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# Alliance for Progress Activities in Brazil

## Introduction

Brazil is the fifth largest nation in the world. It is exceeded in size only by Russia, Canada, China, and the United States. Brazil's 3,280,000 square miles of territory constitutes almost half of the land mass of South America, and it touches every South American country except Chile and Ecuador.

In addition to its size, Brazil's resources give it the potential for becoming an important world power. Brazil is the world's largest producer of coffee, bananas and beans. It ranks third in sugar, corn and cocoa, and fourth in cotton, cattle and swine. Vast water resources give it the potential for being the world's largest producer of hydro-electric power. Brazil has the world's largest iron ore deposits and an abundance of valuable minerals. The industrial complex of Sao Paulo is the largest in Latin America. Although Brazil did not initiate major industrialization efforts until after the second world war, industry is now spreading to the Northeast and industrial production may soon outstrip agriculture in its contribution to national wealth.

A.I.D.
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In contrast to this picture of rich resources and potential wealth, is a country with a multiplicity of problems to overcome before it can be counted among the developed nations of the world. Political upheaval in the early 60's resulted in high rates of inflation and low rates of economic growth. Through strenuous governmental action, both of these are being overcome today, but firm vigilance needs to be maintained in order to move forward with other development efforts. Only four percent of Brazil's agricultural land is under cultivation, productive efficiency is low, marketing conditions are inadequate and credit is not readily available. Forty percent of the adult population is illiterate and only a fraction of the school-aged population is able to complete public school and go on to college or university. A large portion of the population of 87 million people, which is increasing at the rate of 3.1 percent a year, suffer from gastro-intestinal diseases, lack adequate diets and live in urban areas without proper water supply or sewerage disposal services. Both government and private enterprise suffer from a lack of trained manpower at the middle skill levels and the managerial administrative level. Furthermore, Brazil is not a uniformly developed or populated country. The modernization process has attracted large numbers of uneducated and untrained people to the urban areas where many live in poor overcrowded slums. The Northeast with 29 million people represents the most serious concentration of poverty anywhere in Latin America and as such contains the wellspring for social and political unrest.

The most salient conclusion to be drawn from these facts is that Brazil is a society in transition. It has been described as a sleeping giant which is just awakening to the need for tackling the problems of development in order for it to take its more proper place among the nations of the world. It is clearly in the interests of the United States to assist Brazil in this development process so it can achieve its goals of modernization with a minimum of turmoil and within a framework subscribed to by the free, democratic nations of the world. For this reason, the United

States works cooperatively with Brazil through the Alliance for Progress. Recognizing the essential need the self-help and self-determination as well as our own resource limitations the United States has not taken on the job of developing Brazil for the Brazilians. The policy of the United States in assisting Brazil, as well as other countries within the Alliance for Progress, is to provide assistance only to those activities for which Brazil itself is prepared to expend its own resources.

In the pages which follow, a short resumé is given of U.S. assistance activities designed to help Brazil reach its development goals. Table I provides a statistical summary of the resources made available to Brazil under the Alliance for Progress and predecessor programs. Some basic facts concerning Brazil and its stage of development are attached for the interested reader.

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1. Alliance for Progress - BR. 2. Economic conditions - BR. 3. Development assistance - BR. 4. Evaluation - Development assistance - BR. I. Title.

35520

Economic Growth and Stability

U.S. technical and economic assistance to Brazil dates back to the second world war. However, the critical date for understanding the current program is April 1964, when civilian authority was assumed by the Castello Branco Administration after ousting the Goulart Government. During Goulart's two and one-half years in the Presidency, from 1961 to 1964, inflation, budgetary deficit, and balance of payments problems were exacerbated and magnified to startling proportions. By 1963 the federal deficit had increased to 35 percent of expenditures. This stoked the fires of inflation and caused prices to rise precipitously. Inflation reached an annual rate of 140 percent in early 1964. Production stagnated, as investment dried up, and the industrial sector ran out of steam. In 1963 the economy slowed to a growth rate of 1.6 percent, which was well below the rate of population growth. By March 1964, Brazil's international credit was exhausted, and its short-term foreign obligations were far in excess of its payment capacity.

The Castello Branco Government introduced a program of stabilization and initiated measures to bring about economic reform and growth. The major form of U.S. assistance to the new government was a series of program loans which, including 1968, have totalled $625 million. These dollar loans have supported Brazilian reform policies by providing needed foreign exchange, bolstering anti-inflation measures, and transferring needed resources to the economy. Substantial accomplishments have been achieved since 1964. In particular, Brazil's international credit worthiness has been restored; short-term balance of payments pressures have been contained; the inflation has been reduced to roughly one-fourth its 1963-1964 rate; the productive vigor of the economy has been largely restored; and the huge federal budget deficits have been brought under control. The stabilization program remains today the core of the Brazilian effort and the focus of U.S. support. While complete recovery is not yet assured and a certain disequilibrium in the Brazilian economy persists, the progress registered thus far is encouraging.

The second largest part of the Alliance program has been capital assistance through project lending to finance needed imports for development projects. Including 1967, the U.S. has obligated some $317 million in dollar loans, principally in the areas of power and transportation. These projects are discussed in the body of this paper. An Alliance-financed fertilizer plant now under construction will increase nitrogen production in Brazil roughly ten-fold and double the output of phosphate fertilizer, with a resultant reduction of fertilizer prices and an estimated increase in use of 20 to 30 percent a year.

In addition to dollar loan assistance, the Alliance has also made loans to Brazil from U.S.-owned cruzeiros obtained from the sale of surplus agricultural commodities in Brazil. This form of assistance has followed the same priorities as dollar lending but has also been used to help break productivity bottlenecks by supplying agricultural and industrial enterprises with investment funds. These funds are made available to intermediate credit institutions which in turn provide

them to private enterprise. Over $170 billion cruzeiros, valued at $50 million (at a 3.2 rate of exchange) have been provided to Brazilian lending agencies which have made over 6,000 loans to private investors. A recent innovation in this program was the establishment of a special $30 million fund to provide medium and long-term credit to Brazilian businessmen and farmers for the importation of agricultural and industrial machinery from the United States.

Agriculture

Brazil is largely dependent on agriculture for its foreign exchange earnings, its internal investment capital, its domestic food and fiber needs. Agriculture produces 28 percent of the Gross National Product, 85-90 percent of foreign exchange, substantially all of the domestic food requirements and employs more than 50 percent of Brazilian workers directly and many more indirectly in agro-industries.

Although significant progress has been made in recent years, as evidenced by a continous 8 percent growth in food production from 1964-1967, Brazil's vast agricultural potential has barely been tapped. Although 50 percent of its area is in farms, only 4 percent is cropped and only 15 percent is in pasture. If Brazil is to provide for its own domestic needs, which are expanding due to population pressures, and to play a prominent role in helping meet world food needs, it must increase greatly its output of basic food crops.

The major problems have been:

1. lack of incentive to improve agricultural productivity (due to price controls, import and export restrictions, etc.);

2. lack of credit;

3. lack of and high prices for production inputs such as fertilizer and seed;

4. poor marketing facilities;

5. lack of education, research, extension facilities, trained personnel, information services, farm-to-market roads and other essential services.

