211	4.929.457	390.754	10.249.668
2002	5.703.081	3.333.392	2.369.689	9.036.473
2003	7.157.853	3.486.051	3.671.802	10.643.904
2004	9.405.026	4.026.146	5.378.880	13.431.172
2005	10.033.533	4.527.237	5.506.296	14.560.770
2006	10.016.338	5.977.971	4.038.367	15.994.309

2007	12.352.857	9.017.988	3.334.869	21.370.845
2008	15.247.184	14.570.222	676.962	29.817.406
2009	11.222.827	9.620.843	1.601.984	20.843.670
2010	14.175.844	13.956.957	218.887	28.132.801
2011	17.394.275	18.767.763	-1.373.488	36.162.038
2012	17.709.585	19.387.804	-1.678.219	37.097.389
2013	18.239.202	19.343.802	-1.104.600	37.583.004

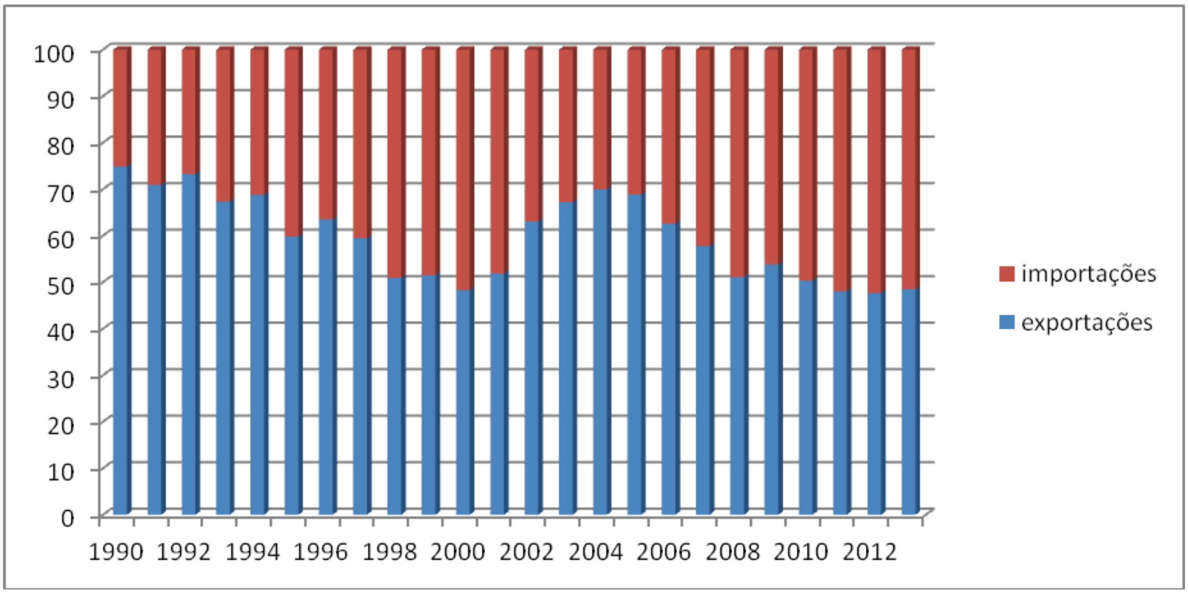
Source: MDIC (2014)

Surplus – Paraná (US$ 1000 FOB)



Source: MDIC (2014)

Exports + Imports – Paraná
(%)



