



# **The largest exporting industries from the South Region of Brazil: the placing of industrial plants abroad**

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## Location of the three states forming the South Region of Brazil

The South Region of Brazil (with 3 states: Parana - PR, Santa Catarina – SC and Rio Grande do Sul - RS) starting in mid 19th Century, was intensively populated by thousands of small scale property European farmers, craftsmen etc; most of them from Germany and Italy.

These areas (Image 1), as peripheral spots of the feudal and enslaving structures of the dominant social formation, carried out an intense and diversified industrialization process through a predominant presence of small scale properties and industries. Many of these crafts workshops evolved into large capitalist industries, due to the characteristics of the national and regional geographic and economic context.



- This study aimed at verifying the international insertion of large exporting industries from Southern Brazil.
- This study is also part of the research entitled “Southern Brazil large scale exporting industries in the World Space: an analysis of the logistics” (financed by the CNPQ Universal Edict – 14/2012 and UDESC).

- Many industrialized products from Southern Brazil were exported during the First and Second World Wars, and finally consolidated themselves as part of the foreign market through governmental stimuli during the military national administrations from 1960 to 1980.
- These exportations of industrialized products (manufactured and semi-manufactured) from Southern Brazilian states, within the Brazilian exporting scenario, grew significantly since the late 1970s, when the **first great boost of Brazil's industrial exportations** took place.

- It should be pointed out that the 1973 Oil Crisis, which propelled once again the imports substitution policies and the search for commercial trade balance equilibrium in the national context through exportation stimulation, pushed diverse industrial sectors to the external market (this period was referred to as the **second push** to the exportation of industrialized products).
- Many Brazilian industries increased their external sales or entered the international market, especially in Africa and Middle East.

- The policies which tried to stop the inflationary process, among other factors, left Brazil with a violent recession and unemployment rates in the 1980s.
- At the time, the aim was to increase the exports to achieve a positive score in the commercial trade balance, which was then called the **third push to the exportation** of industrialized products, and that was when a large number of Brazilian industries started to export.
- The external consumer market in the 1980s and 1990s remained strongly connected to the United States and to European countries, besides an important expansion to the Mercosur.



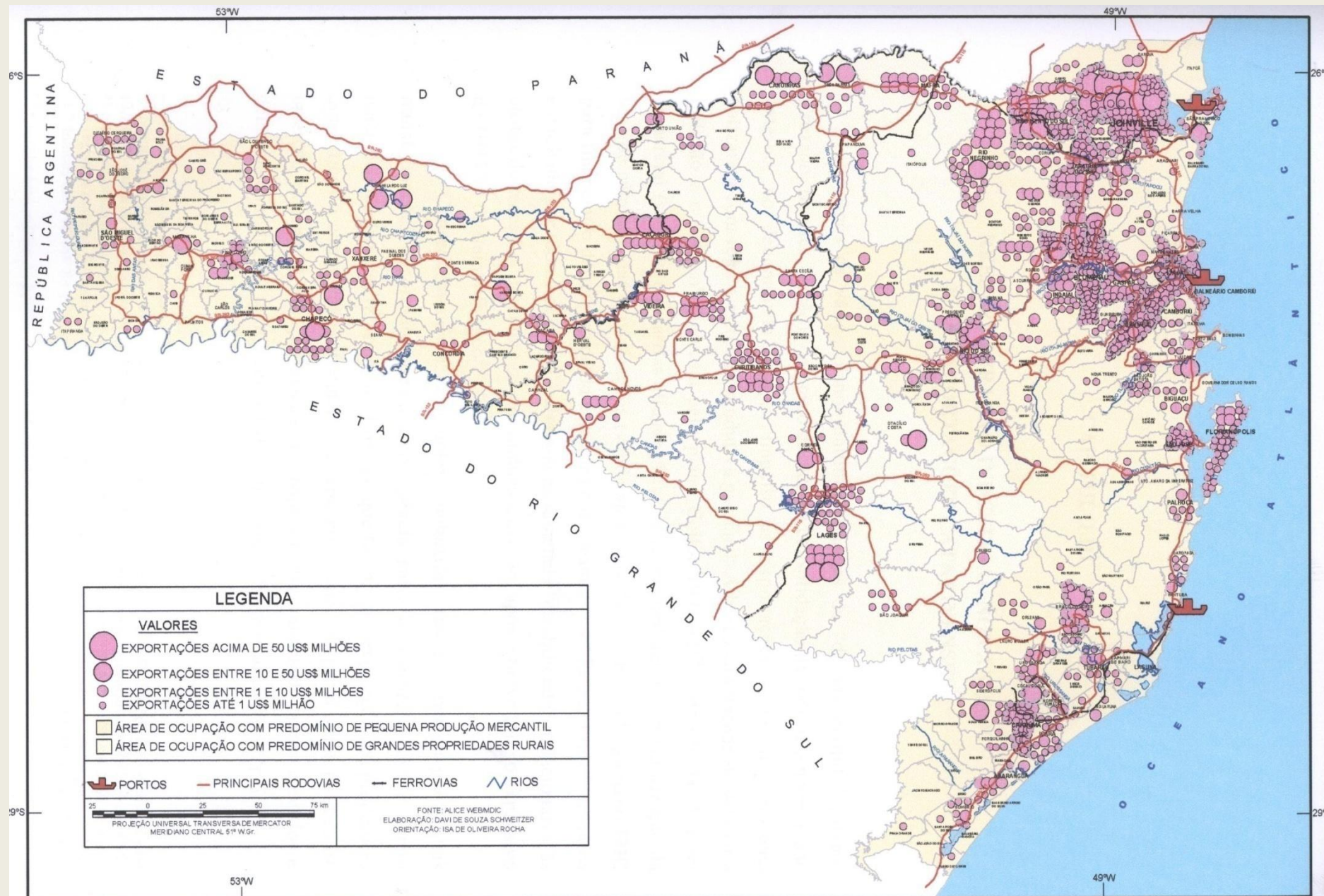
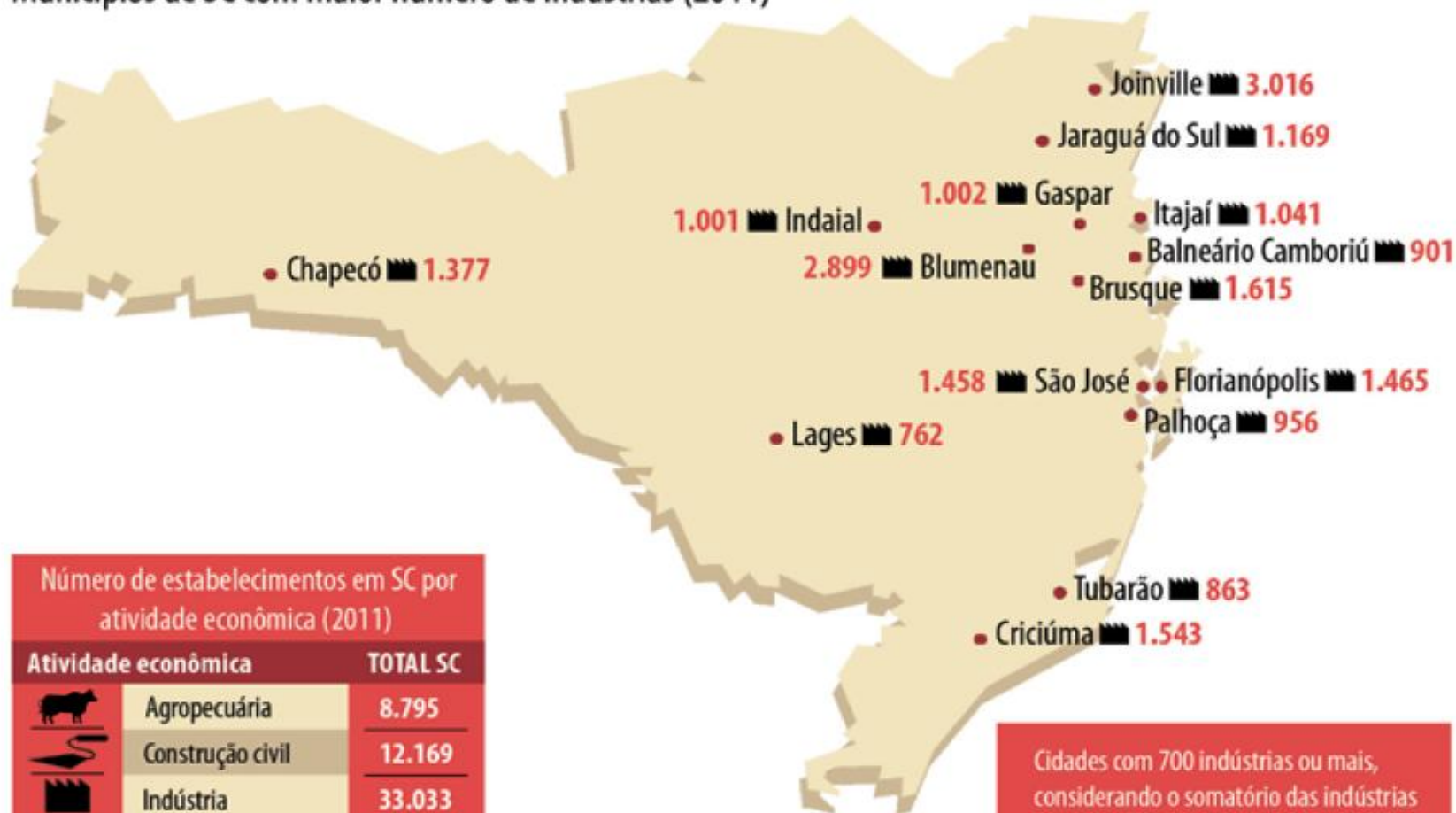