In 1964-1966, major policy changes were made to reverse these past conditions which had stagnated agriculture. Changes were made to improve incentives to farmers through elimination of price controls and an improved price support program; to make credit available to more farmers; improve education; research and extension services and to reduce the costs of inputs (such as fertilizer) in relation to prices received for agricultural products.

A.I.D. strategy has been to develop a base of technical know-how in key areas and encourage change in policies to make substantial investment feasible. U.S. development grants have concentrated on technical assistance for: a) improving and expanding applied crop and livestock research and extension (including fresh water fish); b) organization of national credit systems and agencies; c) development of a strong private seed industry; d) training of manpower on the university and secondary education level; e) development of research and planning capacity in the areas of economics, storage, and marketing.

Concommitant with technical inputs, A.I.D. strategy has included assistance in establishing needed price and investment policies as well as development of low cost farm production inputs. Thus, a loan program for fertilizer imports was begun in FY'64 and later supplemented with further loan funds to establish a domestic fertilizer industry.

Education

In Brazil, elementary, secondary and higher education face many of the same problems: shortages of teaching materials, books, classrooms, equipment and trained teachers. These deficiencies are, in turn, reflected by high illiteracy and drop-out rates and by a lack of trained manpower that hinders national development.

Given this situation, the highest priority for the Alliance in the field of education is both short and long-range planning and implementation with special emphasis on secondary education which has been identified as the principal bottle-neck in the whole system.

Two-thirds of the secondary schools are privately owned and charge tuition. Half of all municipios have no secondary schools and only 22 percent offer the full seven years. The secondary curriculum is heavily oriented toward formal academic preparation for university work despite the great need for technically trained workers. Only about half of the students who finish the fourth grade go on to secondary school and less than one-third of those who enter graduate.

The long-range strategy for U.S. assistance is to help Brazilian educators identify and measure critical problems, determine the causes, design plans for improvements and to mobilize the implementation forces required to carry out improvements. Long-range projects provide assistance to improve the output of elementary education, technical and financial assistance for expanding the secondary system and restructuring the system of higher education. Planning assistance to relate the educational system to development manpower needs is also provided.

Complimentary to the long-range strategy are a number of shorter range projects which embrace both the Northeast's special problems and more immediate needs for all of Brazil.

Through the Alliance for Progress, the U.S. has helped Brazil establish a major teacher training institute, establish schools of public and business administration, develop graduate schools of engineering, launch a literacy program in the Northeast, initiate a national textbook program, reorganize elementary education in the Northeast, engage in university administrative reform, and establish centers for preparing teachers of industrial vocational education. Major emphasis in the near future will be given to the planning and implementation of an expanded and improved secondary education system.

Health

Preventable infectious diseases enervate and kill Brazilians, especially children, at rates higher than in many other Latin American countries. Malnutrition saps the vigor of large segments of the population and stunts the normal growth of children. 30-35 percent of Brazilian manpower is under-productive because of poor health attributable to inadequate environmental sanitation. Health services, already inadequate, are not keeping pace with the rapidly growing increasingly urbanized population.

The long-range health strategy of the Alliance is to enable the Government of Brazil to develop institutions which will be able to deal with current and future health problems. The U.S. provides technical assistance in long-range health planning and administration to the Ministry of Health which receives Alliance funds for these purposes.

The U.S. is also assisting the Ministry of Health in combating communicable diseases whose control cannot wait for the over-all improvement of Brazilian institutions. A massive malaria eradication campaign receives both technical and financial assistance. The goal of this program is to eradicate malaria from Brazil by 1975. Support is also provided in the elimination of small pox, chagas disease, the bubonic plague and schistosomiasis. In the area of health manpower, assistance is provided to the Ministry for selected state health departments in the training of auxiliary health personnel. A major program for the installation of water and sewerage supply systems in urban areas is currently being organized. The goal of this latter program is to provide water to 70 percent of the urban population and sewerage services to 50 percent. In the field of nutrition, assistance is provided to the Ministry of Health in establishing public education programs and to expand nutrition research efforts. The School Lunch Program will be enlarged to provide lunches to 9 million school children and supplemental food to 3 million pre-school children by 1972. U.S. assistance will play a diminishing role as Brazil supplies increasing amounts of food for this purpose.

Through past assistance efforts, Brazil has established a major rural health service. This organization, similar to the U.S. Public Health Service, provides health services and water facilities to smaller communities, especially in rural areas.

The malaria eradication campaign, which began with U.S. assistance in 1958, is now providing protection against malaria for some 25 million Brazilians. A national water fund established in 1965 has already assisted eleven cities in establishing water and sewerage projects. A planning-evaluation-research unit has been established within the Ministry of Health. This unit is assisting the Ministry in the achievement of Brazil's National Health Policy of (1) intensification of the combat against communicable diseases; (2) improvement in the productivity of existing health care facilities; and (3) expansion of the network of local health units.

Development Planning and Administration

Among the serious problems which are impending a more rapid rate of development in Brazil are administrative inadequacies in the public sector which limit successful achievement of economic and social objectives. Of these, problems, one of the most difficult is the inability to attract and hold adequate numbers of qualified personnel. Consequently, there are insufficient numbers of planners, technicians, and administrators. Reasons for this situation include inadequate salary, low-prestige, and lack of promotion possibilities.

Other problems also serve to impede improvement of development planning and administration. For instance, adequate statistical data are not available for planning and management. Program budgeting has only recently been introduced and modern systems for accounting and reporting are still being developed. The municipal and state governments suffer from the same kind of deficiencies as the federal government with additional strains caused by population growth, urban migration, and fewer financial resources.

The strategy of the Alliance for Progress in this important area involves assisting Brazil to:

1. develop and institutionalize a development planning capability;

2. establish a system of household surveys to obtain statistical data on the population, prepare for the 1970 census, and to collect data necessary to compile an economic statistical series;

3. increase the effectiveness and equity of tax administration;

4. establish a centralized personnel office for revising pay classification and promotion policies;

5. facilitate self-help efforts of municipal and state governments by making financial and technical assistance available for development efforts;

6. improve the budget and fiscal management of the federal government.

Early U.S. assistance in development planning and administration concentrated on training programs to provide needed talent for the public sector. This has meant building up Brazilian educational institutions to provide programs of study in public administration with the gradual introduction of graduate study. Five institutions have received help in establishing undergraduate and graduate programs in public administration. More recent accomplishments of the Government of Brazil assisted by U.S. technical advisors, include: a ten-year development plan and a three-year investment budget; re-organization of tax administration resulting in increased collections; initiation of the first national sample of households for collection of socio-economic data; and development of a quarterly allotment and consolidated cash account system for the federal government.

Infrastructure

A large part of the A.I.D. loan program plus related technical assistance helps Brazil develop the transportation facilities, power plants, water supply systems, and other facilities which are fundamental to economic development.

Serious inefficiencies and uncompetative rates in the maritime and railway systems have resulted in a pronounced shift of freight and passenger traffic to highway transportation. The resulting burden on this sector has been considerable. Loans in the transportation field emphasize the importance of road maintenance as well as the construction or improvement of major arteries. A.I.D. projects totalling $87 million are financing the procurement of maintenance equipment and the provision of technical assistance in highway maintenance in five Northeastern states and the States of Minas Gerais, Sao Paulo, Rio Grande do Sul, Santa Catarina, and Parana. In view of the deterioration of Brazilian highways, these projects will result in increased efficiency in a key public sector.