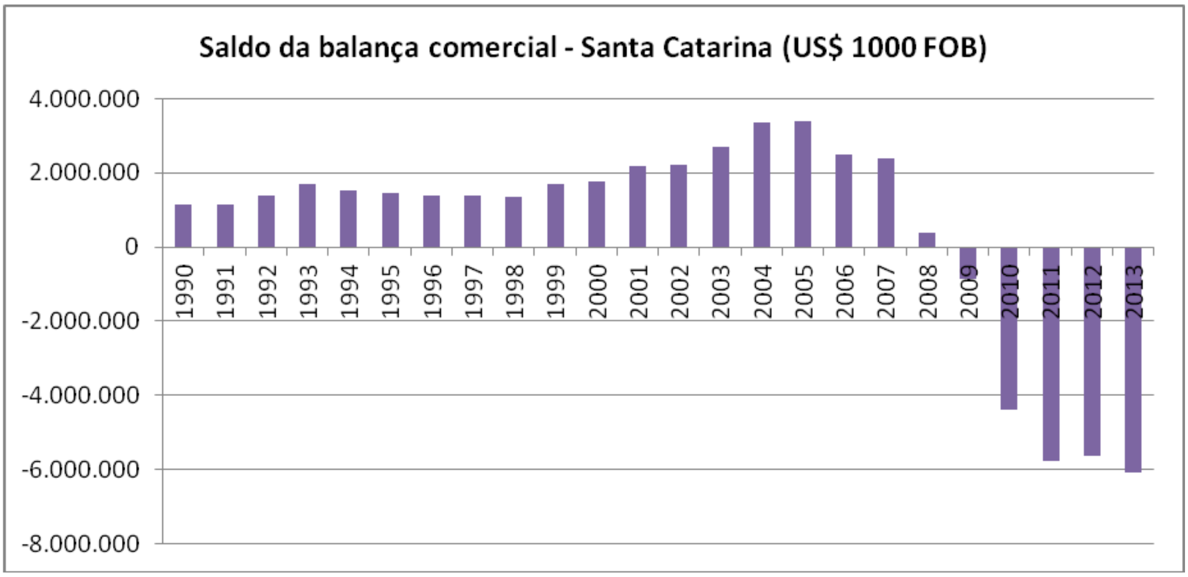
Source: MDIC (2014)

Santa Catarina trade balance: 1990-2013

Year	Exports	Imports	Surplus	Total (Exports+Imports)
1990	1.457.320	326.536	1.130.784	1.783.856
1991	1.509.784	368.104	1.141.680	1.877.888
1992	1.789.864	408.927	1.380.937	2.198.791
1993	2.198.137	491.469	1.706.668	2.689.606
1994	2.404.689	877.909	1.526.780	3.282.598
1995	2.652.025	1.198.541	1.453.484	3.850.566
1996	2.637.306	1.249.005	1.388.301	3.886.311
1997	2.805.718	1.406.836	1.398.882	4.212.554
1998	2.605.306	1.271.606	1.333.700	3.876.912
1999	2.567.364	881.023	1.686.341	3.448.387
2000	2.711.703	957.142	1.754.561	3.668.845
2001	3.028.399	860.240	2.168.159	3.888.639
2002	3.157.065	931.554	2.225.511	4.088.619
2003	3.695.786	993.810	2.701.976	4.689.596
2004	4.853.506	1.508.950	3.344.556	6.362.456
2005	5.584.125	2.188.540	3.395.585	7.772.665
2006	5.965.687	3.468.768	2.496.919	9.434.455
2007	7.381.839	5.000.221	2.381.618	12.382.060
2008	8.331.092	7.940.724	390.368	16.271.816
2009	6.427.661	7.288.151	-860.490	13.715.812
2010	7.582.027	11.978.106	-4.396.079	19.560.133
2011	9.051.047	14.840.975	-5.789.928	23.892.022
2012	8.920.667	14.551.516	-5.630.849	23.472.183
2013	8.688.839	14.778.889	-6.090.050	23.467.728

Source: MDIC (2014)

