



Brown Bag Series #29



Date: June 22, 2018

Time: 15:30 - 17:00

Venue: Room 301 on the 3rd Floor of the Building 10, Komaba Campus, UTokyo

Language: English

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Diversity of Capitalisms in Latin América and the crisis of Brazil

The present situation of Latin America, where we have seen countries such as Brazil, México, Argentina, go from a situation of growth, reduction of inequality, diminution of poverty, political stability to economic and political crisis is a direct result of this mode of capitalism. Brazil, Argentina and other countries in the continent attempted a wage, internal market led growth, based on high State expenditure, expansion of the welfare State, and redistribution through the increase of minimum wages. This mode of development staggered against a crisis caused by rentier-financial capitalism that led to the diminution of the price of commodities, the decrease of the external commerce surplus and of the flow of financial resources that had nurtured the growth of the internal market. The Mexican model is an export led growth model, based on low salaries, low social costs, and weak internal market. The Mexican crisis is caused by a decrease of the price of oil, the devaluation of the peso and more recently the threat of the new administration of the United states to end NAFTA and impose restrictions on the Mexican exports.