In highway construction, A.I.D. is assisting in the building of an additional two lanes between Sao Paulo and Rio de Janeiro, probably the most heavily traveled highway in Latin America, and in addition to highway maintenance, is financing separate road construction projects in the Northeast, Rio Grande do Sul, and Parana. A.I.D. programs have provided training to more than 1,250 Brazilian state and federal highway personnel and 90 Brazilian engineers. To support the development of air transportation we are supplying equipment to modernize air navigation systems on major air routes of the country.

Brazil has an abundance of relatively inexpensive hydro-electric resources, and since World War II, the Government has been engaged in an ambitious program to develop some of the country's best locations. A.I.D. supports the national power program and has made loans totalling more than $176 million to help provide more power for the South-Central industrial complex. Power projects in this area include the Peixoto Hydro-electric plant in Minas Gerais, the Santa Cruz Thermal Plant in Guanabara, and the Mascarenhas Hydro-electric plant in Espirito Santo, and transmission lines for the huge Furnas Hydro-electric system serving Rio de Janeiro and São Paulo. Similar projects are assisting the power sector in Minas Gerais, Mato Grosso and the Northeast of Brazil. In the first phase of the Northeast rural community electrification program, 44 of the 73 systems have been completed, and an additional 25 are underway. A.I.D. funding has also provided training for 32 key Brazilian power engineers and executives.

In an effort to aid the development of adequate water and sewerage systems for Brazilian cities and towns, A.I.D. has assisted in the establishment of a national community water supply loan fund with joint United States and Brazilian financing. This fund provides loans to municipalities which have approved plans for construction and maintenance of water and sewerage facilities and which are willing to provide self-help in the form of complementary loan financing. In addition, A.I.D. recently made funds available for the procurement of equipment to help maintain the water and sewerage system of Rio de Janeiro.

Housing

One of the most striking developments in Brazil in the past twenty years has been the rapid growth of the nation's urban areas. The large cities are currently growing at rates of 5-7 percent per year. Brazil's housing deficit is presently estimated at 8 million units; this deficit is growing at about 250,000 units per year. The housing shortage is clearly critical. In 1964, the Brazilian Government responded to this situation with the creation of the National Housing Bank (BNH). With tax resources at its disposal, authority to borrow abroad, and powers to create a private and public finance system, this institution has become an effective leader of those forces seeking to cope with the immense housing problem. A.I.D.'s efforts in this area have concentrated on strengthening the BNH's institutional capacity through technical assistance and training grants and on giving support to selected pilot projects in low-cost housing and urban planning. Over 30 Brazilians have been training in savings and loan operations, cooperative housing, urban planning, and community development. The São Paulo Master Plan, a scheme for total city development, was prepared with U.S. short-term technical assistance. Cruzeiro loans and grants have also helped finance pilot housing projects in each of the Northeastern states, as well as in those of Guanabara and Rio Grande do Sul.

A recent $18 million housing guarantee program will create mortgage financing for privately-financed housing and will put into effect a trust arrangement to support community development activities.

Labor

Trade Union development in Brazil has suffered from a variety of complex problems. The history of the movement reflects a tradition of government patronage which, in fact, has resulted in restrictions on collective bargaining and wage negotiations. In the early 1960's the unions were infiltrated by anti-democratic elements, and in 1964 when the government felt compelled to remove the then existing leadership, the unions were faced with a shortage of competent, mature and democratically-oriented trade union leaders. These problems are compounded by inadequate government facilities in employment services, labor statistics and vocational training programs.

The objective of the U.S.A.I.D. labor program is to strengthen the development of the free democratic trade union movement as an independent institution which will play an effective and responsible role as representative of the working population.

The U.S. program seeks to maximize the direct consultation and collaboration between American and Brazilian trade unionists under a "union-to-union" exchange through which Brazilian delegations visit the U.S. and observe first-hand the representative and constructive role organized labor plays in U.S. society. The Brazilians later receive return visits from the American host unions.

The U.S. also channels resources and assistance through the American Institute for Free Labor Development (AIFLD). AIFLD's activities include urban and rural social projects and labor leadership training.

Finally, the U.S. program provides technical assistance to the Ministry of Labor to assist it in improving services in such areas as labor statistics, employment services, safety standards, and wage and manpower administration.

Public Safety

In Brazil the responsibility for maintaining law and order has traditionally rested with the individual states. The role of the Federal Police Forces has been limited to enforcement of federal laws and regulations.

Because many of the states lack the economic resources to train and equip their forces adequately, the U.S. has assisted the Brazilian Government in a program to: a) modernize the equipment of existing police agencies through the purchase of special equipment, particularly in the field of communications; b) provide in-service training for existing forces and pre-service training for new recruits, and c) assist the Federal Government to establish federal service agencies such as a National Police Academy, a National Crime Laboratory, a National Identification and Records Bureau, and a Corps of Federal Investigators.

Food for Freedom

To help Brazil meet its food requirements and to advance development, the United States each year supplies tons of agricultural commodities through PL-480 grants and sales. Under the sales program, the U.S. sells wheat to Brazil for dollars. This wheat is sold in the country by the Brazilian Government for cruzeiros which it then puts to use for development purposes such as building roads, financing water supply systems, building classrooms and improving slum areas. In October 1967, the two governments agreed to use all cruzeiros from a 500,000 ton wheat sale valued at $33 million to improve agricultural research, credit, and production and distribution systems. Accordingly, the sales proceeds will be loaned to cooperatives for improving marketing, grain handling and storage facilities. Loans will also be made to farmers for long-term farm improvements and for application of modern technology such as use of seeds, limestone, fertilizers and technical services. The remainder of the sales proceeds will be used for construction of farm-to-market roads, rural community self-help projects, and support for other priority agricultural development activities now underway.

Under grant programs, PL-480 foods have helped Brazil to initiate the National School Lunch Campaign in all twenty-two states of the nation. The U.S. food commodities supplement what Brazil supplies to the schools and eventually the food will come from completely Brazilian sources. This campaign, coupled with other child feeding programs, is reaching 7,000,000 youngsters through approximately 70,000 schools and other institutions.

Since 1962, increased emphasis has been placed on the "food for effort" principle, whereby food recipients contribute their labor for community improvement projects, whether distributed under the asupices of the Government of Brazil or United States voluntary agencies. With U.S. commodities as a catalyst, projects have been organized to create poultry and livestock cooperatives, to build rural and penetration roads, to initiate community development activities, to expand adult literacy training programs, and to promote colonization within Brazil.

Partners of the Alliance

It is U.S. policy to promote development through private initiative and with the use of private resources. The Partners of the Alliance is a program designed to encourage and coordinate the activities of non-governmental groups in the U.S. interested in cooperating with similar organizations in other countries including Brazil. This program recognizes that cooperation is a joint venture, and that both Brazil and the U.S. have much to offer each other.

The "Partners" program operates through state committees in each country which coordinate the activities of community organizations, business, professional, educational, labor unions, service groups, state or city institutions, and even private individuals in the U.S. and Brazil.