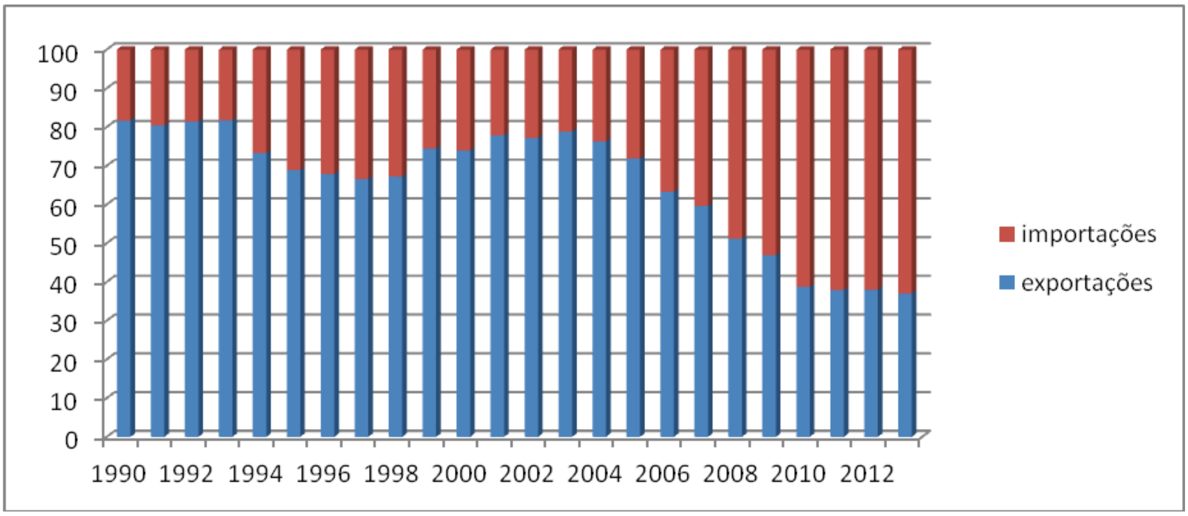
Surplus – Santa Catarina (US$ 1000 FOB)



Source: MDIC (2014)

Exports + Imports – Santa Catarina

(%)



Source: MDIC (2014)

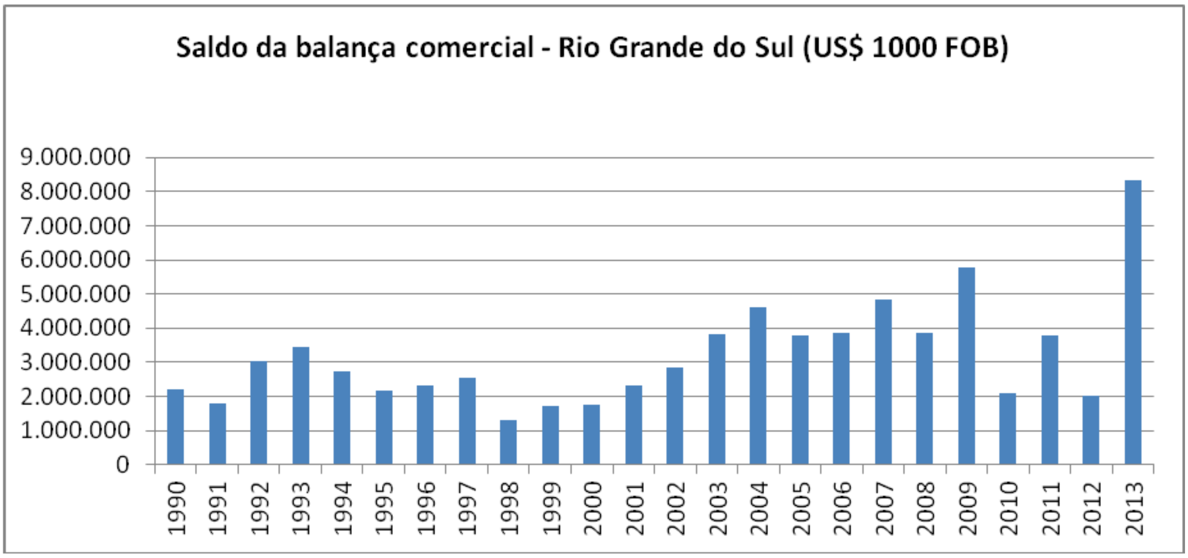
Rio Grande do Sul trade balance: 1990-2013

