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## Lula Goes to Davos, But World Doesn't Care About Brazil

Contributed by Francesco Neves  
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Brazilian President Luiz Inácio Lula da Silva has arrived in Davos, Switzerland, where he is the only South American chief of state to participate in the latest edition of the World Economic Forum, an annual summit that reunites and is a platform for the world's most developed countries.

Lula is scheduled to meet later today with executives of American corporations including Citi Group and Google. The Brazilian president will also be meeting with Gordon Brown, the United Kingdom's Chancellor of the Exchequer.

Brazil's Central Bank president, Henrique Meirelles, who is traveling with Lula told reporters in Zurich that the Brazilian participation in the Forum this year is quite different from years past:

"Brazil is back to Davos," the minister said, "with a different set of ideas, another posture and another situation regarding the other countries. I think this is a favorable and important occasion. Today, Brazil is not cause of concern to the world anymore: it is a stable economy intent on growing faster and faster. The country is seeking a way to do this with stability, confidence and consistency".

Finance Minister, Guido Mantega, is also accompanying the president. Both will be trying to sell to a skeptical world the idea that Brazil is on the right track.

Earlier this week, Lula presented Brazilians with a plan, the PAC (Growth Acceleration Program), which according to the government, should put Brazil on a 5% growth path, while other countries like China, India, Argentina and Venezuela are growing double this rate.

For many world economists and leaders, the Brazilian package is not enough to promote sustainable growth. They would like to see structural reforms that would change the way Brazil taxes businesses and consumers, as well as reform the social security and the judicial system.

The PAC, however, deals only with investments and improvement in infrastructure: about US\$ 240 billion in five years, only 14% of which comes from the government's coffers.

In contrast to what happened in 2003 when Lula was a star during the Davos meeting, this year there seems to be very little interest in Brazil and the whole of Latin America.

As Charles Dallara, the managing director of the Institute of International Finance (IIF), commented: "There is less interest in Lula's visit this time, because all the attention of the emerging countries is turned to China and India, and Brazil is being left behind."

For Dallara, who doesn't know what the PAC contains, "the key for Brazil to accelerate its economy is tax reform, the reform of Social Security, a reduction of the government's role in the economy and a bigger opening."