As of December 1967, ties had been established between the following fourteen Brazilian "Partners" committees and U.S. state committees: Colorado-Minas Gerais, Connecticut-Paraiba, the District of Columbia-Brasilia, Illinois-Sao Paulo, Indiana-Rio Grande do Sul, Maine-Rio Grande do Norte, Maryland-Rio de Janeiro, Missouri-Para, New Jersey-Alagoas, Ohio-Parana, Pennsylvania-Bahia, Tennessee-Amazonas, Virginia-Santa Catarina, and Wyoming-Goias. It is planned that all 22 Brazilian states will have a U.S. "Partner" by 1970.

The 1,500 projects sponsored by the various committees, have included the presentation of sample collections of Brazilian gem-stones for use in the Colorado school system, the delivery of surplus hospital equipment to Brazil, cash contributions from U.S. Partners committees to small impact projects sponsored by Brazilian "Partners" and the exchange of students from Partner states. However, equally important, is the goodwill, friendship, and understanding growing out of these exchanges and the cultural and education programs arranged by the various Partners groups.

Northeast

The vast nine-state region of the Northeast, two-thirds as large as the United States east of the Mississippi, has long been afflicted with severe poverty, natural disaster, and structural under-development. The average per capita yearly income of $140 is roughly one-half that of the country as a whole. In 1962, there were fewer than 1,725 miles of paved highway. In 1960, the Northeast contained only 7 percent of the electric power generated in Brazil, although it had 30 percent of the population; only some 40 percent of the school-age population was attending school. In 1959, the Brazilians reversed the traditional policy of indifference to the Northeast and established SUDENE, a regional development agency with broad powers to plan, organize and implement comprehensive change in the area. The U.S. response followed in 1962 with the signing of a joint commitment with SUDENE to provide some $131 million of U.S. technical and capital assistance to the Northeast.

A short-term program was started concentrating in such "impact" projects as school construction for primary education, improvement of community water suppliers, the development of rural electric cooperatives, and the provision of health services in rural areas. At the same time, programs with a longer range pay-off were started such as surveys of the region's water and mineral resources, construction of highways, development of hydroelectric power, and the training of the human resources of the area. The latter included teacher training programs, vocational education, and training in public administration. Examples of other long-range projects undertaken in these areas include surveys of river basins for irrigation, hydroelectric, and fishery development; pavement of sections of all-weather highways; the provision of highway maintenance and repair equipment; the expansion of two large-scale hydroelectric facilities; and the organization and support of a Northeast industrial development agency. Projects in agricultural research, marketing, and production have been undertaken and preliminary studies have been made for an agrarian reform program which would include the moderization and diversification of the sugar zone.

TABLE I

A.I.D. Dollar Grants and Loans to Brazil by Sectors through June 30, 1968

(Millions of Dollars)

| | FY 61 & Prior | FY 62 | FY 63 | FY 64 | FY 65 | FY 66 | FY 67 | FY 68 | Total |
|---|---|---|---|---|---|---|---|---|---|
| Program Loans | $50.0 | $24.5 | $25.5 | $50.0 | $150.0 | $150.0 | $100.0 | 75.0 | 625.0 |
| Agriculture (Grants) | 4.8 | .6 | 5.5 | 2.6 | .4 | 1.1 | 3.1 | 2.3 | 20.4 |
| (Project Loans) | .2 | - | - | 15.0 | - | 20.0 | 14.8 | 13.4 | 63.4 |
| Education 1/ (Grants) | 9.8 | 3.8 | 5.9 | 2.3 | 2.8 | 2.6 | 3.9 | 4.4 | 35.5 |
| (Project Loans) | - | - | - | - | - | - | - | 32.0 | 32.0 |
| Health and Water Sanitation (Grants) | 15.0 | 2.4 | 4.5 | 1.5 | .3 | .4 | .4 | .4 | 24.9 |
| (Loans) | - | - | - | 6.5 | - | 5.1 | - | 25.7 | 37.3 |
| Development Administration (Grants) | 7.2 | .9 | .4 | .1 | 1.0 | 1.3 | .9 | .8 | 12.6 |
| (Loans) | - | - | - | - | - | - | - | 5.8 | 5.8 |
| Natural Resources (Grants) | 3.6 | .4 | 1.1 | .8 | .8 | .8 | 1.1 | .5 | 9.1 |
| (Loans) | - | | - | - | - | 11.0 | 8.4 | - | 19.4 |
| Industry and Commerce 2/ (Grants) | .4 | .1 | .1 | 1.4 | 1.1 | .8 | 1.1 | .4 | 5.4 |
| (Loans) | | - | 9.4 | 7.4 | 2.8 | - | - | - | 19.6 |
| Power (Grants) | - | - | | .2 | .1 | .2 | .1 | .1 | .7 |
| (Loans) | - | - | 15.5 | 56.0 | 51.4 | 22.2 | 43.0 | 28.1 | 216.2 |
| Transportation (Grants) | 3.0 | .3 | 1.8 | .5 | .3 | .5 | .3 | .3 | 7.0 |
| (Loans) | - | - | 11.0 | 30.1 | 15.9 | 20.4 | 31.7 | - | 109.1 |
| Housing and Urban Development (Grants) | .9 | - | .1 | .1 | .4 | .1 | .2 | .2 | 2.0 |
| (Loans) | - | - | - | - | - | - | - | - | - |
| Labor (Grants) | .9 | - | .1 | .1 | .7 | .5 | .2 | .9 | 3.4 |
| (Loans) | - | - | - | - | - | - | - | - | - |
| Public Safety (Grants) | 1.3 | .6 | 1.3 | 1.1 | .7 | .5 | .6 | .6 | 6.7 |
| (Loans) | - | - | - | - | - | - | - | - | |

## Food for Peace by Fiscal Years
(Millions of Dollars)

| | 1961 & Prior | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 1/ | Total |
|---|---|---|---|---|---|---|---|---|---|
| Title I - Sales Agreements | | | | | | | | | |
| I-Vth Agreements (Country Uses) | 220.0 | 44.0 | 32.6 | 115.9 | - | - | - | - | 412.5 |
| VIth Agreement (Credit) (Previously Title IV) | - | - | - | - | - | 28.3 2/ | - | - | 28.3 2/ |
| VIIth Agreement (Credit) | - | - | - | - | - | - | - | 66.9 3/ | 66.9 3/ |
| Title II - Donations | | | | | | | | | |
| Emergency Relief and Development | - | 23.4 | .4 | 18.6 | 6.6 | 33.9 | 9.7 | 9.7 4/ | 102.3 |
| Voluntary Relief Agencies | 21.4 | 6.8 | 15.6 | 25.9 | 18.3 | 16.5 | 12.3 | 11.0 4/ | 127.8 |
| TOTALS | 241.4 | 74.2 | 48.6 | 160.4 | 24.9 | 78.7 | 22.0 | 87.6 | 737.8 |

Local Currency Programs (Millions of Dollars Generated by Title I Sales Agreements I - V) 5/

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Grants | 17.0 | 5.9 | 9.3 | 18.4 | 43.1 | 18.3 | 7.9 | - | 102.9 |
| Loans | - | - | 11.9 | 42.1 | 147.2 | 52.3 | 14.7 | - | 285.2 |
| TOTALS | 17.0 | 5.9 | 21.2 | 60.5 | 190.3 | 70.6 | 22.6 | - | 388.1 |

1/ 1968 preliminary figures subject to adjustments.