Year	Exports	Imports	Surplus	Total (Exports+Imports)
1990	3.441.873	1.243.195	2.198.678	4685068,00
1991	3.294.217	1.518.190	1.776.027	4812407,00
1992	4.339.292	1.319.487	3.019.805	5658779,00
1993	5.178.346	1.746.689	3.431.657	6925035,00
1994	5.027.113	2.308.104	2.719.009	7335217,00
1995	5.181.655	3.017.860	2.163.795	8199515,00
1996	5.663.641	3.361.241	2.302.400	9024882,00
1997	6.271.051	3.714.146	2.556.905	9985197,00
1998	5.628.516	4.329.809	1.298.707	9958325,00
1999	4.998.720	3.272.982	1.725.738	8271702,00
2000	5.779.942	4.021.492	1.758.450	9801434,00
2001	6.352.008	4.049.432	2.302.576	10401440,00
2002	6.383.693	3.531.485	2.852.208	9915178,00
2003	8.027.483	4.190.797	3.836.686	12218280,00
2004	9.902.184	5.290.653	4.611.531	15192837,00
2005	10.475.704	6.692.191	3.783.513	17167895,00
2006	11.802.079	7.949.208	3.852.871	19751287,00
2007	15.017.674	10.168.245	4.849.429	25185919,00
2008	18.385.264	14.524.823	3.860.441	32910087,00
2009	15.236.062	9.470.130	5.765.932	24706192,00
2010	15.382.446	13.275.021	2.107.425	28657467,00
2011	19.427.102	15.662.106	3.764.996	35089208,00
2012	17.385.706	15.370.453	2.015.253	32756159,00

2013	25.093.698	16.763.352	8.330.346	41857050,00

Source: MDIC (2014)

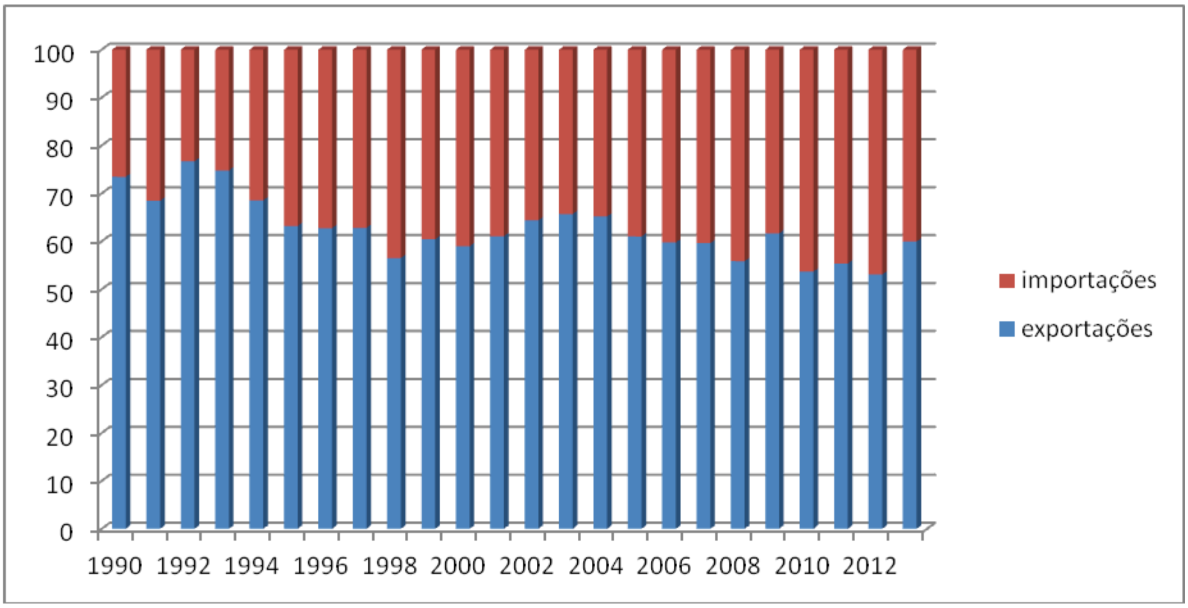
Surplus – Rio Grande do Sul



Source: MDIC (2014)

Exports + Imports – Rio Grande do Sul

(%)



Source: MDIC (2014)

The analysis of charts and graphs indicates that there was a significant increase in the values of exports and imports of the three southern state in the last two decades , greatly expanding bilateral trade . In general terms , total exports of Brazil and the states showed significant increase with respect to exported values , but interrupted in the period 1997-1999 , when economic recovery of the real against the dollar , a decrease was primarily related .

But what clashes , including comparing with previous decades , is the negative trade balance of Santa Catarina from the global crisis of 2008 (2009-2013) , with very significant growth of imports arriving in 2013 to reach about 2/3 of current trade : deficit -6,090,050 ($ 1,000 FOB) . The State of Paraná has negative balances from 2011 and Rio Grande do Sul registers alternately decreases and increases in the last five years (the surplus of 2013 relates to the initial sales of Drill Rigs / floating farm).