ILUSTRAÇÃO 32 - EMPRESAS EXPORTADORAS DE SANTA CATARINA - 2003 (Tradings, indústrias, etc.)

## Municípios de SC com maior número de indústrias (2011)



### Número de estabelecimentos em SC por atividade econômica (2011)

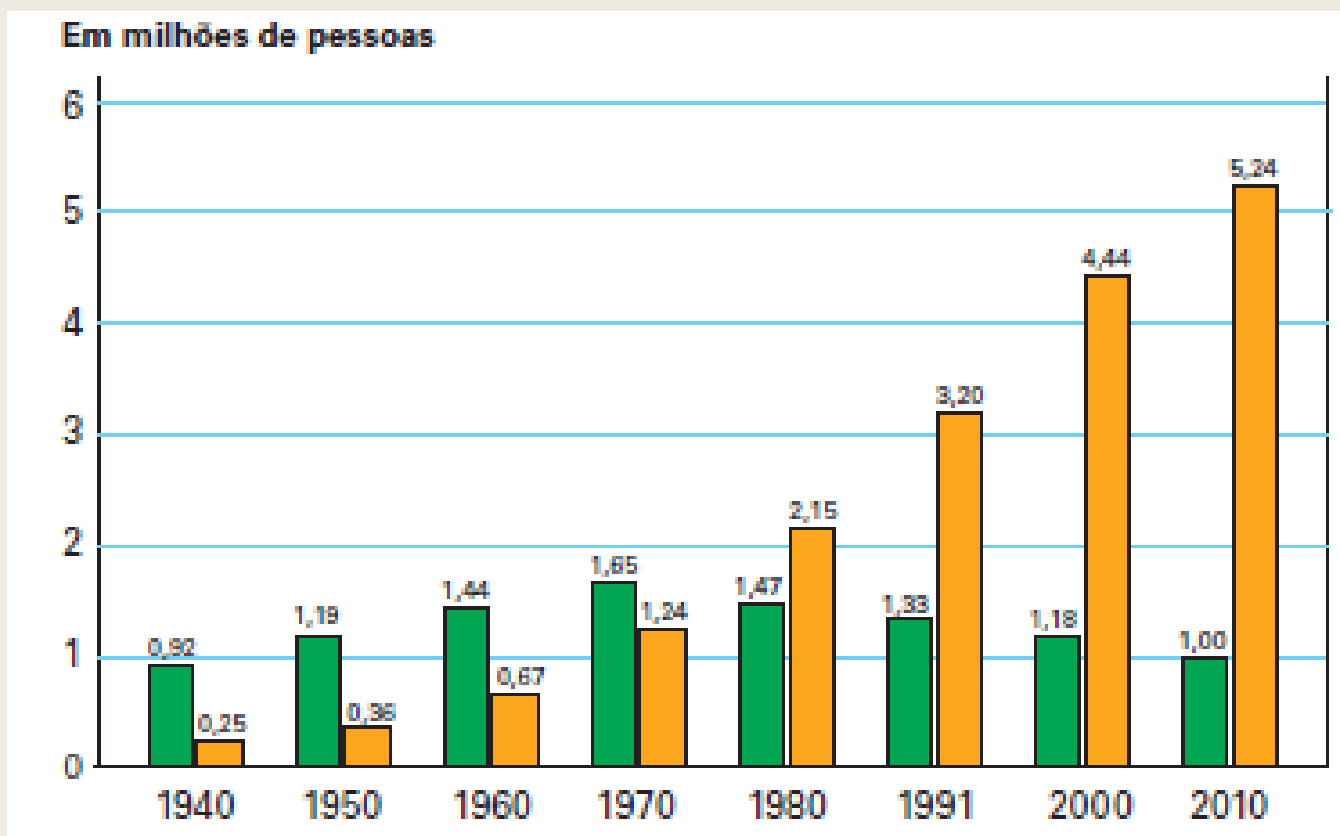
Atividade econômica		TOTAL SC
	Agropecuária	8.795
	Construção civil	12.169
	Indústria	33.033
	Comércio	76.941
	Serviços	71.872

