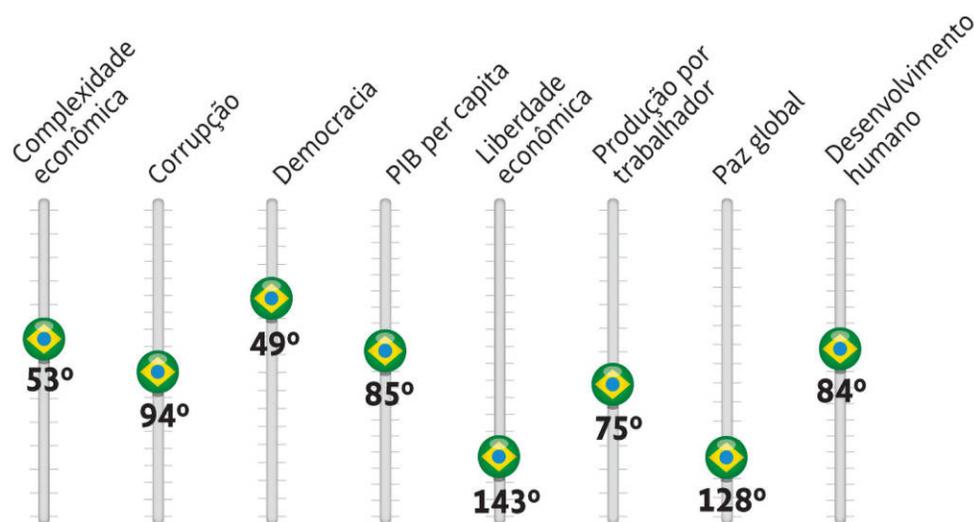


Brazil drops in world rankings for corruption, democracy, violence and productivity

Difficulty in improving the business environment and political polarization harm the country



Gustavo Queirolo

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Erica Fraga (<https://www1.folha.uol.com.br/autores/erica-fraga.shtml>)

Gustavo Queirolo (<https://www1.folha.uol.com.br/autores/gustavo-queirolo.shtml>)

SÃO PAULO The first two decades of this century were marked by a worsening of

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<https://www1.folha.uol.com.br/cotidiano/2021/08/brasil-nao-sabe-o-que-aconteceu-com-17-mil-de-seus-mortos-em-2019.shtml>
and [corruption](https://www1.folha.uol.com.br/colunas/painel/2021/09/transparencia-internacional-ve-impacto-em-investimentos-com-reforma-da-lei-de-improbidade.shtml) (<https://www1.folha.uol.com.br/colunas/painel/2021/09/transparencia-internacional-ve-impacto-em-investimentos-com-reforma-da-lei-de-improbidade.shtml>) .

A survey carried out by **Folha** shows that the country was surpassed by other nations in seven out of eight rankings focused on issues considered important by investors, multilateral and non-governmental organizations.



Rua 25 de Março, in the center of São Paulo - Danilo Verpa - 2.jul.21/Folhapress

The setbacks occurred in the lists that measure democratic solidity, freedom of the business environment, complexity of exports, fight against corruption, per capita income, labor productivity and security.

The exception —among the eight rankings analyzed by the article— was the Human Development Index (HDI) (<https://www1.folha.uol.com.br/cotidiano/2018/09/idh-do-brasil-estagna-e-pais-fica-na-79a-posicao-no-ranking-da-onu.shtml>) , calculated by the United Nations, in which the

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out there

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In all cases, the series were considered only from the year in which the number of nations included was stable or very close to the most recent data available, in order to prevent changes in Brazil's position from being caused by the entry of new countries.

The biggest Brazilian decline was registered in the Index of Economic Freedom (<https://m.folha.uol.com.br/mercado/2014/01/1398273-brasil-perde-14-posicoes-em-ranking-de-liberdade-economica.shtml>) calculated by the Heritage Foundation, an American liberal research center. Since 2009, the country has lost 38 positions in this ranking, dropping from 105th to 143rd place.

The approval of the Social Security reform, (<https://www1.folha.uol.com.br/mercado/2019/10/senado-conclui-aprovacao-da-reforma-da-previdencia-novas-regras-entram-em-vigor-apos-promulgacao.shtml>) in 2019, had contributed to a small recovery in Brazil, but it was seen as insufficient to change the general picture of poor classification in pillars considered crucial for a favorable environment for free enterprise.

In its 2021 report, the Heritage Foundation noted that while Jair Bolsonaro's government raises a liberal banner, it has failed to reduce public spending (<https://www1.folha.uol.com.br/mercado/2020/08/dificuldade-em-cumprir-teto-e-alerta-sobre-disfuncionalidade-do-estado.shtml>) and unsustainable levels of debt.

The institution considers in its calculation 12 indicators, grouped into four groups: rule of law, size of government, regulatory efficiency and market freedom.

“Brazil has returned some gains in economic freedom that it had achieved in 2020, resuming its decline in the ranking of [countries], generally speaking, not

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Another ranking in which Brazil fell was that of economic complexity, calculated by Harvard University. The country moved from 26th to 53rd position between 2000 and 2019 —the most recent year for which there is data.