2/ Total value of agreement was $63.7 for one million tons of wheat plus ocean freight. Only 421,000 tons were delivered valued at $27.1 plus $1.2 ocean freight. (Figures from Department of Agriculture).

3/ Value of sales agreement less 5% initial payment.

4/ 1968 figure is approved program; other years are authorizations.

5/ Cruzeiros converted at average of Cr$ 572 to $1.00 (NCr$.572).

## Food for Peace by Fiscal Years
(Millions of Dollars)

| | 1961 & Prior | 1962 | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 1/ | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Title I - Sales Agreements** | | | | | | | | | |
| I-Vth Agreements (Country Uses) | 220.0 | 44.0 | 32.6 | 115.9 | - | - | - | - | 412.5 |
| VIth Agreement (Credit) (Previously Title IV) | - | - | - | - | - | 28.3 2/ | - | - | 28.3 2/ |
| VIIth Agreement (Credit) | - | - | - | - | - | - | - | 66.9 3/ | 66.9 3/ |
| **Title II - Donations** | | | | | | | | | |
| Emergency Relief and Development | - | 23.4 | .4 | 18.6 | 6.6 | 33.9 | 9.7 | 9.7 4/ | 102.3 |
| Voluntary Relief Agencies | 21.4 | 6.8 | 15.6 | 25.9 | 18.3 | 16.5 | 12.3 | 11.0 4/ | 127.8 |
| TOTALS | 241.4 | 74.2 | 48.6 | 160.4 | 24.9 | 78.7 | 22.0 | 87.6 | 737.8 |

**Local Currency Programs** (Millions of Dollars Generated by Title I Sales Agreements I - V) 5/

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Grants | 17.0 | 5.9 | 9.3 | 18.4 | 43.1 | 18.3 | 7.9 | - | 102.9 |
| Loans | - | - | 11.9 | 42.1 | 147.2 | 52.3 | 14.7 | - | 255.2 |
| TOTALS | 17.0 | 5.9 | 21.2 | 60.5 | 190.3 | 70.6 | 22.6 | - | 358.1 |

1/ 1968 preliminary figures subject to adjustments.

2/ Total value of agreement was $63.7 for one million tons of wheat plus ocean freight. Only 421,000 tons were delivered valued at $27.1 plus $1.2 ocean freight. (Figures from Department of Agriculture).

3/ Value of sales agreement less 5% initial payment.

4/ 1968 figure is approved program; other years are authorizations.

5/ Cruzeiros converted at average of Cr$ 572 to $1.00 (NCr$.572).

| | | FY 61 & Prior | FY 62 | FY 63 | FY 64 | FY 65 | FY 66 | FY 67 | FY 68 | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| Partners | (Grants) | - | - | - | - | - | - | .1 | .1 | .2 |
| | (Loans) | - | - | - | - | - | - | - | - | - |
| Food for Peace | (Grants) | .3 | - | - | .1 | .4 | .4 | .4 | .2 | 1.8 |
| | (Loans) | - | - | - | - | - | - | - | - | - |
| General | (Grants) | 6.2 | 1.1 | 2.5 | 2.8 | 3.4 | 4.1 | 2.3 | 1.7 | 24.1 |
| | (Loans) | - | - | - | - | - | - | - | - | - |
| Total | (Grants) | 53.3 | 10.1 | 23.4 | 13.2 | 12.4 | 13.2 | 14.7 | 12.9 | 153.2 |
| | (Loans) | 50.2 | 24.5 | 61.4 | 165.0 | 220.0 | 228.7 | 197.9 | 180.0 | 1,127.8 |

1/ Includes Agricultural Education.

2/ Includes Development Banks.

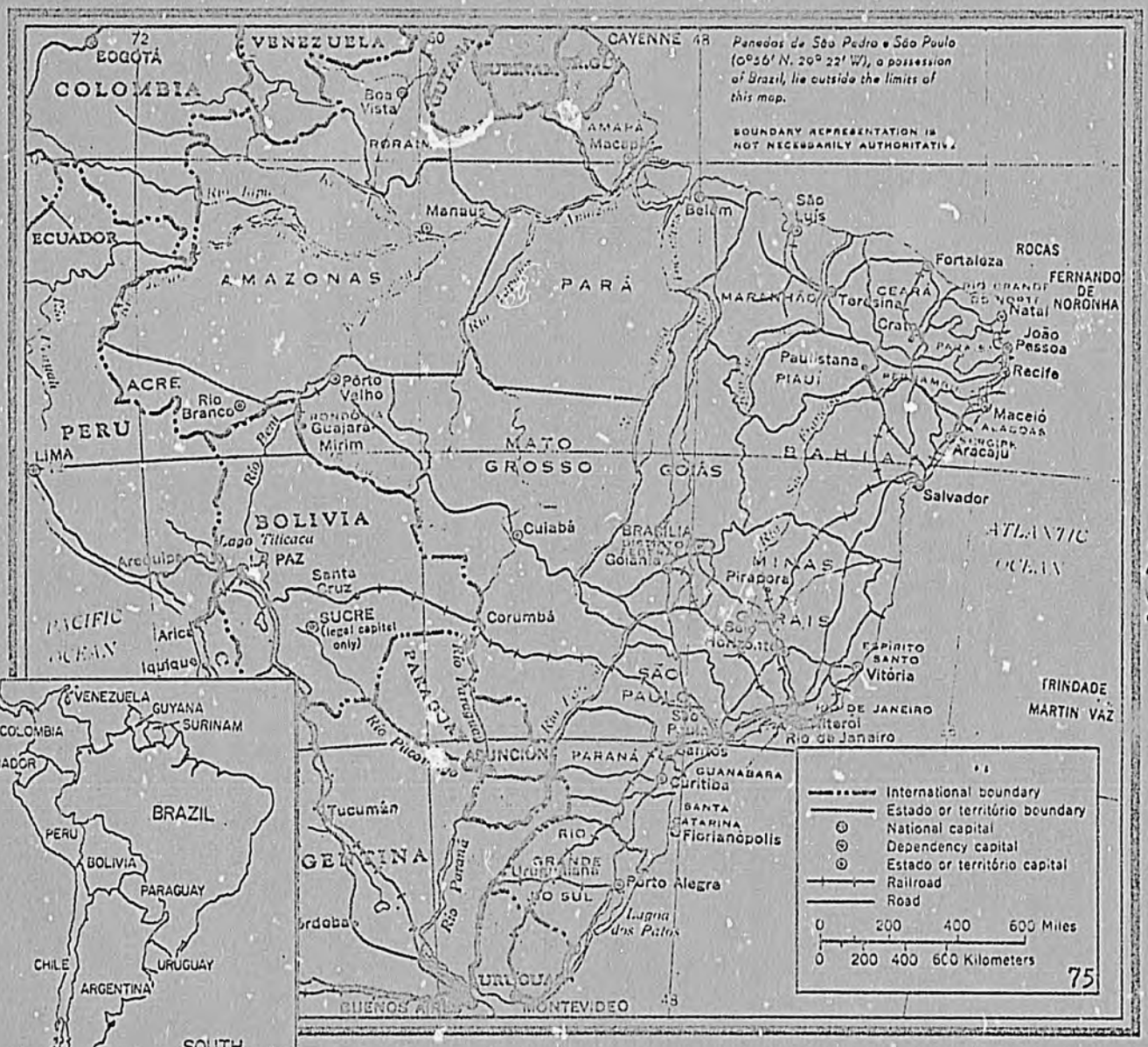
NOTE: Discrepancies in total figures and addition of components is due to rounding.

