

# A sound and dynamic economy

**By HE ROBERTO JAGUARIBE**

AMBASSADOR OF BRAZIL TO THE UNITED KINGDOM



**ROBERTO JAGUARIBE** has been the Brazilian Ambassador in London since 2010. A native of Rio de Janeiro, where he obtained a degree in Systems Engineering from the Pontifical Catholic University, he is a career diplomat. He has served in New York at the UN mission, in Montevideo, in Geneva at the mission to the international organisations, and in Washington as Deputy Head of Mission. He has also held posts in the Foreign Ministry, most recently as Director-General for Trade Promotion, and as Under Secretary for Political Affairs II.

Rt Hon William Hague MP, Secretary of State for Foreign Affairs and HE Roberto Jaguaribe at a special FIRST event at Lancaster House

Prime Minister David Cameron's Visit to Brazil is a very welcome occasion and underlines the friendship between our countries. Brazil and the United Kingdom have always enjoyed a warm relationship based on strong historical ties, but recently we have experienced a particularly invigorating period of renewal with reciprocal visits and increased trade and investment. The traditional bilateral relationship has broadened to incorporate regional and global issues in the political and strategic dimension. Dynamic progress is also underway in traditional areas of cooperation and interchange such as energy, finance, infrastructure, innovation and education.

Brazil and the United Kingdom have developed a very important partnership related to the Olympic and Paralympic Games, that can be seen as an example of how two countries can co-operate in the organisation of major sport events. We had the privilege to experience the fortunate conjunction of the British hand-over of the Olympic Games to Brazil. Institutions directly related to the organisation and implementation of London 2012 (ODA, LOCOG, GOE, FCO and TfL, among others) have been extremely cooperative towards their Brazilian counterparts. Together we were able to implement an "Observer Programme" for Brazilian representatives of governmental agencies and institutions responsible for the Rio 2016 Olympic and Paralympic Games. This joint initiative has been extremely useful as a means of learning from the UK experience in important areas such as planning, architecture and design, security, transportation, communications, IT, and social and environmental legacy.

It is also worth noting the exciting and seemingly limitless opportunities for partnerships between Brazilian and UK companies that exist in all these sectors as Brazil prepares not only for the 2016 Olympic and Paralympic Games but also the 2014 World Cup. Brazil, in fact, has been undergoing significant transformations, and it is no coincidence that it was granted the honour of hosting major sports events at a time when the country has gained increased visibility in the international arena.

The size of the Brazilian economy and its growth are the most visible characteristics. Our success is built on very solid foundations. First, the consolidation and deepening of democracy. Second, the conquest of

macroeconomic stability. Third, the implementation of effective wealth-redistribution and social-integration programmes.

In an interdependent world it is obvious that, like other emerging markets, Brazil is affected by the slow pace of the recovery in the developed world. It is very likely that this will impact on our economic growth this year. A more careful look at our economic situation, however, will clearly show that the foundations remain more solid than ever, and the prospects for the next ten years remain extremely bright.

Even if economic policy were to focus only on the demand side of the economy, Brazil still has a lot of room for expansion. Our credit-to-GDP ratio is approximately 50 per cent, much lower than that of developed economies and also of other emerging economies. Mortgages, for instance, are still not accessible to a large part of the Brazilian population and, therefore, just a small shift in the kind of credit provided would be sufficient to activate other sources of economic expansion.

As an open and receptive country, embedded in a culture of persuasion and seduction, Brazil has now, in the context of such a major international event as the Olympic Games, a valuable opportunity to project its soft power and its new reality to the world, celebrating its lively democracy, its ethnic and cultural diversity and its sound and dynamic economy – all of which are conducive to a very business-friendly environment. **E**