Mais informações ver tabela abaixo.

Cidades com 700 indústrias ou mais, considerando o somatório das indústrias de transformação, extrativas, construção e serviços industriais de utilidade pública.



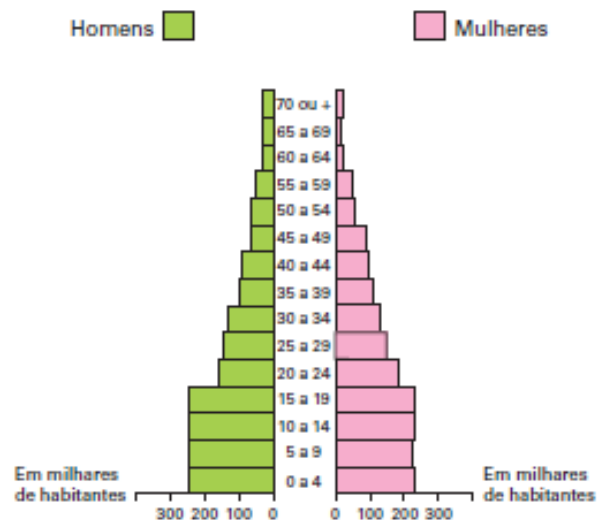
## Santa Catarina - População Urbana e Rural 1940 - 2010



# SANTA CATARINA: PIRÂMIDES ETÁRIAS EM

1980, 1991, 2000 E 2010

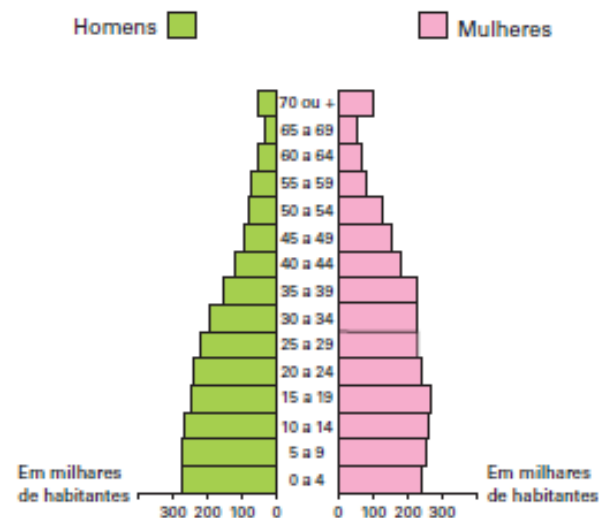
Pirâmide etária de Santa Catarina  
1980