Figures FY 61 & Prior - FY 67 are net figures.
Figures for FY 68 are gross figures subject to adjustment.

ARA/IA/BR:VSMurray/ECampbell 8/15/68

17

# BRAZIL


Penedos de São Pedro e São Paulo (0°56' N. 29° 22' W), a possession of Brazil, lie outside the limits of this map.
BOUNDARY REPRESENTATION IS NOT NECESSARILY AUTHORITATIVE
COLOMBIA
VENEZUELA
GUYANA
CAYENNE
BOGOTÁ
ECUADOR
PERU
LIMA
BOLIVIA
LA PAZ
Lago Titicaca
Arequipa
Arica
Iquique
PACIFIC OCEAN
ATLANTIC OCEAN
TRINDADE
MARTIN VAZ
AMAZONAS
PARÁ
ACRE
Rio Branco
Porto Velho
Guajará Mirim
Boa Vista
RORAIMA
Manaus
Macapá
AMAPÁ
Belém
São Luís
MARANHÃO
Teresina
CEARÁ
Fortaleza
ROCAS
FERNANDO DE NORONHA
Natal
João Pessoa
Recife
Maceió
Aracaju
Salvador
Paulistana
PIAUÍ
MATO GROSSO
GOIÁS
BAHIA
Cuiabá
BRASÍLIA
Goiânia
MINAS GERAIS
Pirapora
Corumbá
SUCRE (legal capital only)
Santa Cruz
Iquique
ESPÍRITO SANTO
Vitória
SÃO PAULO
RIO DE JANEIRO
Niterói
Rio de Janeiro
ASUNCIÓN
PARANÁ
GUANABARA
Curitiba
SANTA CATARINA
Florianópolis
Tucumán
RIO GRANDE DO SUL
Porto Alegra
Lagoa dos Patos
Córdoba
URUGUAY
BUENOS AIRES
MONTEVIDEO
Rio Paraná
Rio Paraguay
Rio Pilcomayo
Rio Tocantins
Rio Xingu
Rio Tapajós
Rio Madeira
Rio Negro
Rio Branco
Rio Purus
Rio Juruá
Rio Tigre
Rio Napo
Rio Putumayo
International boundary
Estado or território boundary
National capital
Dependency capital
Estado or território capital
Railroad
Road
0 200 400 600 Miles
0 200 400 600 Kilometers
75
VENEZUELA
GUYANA
SURINAM
COLOMBIA
ECUADOR
BRAZIL
PERU
BOLIVIA
PARAGUAY
CHILE
URUGUAY
ARGENTINA
SOUTH AMERICA

18

BRAZIL

# SUMMARY OF BASIC DATA

## NATURAL RESOURCES

CLIMATE AND TOPOGRAPHY .. Brazil extends from Venezuela and the Guianas north of the equator to Uruguay 2,600 miles southward; its east-west dimension is 2,700 miles. It has an Atlantic coastline of over 4,800 miles. Although situated almost wholly in the torrid zone, such factors as altitude, prevailing winds, rainfall and distance from the ocean combine to vary the climate from tropical to temperate. In the north is the heavily wooded and largely unsettled basin of the Amazon River, the south is a vast dissected plateau sloping inland from coastal mountain ranges; the central western part has swampy lowlands.

AREA ..... 3,286,000 square miles. Brazil, the largest country in South America, is three times larger than Argentina, the second largest country, and larger than the U.S. excluding Alaska.

AGRICULTURAL LAND ..... 15 percent of the total land area; low for the region. Per capita agricultural land is 4 acres. Most fertile and productive land is in the central and southern regions; much of the Amazon jungle is not included as agricultural land.

MAIN CROPS ..... Coffee, the most valuable crop, and cotton are Brazil's chief exports. Corn, rice, sugar, beans, milk, and livestock are other important products. Brazil produces only a small portion of its wheat requirements.

FORESTS ..... More than half of Brazil's total area is forested, but most of the hardwood trees comprising most of the forests are difficult to exploit commercially. Commercially valuable pine is found and utilized in the southern states.

FISHERIES ..... Although the fish catch is increasing, the fishing industry is not well developed.

MINERALS ..... Brazil has enormous undeveloped mineral resources. It has large reserves of high-grade iron ore and substantial sources of high-grade quartz crystal. It produces 52 percent of the free-world output of tantalite, and 39 percent of its beryllium. Other minerals include chromite, manganese, mica, zirconium, bauxite, monazite (thorium) and industrial diamonds.

FUELS ..... Coal reserves are estimated at 5 billion tons; petroleum reserves, though only partially explored, are thought to be large.

RIVER RESOURCES ..... The Amazon Basin has a network of rivers navigable for 15,000 miles and is the largest river system in South America. The Amazon is navigable by ocean steamers to Iquitos, Peru, 2,300 miles upstream. Southern Brazil is drained by the Plata system: The Paraguay, Uruguay, and Parana Rivers. All told, there are 27,000 miles of navigable inland and coastal waterways. Hydroelectric potential is large.

DISTRIBUTION OF GNP ..... About 31% of the GNP comes from agriculture; 25% from manufacturing, mining, electricity, and construction; 12% from commerce; 11% from services, and 21% from other. (1965)

## HUMAN RESOURCES

POPULATION ..... 86.5 million (1967).

Annual growth ..... 3.0 percent.

Immigration ..... About 24,000 per year, chiefly Portuguese, Japanese, Italian, and Spanish; 80 percent must be farmers or skilled workmen.

Density ..... 26 per square mile; relatively low for the region.

Concentrations ..... Urban, 46%. About 90 percent of the population lives in the central plateau and the narrow coastal plain along the Atlantic. The tropical river basin of the Amazon, comprising over a third of the total area, is sparsely settled except for tribal Indians.

Composition ..... 60 percent white; 26 percent Mestizo; 11 percent Negroes and 3 percent Asiatics and unspecified. Original settlers Portuguese; there has been a widespread intermixture of the races including the native Indians. Portuguese is almost universally the spoken language.

Religion ..... Over 90 percent of the population is Roman Catholic; connection between Church and State was abolished in 1956.

BRAZIL

# SUMMARY OF BASIC DATA (CONT'D)

LABOR FORCE ..... 23 million (1960).
Distribution ..... 52% in agriculture, 3% in mining, 9% in manufacturing, 7% in commerce, 12% in services, 5% in transportation and communications, 12% in other, (1960).

EDUCATION
Literacy ..... 61% of the population over 9 years are literate. (1960).
Teachers ..... 351,500 primary (1965); 81,200 secondary, 30,300 vocational, 20,800 teacher-training, 30,900 higher, (1964).
Schools ..... 124,500 primary (1965); 4,800 secondary, 2,200 vocational, 1,700 teacher-training, 1,300 higher, (1964).
Number of Students .. 9,923,200 primary, 1,553,700 secondary, 380,500 vocational, 220,300 teacher-training, 150,000 (estimate) higher, (1965).