Deficits in Santa Catarina relate to the " fiscal war of ports " , which influenced the distribution of imports by the states , focusing imports of Santa Catarina in southern and southeastern ports because of the tax benefits granted by the state governments . Resolution 13 , adopted by the Senate in 2012 , which unified at 4% the rate of Tax on Goods and Services (ICMS) in interstate transportation operations imported goods tend to reverse the trade balance Catarina .

Obviously , there is need for contextualized and more detailed analyzes to understand the framework of foreign trade presented in the previous tables and charts . But it is interesting to comment that the tariff of exported products has also undergone changes with repercussions on the industrial park , for example : in 2000 leather footwear accounted for approximately 16 % of total exports of Rio Grande do Sul , in 2005 the footwear accounted for 8 % of the total, in 2010 represented 2.5 % of total exports , and in 2013 accounted for only 0.7 % of total exports Gaucho (MDIC data , 2014) . Soy beans and oilcake which occupy the top positions of the export basket of Paraná lose share to other industrialized products (cars , chicken etc. .) Over the past two decades . In the export of Santa Catarina has dominated the last two decades the cuts and offal of chickens etc. . , Which have variable interest between 8 % to 16 % of total exports , of hermetic compressors (5 % to 8 % of exports) and smoke from 2005 (average 8 % share of total exports from Santa Catarina).

b) Manufacturing units outside of some large exporting industries.

The issue of exchange rates in Brazil , the " bottlenecks " (“nós de estrangulamento” - Rangel, 2005) represented by the deficiencies in infrastructure for the export sector (roads, railways , ports , warehouses etc.) and the protectionism in foreign markets have encouraged the setting up of subsidiaries manufacturing in other countries - the so-called internationalization - mainly from the nineties . Naturally , the new plants abroad are located in strategic markets consumers , especially in Europe , Asia and the Americas .

The beginning of this process , for example in Santa Catarina , was promoted by Tiger / Hansen Group , " whose inability to export their products , due to the different measures of pipes and fittings used in each country , see the output on the external market , founding the factory in Paraguay in 1976 (during the crisis of the 70 - second pulse exports) " (Rock, 2011 , p 307 .) . The Brazilian economic context of the 1990s pushed many companies to implement offices , industrial units etc. . outside , some examples are given in the following table :

Examples of manufacturing overseas expansion of export industries of southern Brazil

Industry	Location matrix	Name or Company Involved	Contry	Year Trading	Type of Transaction	Billing company involved	Group numbers
TIGRE	Joinville (SC)	Tubopar	Paraguai	1976/77	Parceria com empresários locais	*	Billing: US$ 1,5 billion (2010)
		Fanaplas	Chile	1997	Compra	*	
		Santorelli	Argentina	1999	Fusão	US$ 8 mi	
		Plastica 21	Chile	1999	Compra	*	
		Reifox	Chile	1999	Compra	*	
		Saladillo	Chile	1999	Compra	*	
		Plasmar	Bolívia	2000	Compra	*	
		Advanced Drainage Systems (ADS)	EUA	2006	Associação/Construção	*	
		-	Equador	2007	Construção	*	
		Plastica S/A	Peru	2008	Compra	*	
		-	Colômbia	2008	Construção	*	
		*	Uruguai	2009	Construção	*	
WHIRLPOOL (EMBRACO)	Joinville (SC)	Aspera	Itália	1994	Compra	*	Billing: US$ 810 million (2000) US$ 1,7 billion (2010)
		Snowflake	China	1995	*Joint venture*	*	
		-	Eslováquia	1998	Construção	US$ 50 milhões	
BUSSCAR	Joinville (SC)	Unecamoto (Gov. Cuba)	Cuba	1999	Parceria Governo Cuba	US$ 15 milhões	Billing: R$ 530 million (2001) Crise financeira (2010)
		Ónibus Integrales-OISA	México	1999	Compra	US$ 25 milhões	
		Vest. Karosserie	Noruega	2000	Compra de 30% ações	US$ 70 milhões	
		Carrocerias Larenses	Venezuela	2000	Acordo (SKD-CKD)	US$ 30 milhões	
		Carrocerias Occidente	Colômbia	2001	*Joint venture*	*	
		Scania	Dinamarca	2001/02	Compra	US$ 25 milhões	
		Motor Coach Industries	EUA	2001/02	*Joint venture*	*	
WEG	Jaraguá do Sul (SC)	Morbe	Argentina	2000	Compra	US$ 6 milhões	Billing: R$ 1,3 billion (2001) 5,3 billion (2010)
		Intermatic	Argentina	2000	Compra	*	
		Asia Brow Boveri (ABB)	México	2000	Compra	*	
		Efacel	Portugal	2002	Compra	*	
		Nantong Electric Motor Manufacturing (Governo China)	China	2004	Compra	US$ 12 milhões	