Pirâmide etária de Santa Catarina  
1991



Pirâmide etária de Santa Catarina  
2000

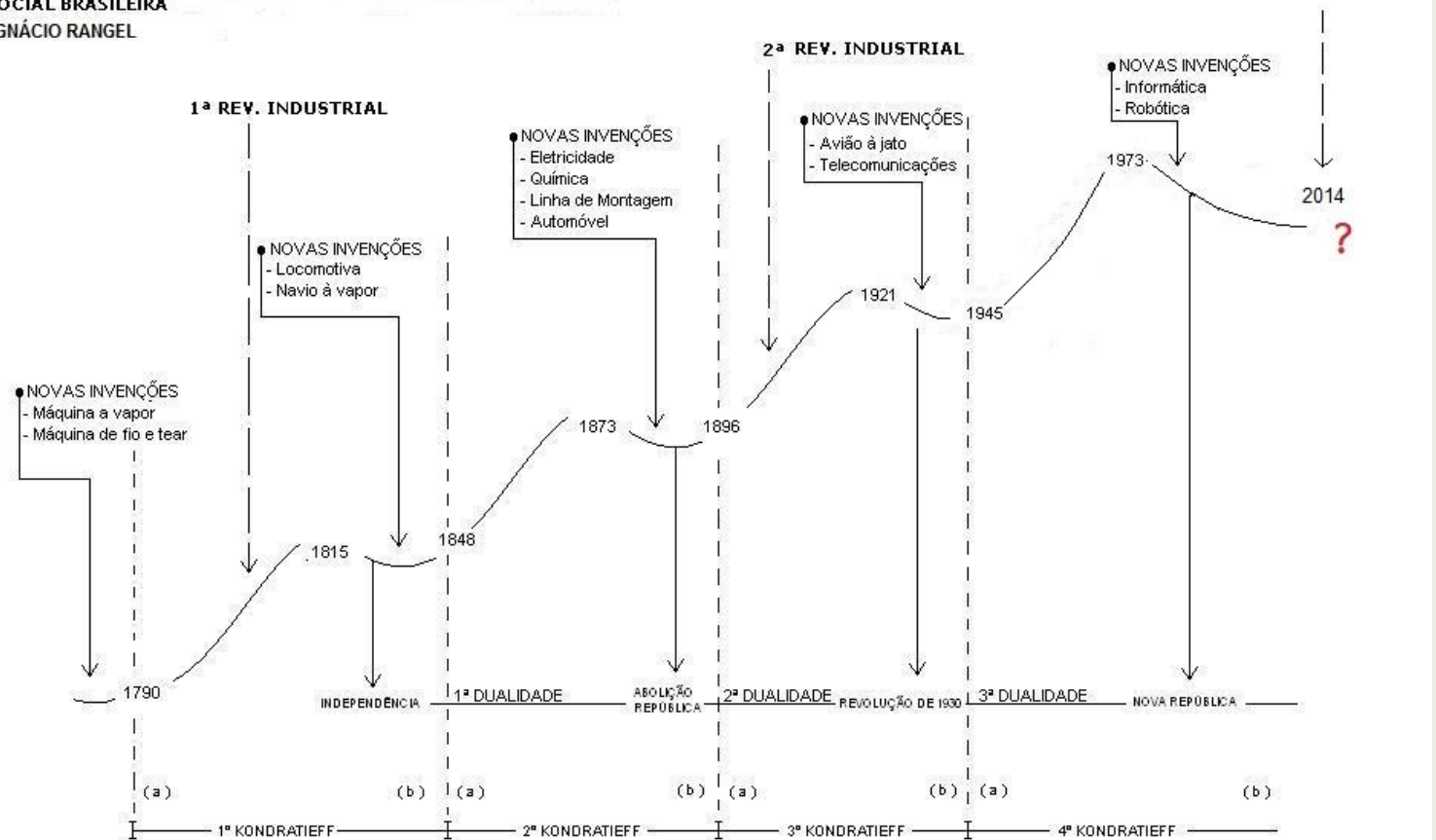


Pirâmide etária de Santa Catarina  
2010



Brazilian industrialization relates to the **Kondratieff Cycles**, to the extent that we make import substitution in the capitalist crisis periods (when developed countries import less commodities). So we encourage our industrialization.

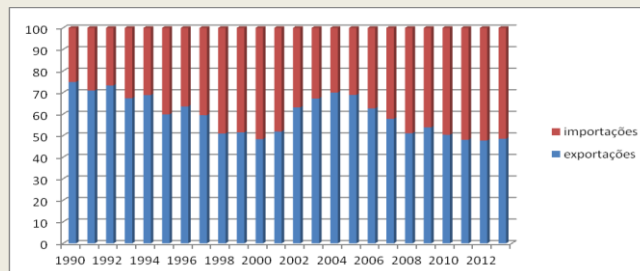
**CICLOS LONGOS (KONDRATIEFF), DUALIDADES DA FORMAÇÃO SOCIAL BRASILEIRA**  
IGNÁCIO RANGEL



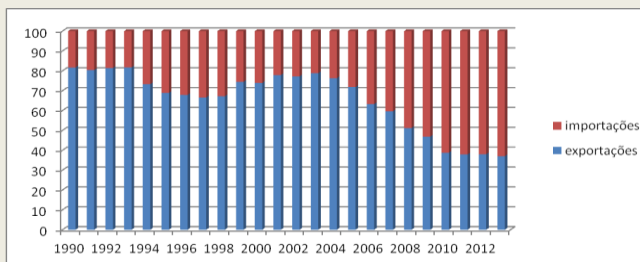
- The external sales had a significant increase in relation to the exported values and quantities, which came to halt in the 1990s, due to the implementation of neoliberal policies by the Fernando Henrique Cardoso national administration, such as the value increase of the Brazilian currency (Real) in comparison to the American Dollar.
- Since then, the placing of factories, warehouses and offices in foreign countries has become increasingly common.

Charts show the decreases in exports and increased imports of the southern states of Brazil in recent years.

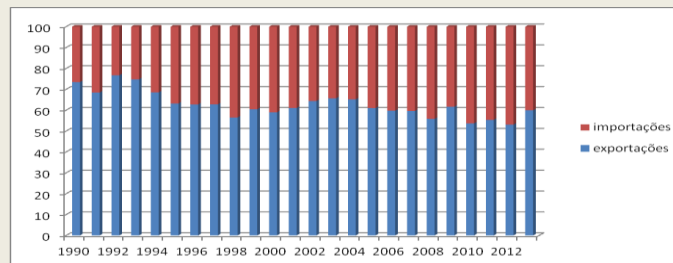
**Chart 1 - Exports + Imports in the State of Parana (%)**



**Chart 2 - Exports + Imports – in the State of Santa Catarina (%)**



**Chart 3 - Exports + Imports – in the State of Rio Grande do Sul (%)**



Source: MDIC (2014)



- **This context has lead to a process of de-industrialization, mostly through the de-nationalization (the purchase of local companies by multi-national groups) and through the placing of plants in foreign countries which offer better advantages, especially in important markets in Latin America and Asia, in order to overcome the obstacles imposed by Brazil's economic policies.**