HEALTH
Life expectancy ..... 55 years (1965).
Infant mortality .... 79 per 1,000 live births (Sao Paulo,1963).
Physicians ..... One per 2,500 persons (1962).
Hospital beds ..... 320 per 100,000. (1962)
Diet ..... Calorie intake 2,710 (1959-61) per capita; diet is fairly normal in protein content, particularly in the larger cities.
Main diseases ..... Tuberculosis, intestinal and heart diseases prevail to a high degree.

## TRANSPORT, POWER & INDUSTRY

RAILROADS ..... 22,700 miles (1962); largely federally and state-owned. In need of maintenance and modernization. Some lines are uneconomic. Proportion of freight moved by rail is declining.

ROADS ..... 341,700 miles (1966). Road network is being expanded and improved. Improvements have drawn traffic away from railroads and coastal shipping. System inadequate for growing needs.

MERCHANT SHIPPING ..... About half of Brazil's 1,279,000 gross registered ton fleet (1966) is engaged in the important coastal trade. Inland water transport is relatively important. Port congestion and lack of a well coordinated transport plan hinder efficient use of resources.

HARBORS ..... There are 30 principal seaports and about 90 river ports which are open to ocean shipping along the Brazilian coast; however, port congestion is frequent since facilities for cargo-handling and storage have not kept pace with expanding tonnage, and lack of maintenance dredging has reduced depth alongside docks.

ELECTRIC POWER ..... Present supply adequate but considerable expansion necessary to keep pace with growth in demand. Hydroelectric plants account for three-quarters of total capacity.

MANUFACTURING ..... Iron, steel and metalworking industries show continuous increase in growth, followed by the textile, food and beverage industries. Both light and heavy industrial development is proceeding at a rapid pace.

MINING ..... Brazil is an important source of quartz crystal and beryl, sheet mica, manganese ore, monazite, iron ore, and tungsten concentrates as well as other minerals.

FUELS ..... Coal and petroleum output has remained relatively constant in recent years, considerably below consumption requirements. Gap between requirements and petroleum met by imports.

## FOREIGN TRADE PATTERN

EXPORTS ..... Coffee accounts for a little over 50 percent of total exports. The U.S. is Brazil's best customer; Germany is second.

IMPORTS ..... About one-third of the commodity imports are from the U.S.; Germany, Venezuela, and Argentina rank next in importance as suppliers. Imports are diversified with machinery, iron and steel, and petroleum products among the leaders.



20

# SELECTED ANNUAL TRENDS

BRAZIL

| † | ITEM | UNIT | 1958 | 1964 | 1965 | 1966 | 1967 | 1968 |
|---|---|---|---|---|---|---|---|---|
| 1 | A. POPULATION: (Annual Growth: 3.0%) (Midyear) (Percent Urban: 46%) | Thousands | 65,750 | 78,427 | 80,766 | 83,175 | 85,655 | 88,225 |
| | **PRODUCTION** | | | | | | | |
| 2 | B. AGRICULTURE[a] | | | | | | | |
| | 1. Total production index | 1957-59=100 | 97 | 108 | 140 | 121 | 129[P] | |
| | 2. Per capita production index | " | 97 | 90 | 114 | 95 | 99[P] | |
| | 3. Food production index | " | 98 | 129 | 147 | 136 | 148[P] | |
| | 4. Per capita food production index | " | 98 | 108 | 119 | 107 | 112[P] | |
| | 5. Corn | 1,000 MT | 7,370 | 9,408 | 12,112 | 10,013 | 12,400[P] | |
| | 6. Rice, rough | " | 3,829 | 6,345 | 7,580 | 5,800 | 7,000[P] | |
| | 7. Coffee | " | 1,800 | 600 | 2,262 | 1,260 | 1,380[P] | |
| | C. INDUSTRY/MINING | | | | | | | |
| 1 | 1. Manufacturing production index | 1963=100 | 68 | 105[E] | 100[E] | 111[E] | | |
| | 2. Cement | 1,000 MT | 3,790 | 5,530 | 5,630 | 6,050 | 6,410 | 2,900[E](5 mos) |
| | 3. Steel ingots | " | 1,362 | 2,940 | 2,890 | 3,530 | | |
| | 4. Motor vehicles | Thousands | 61 | 184 | 185 | 235 | 225 | 102(5 mos) |
| 3 | 5. Mining production index | 1963=100 | 51 | 121 | 128 | 150 | | |
| 1 | 6. Petroleum, crude | 1,000 MT | 2,470 | 4,350 | 4,490 | 5,540 | 6,980 | 1,930(3 mos) |
| | 7. Iron ore (metal content) | " | 3,530 | 11,530 | 12,350 | 14,280 | 12,700[E] | |
| | D. MARINE/FORESTRY | | | | | | | |
| 1 | E. ELECTRICITY | | | | | | | |
| | 1. Total production | Mill. KWH | 19,760 | 29,100 | 30,130 | 32,650 | | |
| | 2. Per capita production | KWH | 300 | 370 | 370 | 390 | | |
| 4 | F. GROSS NATIONAL PRODUCT** | | | | | | | |
| | 1. Total GNP, current prices | Mill. new cruzeiros | 1,304 | 18,726 | 30,405 | 43,844 | 59,000[E] | |
| | 2. Total GNP, current prices | Mill. US $ | c | 11,000 | 17,900 | 23,790 | 28,000[E,b] | |
| | 3. Total GNP, 1966 dollars | " | 17,540 | 23,780 | 24,700 | 25,790 | 27,100[E] | |
| | 4. Plus imports of goods & services | " | 1,676 | 1,522 | 1,549 | 1,994 | +485[E] | |
| | 5. Minus exports of goods & services | " | -1,409 | -1,548 | -1,757 | -1,882 | | |
| | 6. Equals Total Available Resources | " | 17,807 | 23,754 | 24,492 | 25,902 | 27,585[E] | |
| | 7. Private consumption | " | 12,059 | 15,444 | 17,304 | 18,584 | 24,085[E] | |
| | 8. Gov't consumption (incl. defense) | " | 2,934 | 4,464 | 3,881 | 3,595 | | |
| | 9. Gross fixed investment | " | 2,846 | 3,321 | 2,687 | 3,335 | 3,500[E] | |
| | 10. Change in stocks | " | -32 | 525 | 620 | 388 | | |
| | 11. Change in total GNP (1966 dollars) | Percent | +6.6% | +3.1% | +3.9% | +4.4% | +5.1% | |
| | 12. GNP per capita (1966 dollars) | Dollars | 265 | 303 | 306 | 310 | 316[E] | |
| | **DOMESTIC FINANCIAL DATA** | | | | | | | |
| | G. PRICE INDEXES | | | | | | | |
| 5 | 1. Wholesale prices (excl. coffee) | 1963=100 | 14 | 182 | 278 | 390 | 494 | 569(4 mos) |
| 5 | 2. Cost of living: Sao Paulo | " | 15 | 186 | 300 | 439 | 569 | 656 " |
| 6 | 3. Cost of living: Guanabara | " | 16 | 192 | 318 | 449 | 586 | 661 " |
| 5 | H. MONEY SUPPLY INDEX[⊙] | 1963=100 | 13 | 186 | 326 | 379 | 539 | |
| 7 | I. CENTRAL GOVERNMENT FINANCES[d] | Mill. new cruzeiros | | Fiscal years ending December 31 | | | | |
| | 1. Domestic revenues, total | " | n.a. | 2,582 | 4,602 | 7,076 | 8,939[P] | 12,228[e] |
| | 2. Expenditures, total | " | | 4,421 | 5,650 | 8,042 | 10,158[P] | 12,645[e] |
| | 3. Deficit or surplus | " | | -1,839 | -1,048 | -966 | -1,219[P] | -417[e] |
| | Method of Financing: | | | | | | | |
| | 4. Foreign grants and loans | " | | 222 | 303 | 606 | n.a. | |
| | 5. Domestic borrowing and reserves | " | | 1,617 | 745 | 360 | | |
| | II. EXTERNAL PUBLIC DEBT | | | | Not Available | | | |