		Voltran	México	2006	*Joint venture*	*	
		-	Índia	2008/10	Construção	US$ 50 milhões	
		-	México	2008	Construção	US$ 31milhões	
		Voltran	México	2010	Aquisição controle acionário-60%	US$ 70 milhões	
		Zest Group	África do Sul	2010	Controle capital 51%	US$ 200 milhões	
DUAS RODAS INDUSTRIAL	Jaraguá do Sul (SC)	-	Chile	1997	Construção	*	Billing: R$ 155 million (2000) R$ 420 million (2010)
		Laboratório Palma	Argentina	2000	Compra	US$ 3 milhões	
			Colômbia			*	
MARCOPOLO	Caxias do Sul (RS)	Marcopolo Auto Components Co. Ltd.	China (Província de JiangSu	2001	*	*	*
		Gb Polo Bus Manufacturing Company S.A.E	Egito (Suez)	2009	*	*	*
		Marcopolo South Africa	Afríca do Sul (Johannesburg)	2000	*	*	*
		Metalpar Argentina S.A.	Argentina	1998	*	*	*
		Polomex S.A. De C.V.	México (Monterrey)	1999	*	*	*
		Superpolo S.A	Cundinamarca – Colômbia	2000	*	*	*
		Tata Marcopolo Motors (Dharwad)	Índia	2009	*	*	*

		Tata Marcopolo Motors (Lucknow)	Índia	2007	*	*	*
		Volgren - Melbourne	Austrália (Melbourne)	2012	*	*	*
		Volgren – Perth	Austrália (Perth)	2012	*	*	*
		Volgren - Newcastle	Austrália (Newcastle)	2012	*	*	*
		Volgren - Brisbane	Austrália (Brisbane)	2012	*	*	*
RANDON	Caxias do Sul (RS)	Alabama Manufacturing Facility	Estados Unidos (Alabama)	*	*	*	
		Randon Argentina	Argentina (Santa Fé)	1994	Construção	*	*
		Randon Automotive (Pty) Ltd	África do Sul (Johannesburg)	*	*	*	*
		Fras-Le Asia	China (Província de Zhejiang)	*	*	*	*
		Acts - Associated Car Amp Truck Specialist (Unidade Montagem)	Argélia (Argel)	*	*	*	*

Source: Rocha (2004 e 2011) and internet sites. * Not available

Conclusion

The positive results of exports , especially of manufactured products , generated in the course of the last two decades for most of the factory set exporter , Southern Region, relate to the existing spatial organization , ie , the existence of ports (Paranaguá - PR , Sao Francisco do Sul - SC , Portonave - SC , Itajaí - SC , Imbituba - SC and Rio Grande - RS) , highways , warehouses etc. . Throughout the 1990s there is intensified deployment of sales offices , warehouses / distribution centers , manufacturing units etc. . in other countries (internationalization) , usually in countries with major markets or those with plans to expand consumers .

Many industries in the Southern Region have very dynamic behavior in the present scenario of the foreign trade , as if brought here quickly demonstrate . " But it is important to stress the urgency of the current government addressing the key problems that hamper industrial exports [...] [Southern Brazil] - the exchange rate , high interest rates , the bureaucracy and the problems of transport infrastructure (in part mitigated by Acceleration Program Crescimento/2007) - how to strategically faced nationalist leaders and earlier developmental " (Rock 2011 , p 324) , pulses exporters in industrialized in the 1960s and 1970s products.

Finally, remember that this article is merely intended to raise some observations for discussion and analysis here at this event.

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