# Export industries from the South Region of Brazil and their factories in other countries

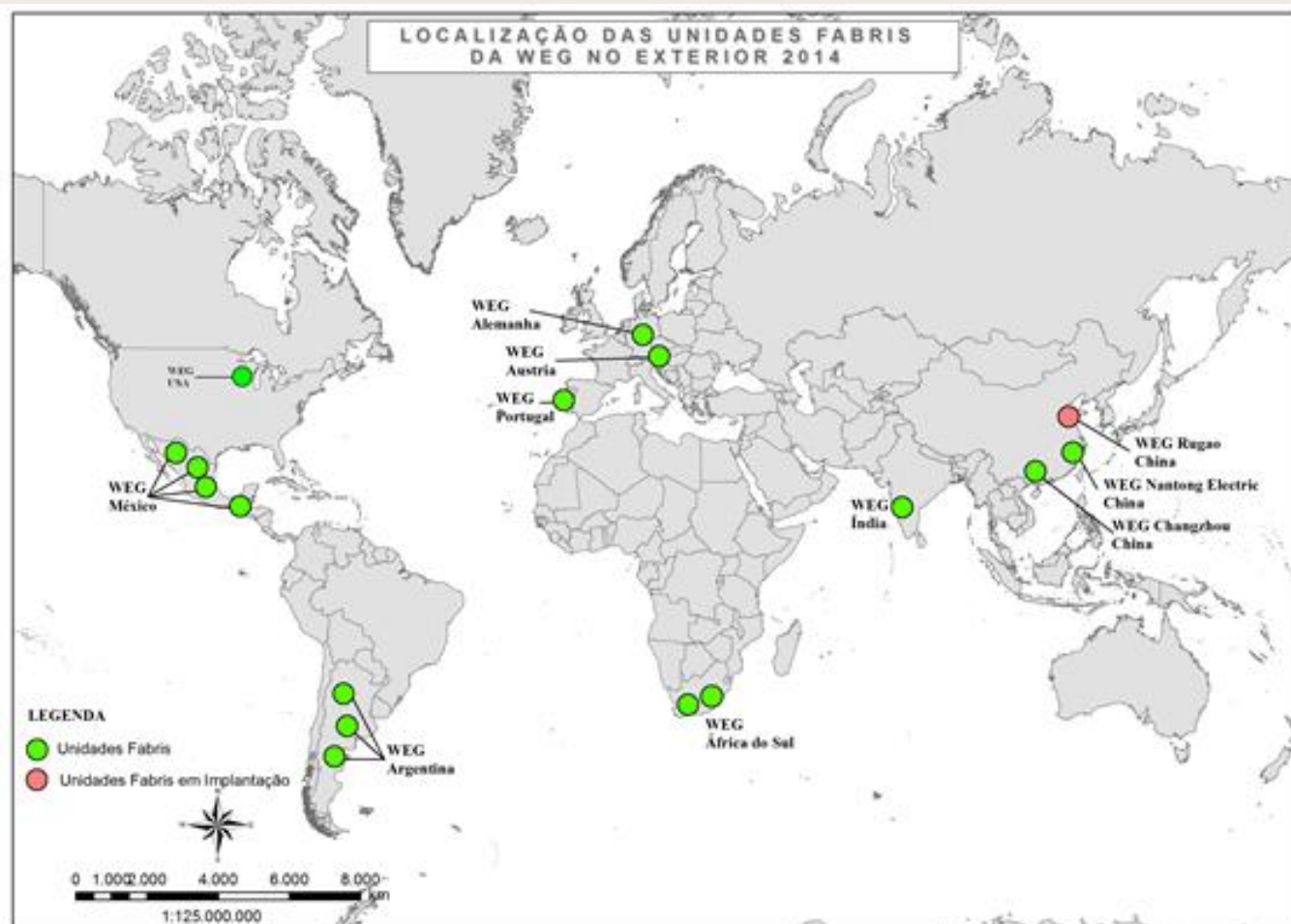
## (Some examples)

MARCOPOLO Buses	Caxias do Sul (RS)	Marcopolo Auto Components Co. Ltd.	China (JiangSu)	2001
		Gb Polo Bus Manufacturing Company S.A.E	Egito (Suez)	2009
		Marcopolo South Africa	África 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

# WEG - Electric Motors

<b>WEG</b> Electric Motors	Jaraguá do Sul (SC)	Morbe	Argentina	2000
		Intermatic	Argentina	2000
		Asia Brow Boveri (ABB)	México	2000
		Efacel	Portugal	2002
		Nantong Electric Motor Manufacturing (China Govern)	China	2004
		Voltran	México	2006
		-	Índia	2008/10
		-	México	2008
		Voltran	México	2010
		Zest Group	África do Sul	2010

LOCALIZAÇÃO DAS UNIDADES FABRIS  
DA WEG NO EXTERIOR 2014



- **CONCLUSIONS (some notes)**
- The establishment of factories in other countries shows that some Brazilian companies from the South Region of Brazil have a very dynamic behavior in the current scenario of global trade.
- However, more importantly here is to remind how urgent it is for the current government to tackle the main problems which harm the Brazilian industrial exporting activities, such as the monetary exchange rate, the high interest rates, the bureaucracy which stimulates corruption and transport infrastructure problems (which were mitigated in part by the PAC Programme – 2007, created and used during the Lula and Dilma federal governments), in the same strategic way in which they were faced by previous governments with nationalist and developmental approaches.