† - Numbers indicate basic sources listed on next page. n.a. or blank space - Not available; a dash indicates zero.
* - Less than one-half the unit shown. ** - Converted at estimated effective exchange rate of 1.7 new cruzeiros per US$.
P - Preliminary. E - Estimate. ⊙ - End of period.

a - Bulk of production in calendar year stated. b - Converted at estimated effective exchange rate of 2.1 new cruzeiros per US$. c - Current rate not applicable. d - See page 9 for footnotes. e - Budget.



21

BRAZIL

# SELECTED ANNUAL TRENDS (cont'd)

| † | ITEM | UNIT | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 |
|---|---|---|---|---|---|---|---|---|
| | **FOREIGN TRADE** | | | | | | | |
| 5 | J. COMMODITY TRADE | | | | | | | |
| | 1. Exports, f.o.b. | Mill. US $ | 1,243 | 1,430 | 1,595 | 1,741 | 1,654 | 526(4 mos) |
| | 2. Imports, c.i.f. | " | -1,353 | -1,263 | -1,096 | -1,496 | -1,667 | -589[E] " |
| | 3. Trade balance | " | -110 | 167 | 499 | 245 | -13 | -63 " |
| 8 | SELECTED TRADING PARTNERS | | | | | | | |
| | K. Exports to: 1. United States | Mill. US $ | 534 | 475 | 499 | 581 | 548 | |
| | 2. Germany | " | 79 | 134 | 141 | 134 | 135 | |
| | 3. Argentina | " | 107 | 91 | 141 | 113 | 98 | |
| | 4. Communist bloc | " | 46 | 89 | 89 | 107 | 97 | |
| | L. Imports from: 1. United States | " | 483 | 437 | 326 | 590 | 572 | |
| | (c.i.f.) 2. Germany | " | 141 | 103 | 96 | 135 | 168 | |
| | 3. Argentina | " | 88 | 116 | 132 | 117 | 123 | |
| | 4. Communist bloc | " | 29 | 69 | 64 | 73 | 80 | |
| | M. MAIN EXPORTS (f.o.b.) | | | | | | | |
| 5 | 1. Coffee | Mill. US $ | 688 | 760 | 707 | 764 | 705 | 240(4 mos) |
| 5 | 2. Cotton, raw | " | 25 | 108 | 97 | 111 | 91 | 18 " |
| 5 | 3. Iron ore | " | 39 | 81 | 103 | 100 | 103 | 35 " |
| 9 | 4. Sugar | " | 57 | 33 | 57 | 81 | 85[E] | 36 " |
| 9 | N. MAIN IMPORTS (c.i.f.)[a] | | | | | | | |
| | 1. Food | Mill. US $ | 157 | 286 | 202 | 275[P] | 86[P] | (3 mos) |
| | 2. Petroleum and products | " | 281 | 215 | 193 | 307 | 53[P] | " |
| | 3. Machinery and trans. equip. | " | 520 | 309 | 244 | 332 | 97[P] | " |
| 5 | O. PRICES OF MAIN EXPORTS | | | | | | | |
| | 1. Coffee (Santos No. 4: N.Y.) | US$/100 lbs. | 48.41 | 47.36 | 44.78 | 40.79 | 37.93 | 37.46(5 mos) |
| | 2. Cocoa (Bahia: N.Y.) | " | 43.35 | 23.15 | 16.91 | 23.04 | 26.35 | 28.64 " |
| 1 | P. TERMS OF TRADE (Exp + Imp) | 1963=100 | | 114 | 122 | 111 | | |
| | 1. Export prices (incl. coffee) | " | 120 | 114 | 129 | 121 | | |
| | 2. Import prices | " | 91 | 100 | 106 | 109 | | |
| | **PAYMENTS & RESERVES** | | | | | | | |
| 10 | Q. BALANCE OF PAYMENTS (selected items) | | | | | | | |
| | 1. Balance on goods and services | Mill. US $ | -267 | 26 | 208 | -112 | -485[E] | |
| | 2. Private direct investment | " | 227 | 86 | 154 | 159 | | |
| | 3. Official grants (net) | " | 3 | 31 | 36 | 34 | | |
| | 4. Official loan receipts (net) | " | -43 | 51 | 150 | 239 | | |
| | R. OFFICIAL RESERVES, GROSS[9] | Mill. US $ | 465 | 252 | 506 | 409 | 204 | 306(Mar) |
| | 1. Gold | " | 325 | 91 | 63 | 45 | 45 | 45 " |
| | 2. IMF gold tranche | " | - | - | - | 12 | 12 | 12 " |
| | 3. Foreign exchange | " | 140 | 161 | 442 | 352 | 146 | 248 " |
| | S. OTHER OFFICIAL FOREIGN ASSETS, GROSS[9] | " | | | | | | |
| 5 | T. COMMERCIAL BANK FOREIGN ASSETS, GROSS[9] | " | 16 | 53 | 79 | 103 | 123 | 111(Feb) |
| 5 | U. OTHER ASSETS[9] b | " | 102 | 162 | 156 | 176(Nov) | | |
| 5 | V. CENTRAL BANK LIABILITIES[9] | " | 154 | 1,187 | 1,171 | 1,001(Nov) | | |
| 5 | W. COMMERCIAL BANK LIABILITIES[9] | " | 34 | 18 | 50 | 51 | 64 | 75(Feb) |
| 5 | X. EXCHANGE RATE (official)[9] | | | | | | | |
| | 1. Free rate | Cruz.per US$ | 138.5 | 1,850 | 2,220 | 2,220 | 2.715[c] | 3.220[c](May) |

† BASIC SOURCES:
1. UN "Statistical Yearbook" and "Monthly Bulletin of Statistics."
2. USDA - Economic Research Service.
3. AID/W.
4. National data, adjusted by USAID and PPC/SRD.
5. IMF "International Financial Statistics."
6. Pan American Union "America En Cifras."
7. Based on USAID replies to AID Form 10-74 as adjusted by AID/W.
8. IMF "Direction of Trade."
9. UN "Yearbook of International Trade Statistics."
10. Data based on IMF reports. (see page 11)

n.a. or blank space = Not available; a dash indicates zero. 9 - End of period. E - Estimate. P - Preliminary.
a - Based on "Standard International Trade Classification." b - Largely inconvertible currencies. c - The cruzeiro was devalued on February 13, 1967; the figures quoted are "new cruzeiros" per US$.