Calculated by the institution's Growth Laboratory, the index is based on the idea that the level of knowledge in a society translates into the products it makes. The more diverse, technologically sophisticated, and rarer these goods, the greater the level of economic complexity.

"Successful global economic stories are those of countries that increased their economic complexity and their export volumes at the same time," said Tim Cheston, senior manager of the Harvard Growth Laboratory , to **Folha** .

"In Brazil, the opposite happened: the period of export growth [in the 2000s] was accompanied by a decline in economic complexity," said the specialist.

According to him, the export agenda that is increasingly based on commodities (<https://www1.folha.uol.com.br/mercado/2021/05/ciclo-de-commodities-deve-beneficiar-o-brasil-por-ao-menos-dois-anos.shtml>) harms Brazil.

A country's capacity for innovation is linked, among other factors, to the quality of its workforce. Brazil managed to increase the years of study of the population in recent decades, which contributed to the country's small advance in the HDI (<https://www1.folha.uol.com.br/cotidiano/2020/12/no-primeiro-ano-de-bolsonaro-idh-avanca-lentamente-e-brasil-perde-posicoes.shtml>) , which, in addition to attained and expected schooling, also takes into account life expectancy.

But, in addition to the fact that other nations have also made this movement, Brazilian progress in terms of the quality of education has been slow.

In addition to the difficulty in making the business environment less bureaucratic and free, deficiencies in the training of the workforce limit innovation, curbing economic sophistication.

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As these factors feed on themselves, this is reflected in another ranking: that of worker productivity (<https://www1.folha.uol.com.br/mercado/2019/12/empresas-nao-incentivam-produtividade-no-pais.shtml>), in which Brazil has been surpassed in the last two decades by nations such as Colombia, the Dominican Republic and Bulgaria.

Difficulty in sustaining a faster pace of growth, in turn, also increases the risk of political instability and violence.

These are two other aspects in which Brazil has been left behind by other nations.

The Economist Intelligence Unit (EIU), the research arm of the British group The Economist, calculates the Democracy Index, based on indicators in five categories: electoral process and pluralism; functioning of government; political participation; political culture and civil liberties.

Although this is, among the eight rankings analyzed, the one with the best relative performance in Brazil, there has been a slight deterioration in the last decade (<https://www1.folha.uol.com.br/mundo/2020/09/mundo-vive-onda-de-desdemocratizacao-afirma-estudo.shtml>). Since 2010, the Brazilian position has dropped from 47th to 49th, among 167 nations and territories.

According to Robert Wood, EIU's chief economist for Latin America, the emergence of major corruption scandals in recent years has led to a growing disbelief towards the political class.

"This fed a dangerous disillusionment to the political process, making room for an 'outsider' like Bolsonaro," Wood told **Folha**.

In a recent report, another respected organization, Transparency International (<https://www1.folha.uol.com.br/poder/2019/01/percepcao-da-corrupcao-aumenta-e-brasil-tem-pior-nota-em-ranking-desde-2012.shtml>), stated that Brazil faces “serious setbacks in the fight against corruption”.

Between 2007 and 2020, the country lost 22 positions in the ranking of the

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Wood points out that, despite the increased political polarization caused by problems such as corruption, Brazil had a slight improvement in the EIU's democracy index between 2019 and 2020 as a result of greater popular support for democracy and the capacity demonstrated by the Legislative and Judiciary (<https://www1.folha.uol.com.br/poder/2021/09/datafolha-aprovacao-do-stf-resiste-a-ataques-de-bolsonaro-mas-e-so-de-25.shtml>) branches of fulfill its role of weight and balance to the Executive.

The successful holding of municipal elections (<https://www1.folha.uol.com.br/poder/2020/11/psdb-tera-maior-populacao-governada-pelo-pais-e-poder-fica-mais-pulverizado.shtml>) amidst the coronavirus pandemic (<https://www1.folha.uol.com.br/folha-topicos/coronavirus/>) also counted in the country's favor.

In terms of security, Brazil had a worsening in its performance in the Global Peace Index (<https://www1.folha.uol.com.br/mundo/2021/06/brasileiros-sao-os-que-mais-temem-violencia-no-mundo-aponta-indice-de-paz-global.shtml>) for 2020. According to the Institute for Economics and Peace, which calculates the indicator, among the populations of the 163 countries surveyed, the Brazilian is the one that expresses the greatest fear of violence in the world.

The factors expressed in these rankings are important obstacles to the country's social and economic advancement, which is reflected in Brazil's per capita income index. (<https://www1.folha.uol.com.br/mercado/2021/04/brasil-recua-no-ranking-global-dos-paises-com-maior-pib-per-capita-em-2020.shtml>)

Measured in purchasing power parity —a methodology that discounts the different costs of living of nations—, the average income of Brazilians has been slowly advancing for decades.

Thus, countries such as China, Chile, Turkey and Botswana, as well as Taiwan, which were poorer than Brazil in the early 1980s, today have a higher average per capita income than Brazil's (<https://www1.folha.uol.com.br/colunas/samuelpessoa/2017/09/1915364-china-passa-brasil-em-renda-per-capita-e-deve-passar-em-bem-estar-medio.shtml>) .

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