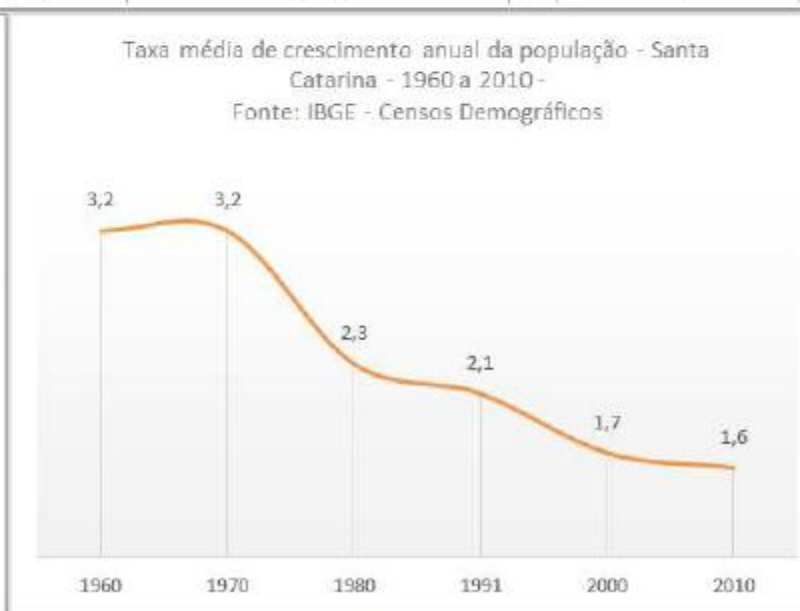
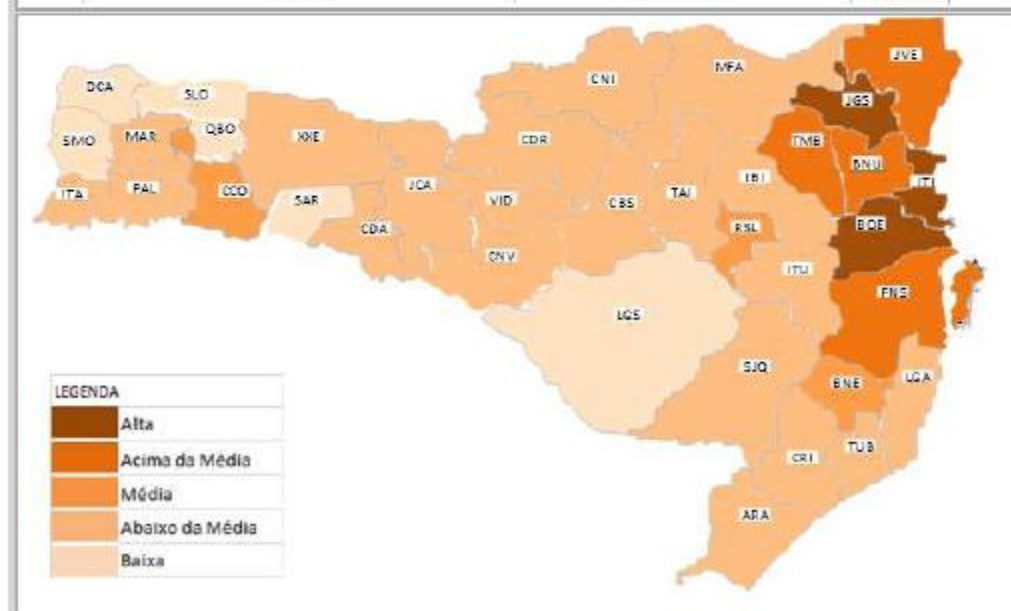
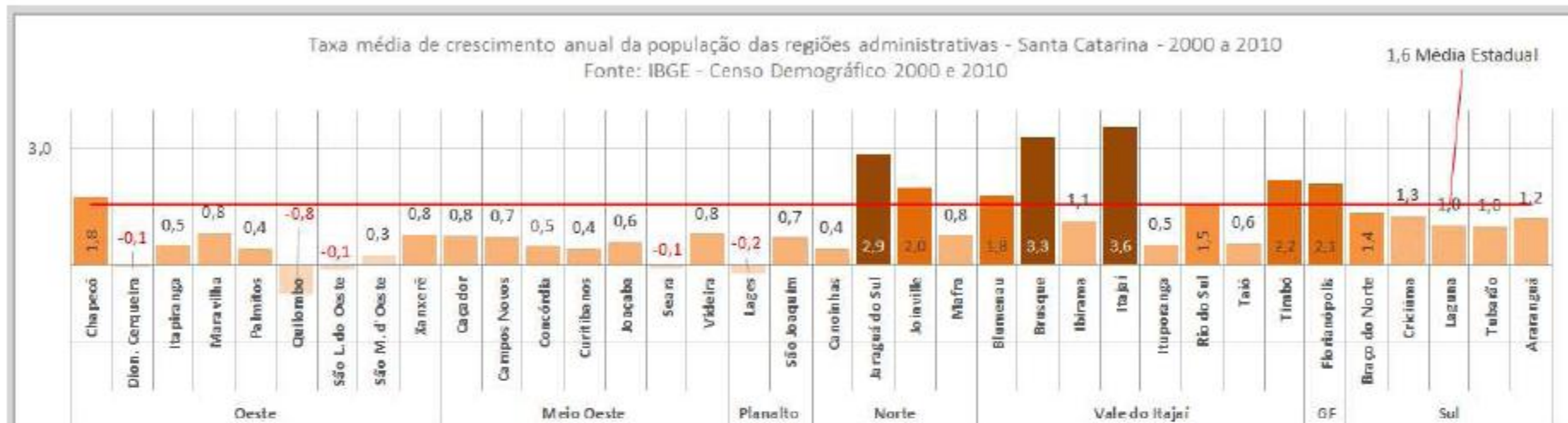


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# Taxa Média de Crescimento da População - 2010

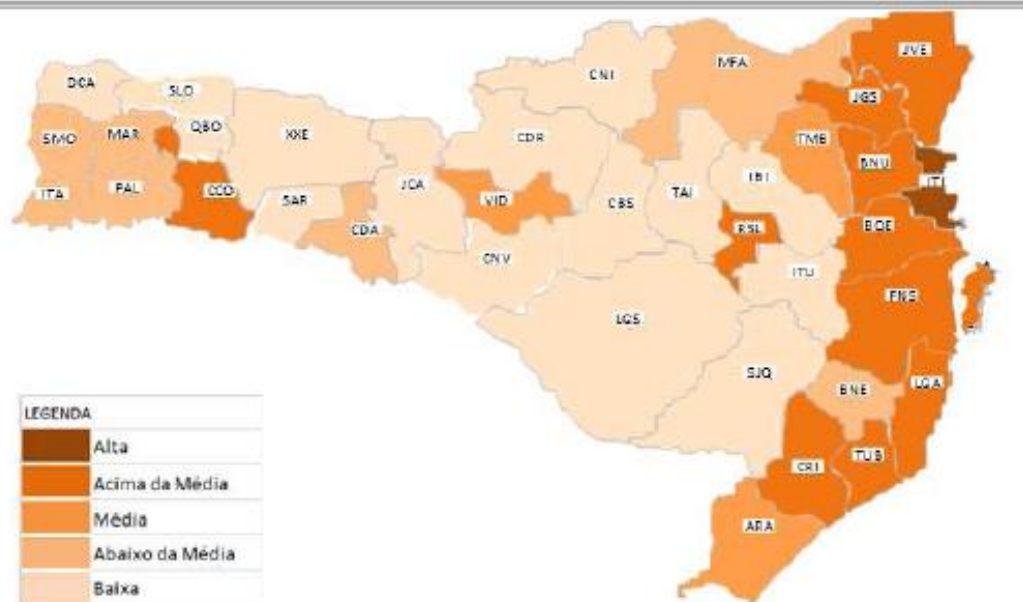
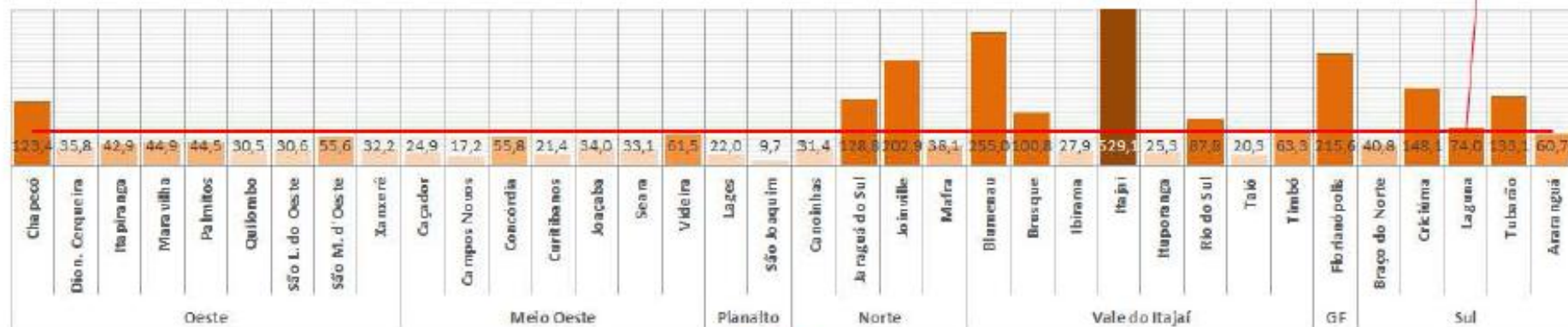
Varição percentual média anual no número da população, resultante de um excedente (ou déficit) de nascimentos e óbitos e o saldo de migração que entra e sai de um país, estado ou região. A taxa pode ser positiva ou negativa. A taxa de crescimento é um fator que determina a magnitude das demandas de uma região e deve atender à infraestrutura (hospitais, habitação, estradas), aos recursos (alimentos, água, eletricidade) e ao emprego, frente às novas necessidades de seus habitantes.



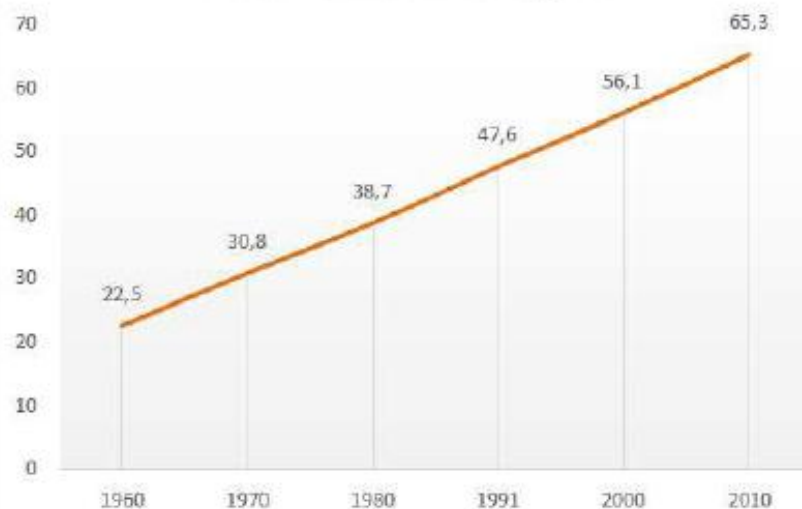
# Densidade Demográfica - 2010

Densidade demográfica (hab/km<sup>2</sup>) segundo as regiões administrativas - Santa Catarina - 2010

Fonte: IBGE - Censo Demográfico 2010



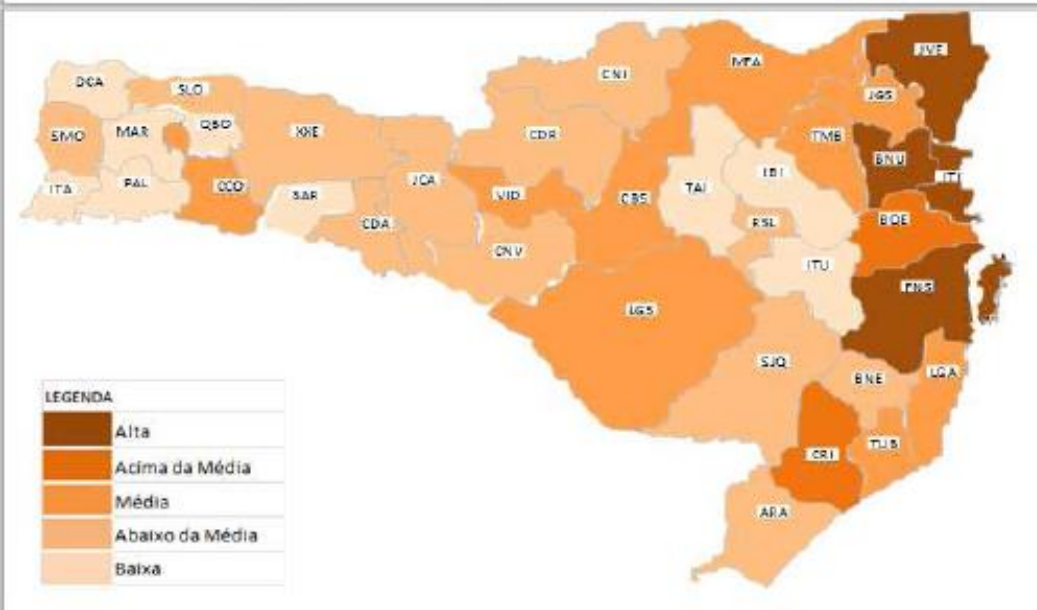
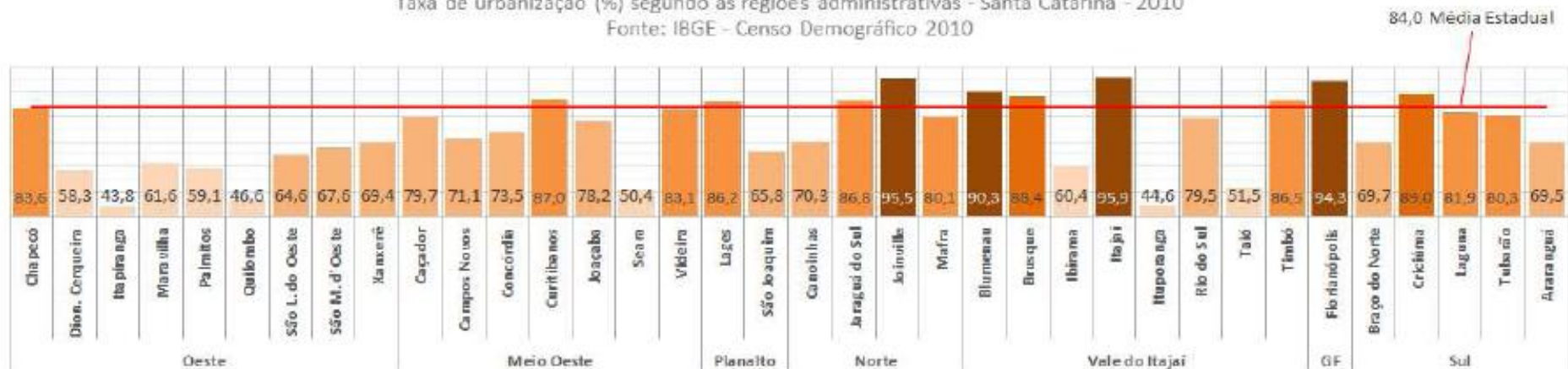
Densidade demográfica (Hab/Km<sup>2</sup>) - Santa Catarina - 1960 a 2010 - Fonte: Censos Demográficos



# Taxa de Urbanização - 2010

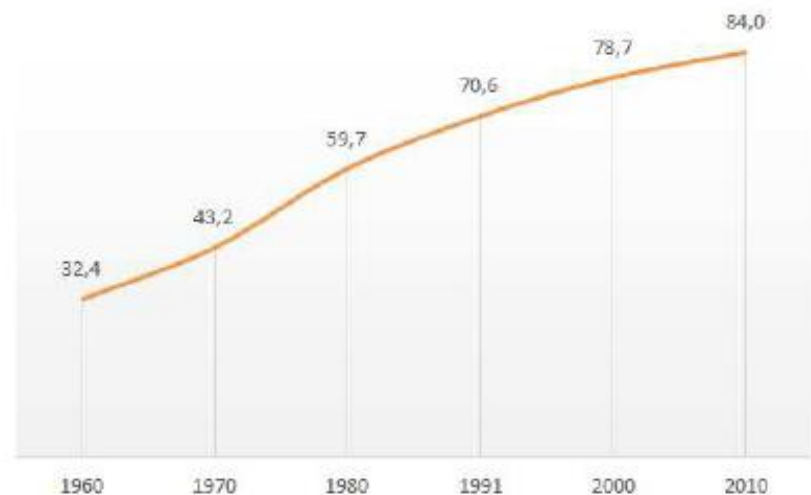
Taxa de urbanização (%) segundo as regiões administrativas - Santa Catarina - 2010

Fonte: IBGE - Censo Demográfico 2010



Taxa de urbanização - Santa Catarina - 1960 a 2010 -

Fonte: IBGE - Censos Demográficos

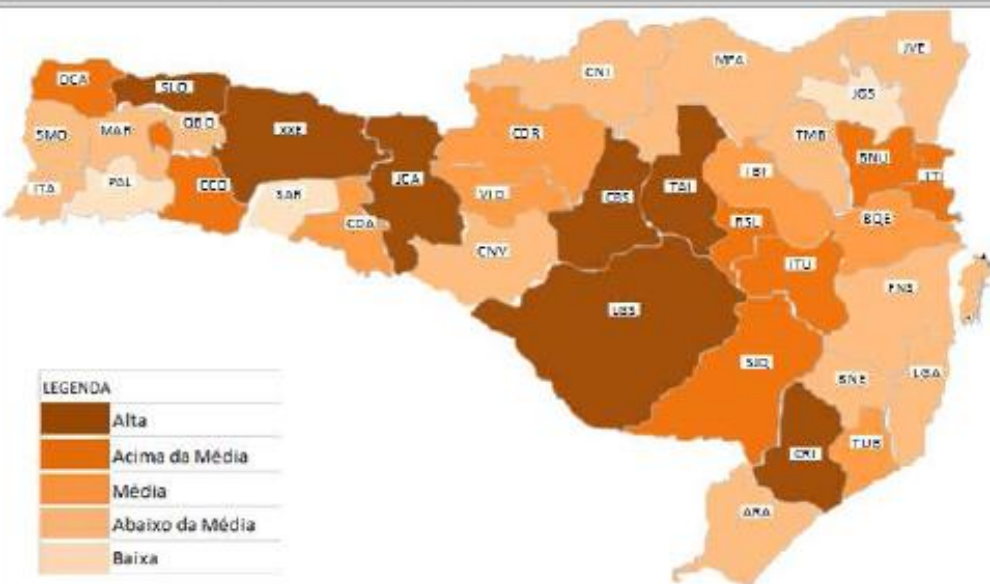
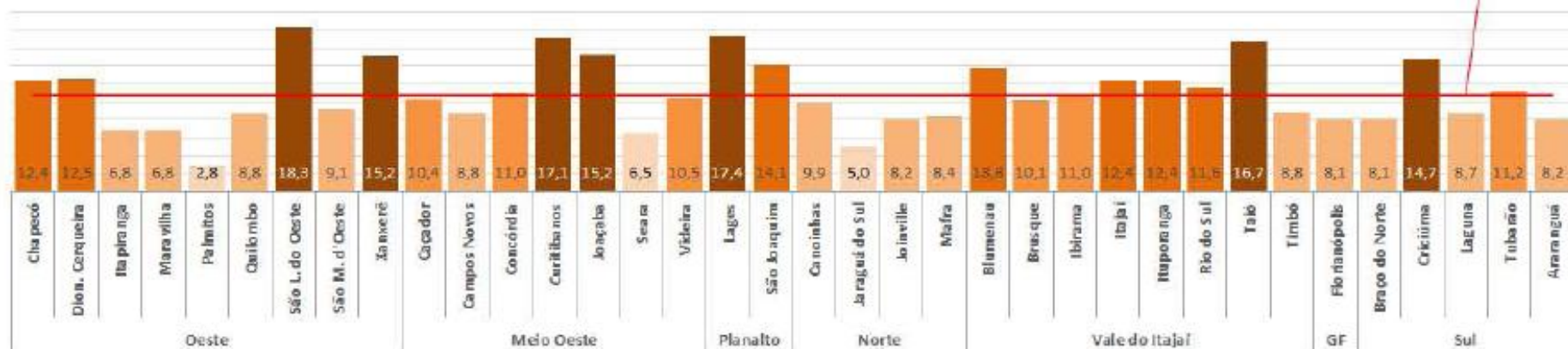




# Taxa de Mortalidade Infantil - 2012

Taxa de mortalidade infantil (%) segundo as regiões administrativas - Santa Catarina - 2012 - Fonte: DATASUS/RIPSA

10,7 Média Estadual



Taxa de mortalidade infantil (%) - Santa Catarina - 2005 a 2012 - Fonte: DATASUS/RIPSA

