

**INSTITUTE OF APPLIED RESEARCH IN SUSTAINABLE ECONOMIC
DEVELOPMENT-IPADES**

DEMOCRACY AND ECONOMIC GROWTH

Francisco Barbosa

Associate President – IPADES

Alexandre Rodrigues

Physical. Prof. UFPA

The Greek philosopher Aristotle (384-322 BC) scored in history the sentence: *"man is a political animal."* Made us understand that politics is present in our life, because all relationships keep itself significant political elements. Also from Ancient Greece came to the idea of democracy and the view that the community's political interests overlap to individuals (above political economy). With the revival (cultural renewal that occurred in Europe during the 15th and 16th centuries, who promoted major discoveries and the emergence of modern capitalism), economic activity, which before was understood as something that should not go beyond the boundaries of the maintenance of the autonomy of the community becomes increasingly perceived as something that can assist in building political communities able to provide its participants peace, security and opportunities to achieve their personal and social goals. From the last quarter of the 18th century, two revolutions have come to characterize and consolidate the relationship between democracy and economy: the French Revolution and the Industrial Revolution. The first reinforces democracy with the citizen's policy action, while the second, to boost the economy offers conditions for a better functioning of the institutions and for the exercise of individual freedoms.

In this context, economic growth is vital to improve the living conditions of the population, whether by offering jobs, or by taxes levied by the Government, which should return to society via policies and programmes in the form of investments and services to the population that can promote the development of society, contributing to personal and social objectives are achieved.

Brazilian currency stabilization through the Real Plan in 1994, has provided the Brazilian society live without more perverse tax on lower income classes that is inflation. Although the country present serious problems of logistics, infrastructure, high tax burden, hostile environment for business, monetary stability and growth in the world economy until 2008 has contributed to economic growth, with an average rate of 4% between 1999 and 2010, the country has enjoyed so that millions of Brazilians has had

social rise, which is very good and desirable. However, the economic rise should come followed political rise because the integration of these two variables strengthens and keeps democracy.

The country does not reach a plateau of nation developed if social classes benefit from economic growth if ported with a reductive vision, i.e. just getting the job, if condition have carved a consumer; and conform as if it had reached paradise. Discussions relevant to development, such as education; health; safety; morals; ethics; management of Government and other institutions; foreign policy; environment and national policies to financing and development of science and technology need to be part of citizenship of the population.

There can be no democracy without the exercise of citizenship, and both in day to day, and must be understood as a cultural value and improved constantly by education. If only the economy act as a State of well-being of the people we are only a country of consumers, but not a parents citizens! The market economy is one of the attributes of democracy, just one. Moreover, the growth of the economy with the improvement of the social condition of the population must not lead us to an oversight with the existence and proper functioning of the institutions that guarantee democracy, since such carelessness can be very costly for society as a whole.

Morality and transparency of public management reforms that modernize institutions and society actions, freedom of the press, the merit promotion as a rule, respect for human rights, the scientific and technological knowledge promoting innovation are values that beside the economic growth they forge a modern and democratic nation.

The citizen, and there are those who are getting a better income, must adhere to these values mentioned above, and not just to position itself as mere consumers, therefore, contribute to the vision of a country disinclined to changes. Those very consume, afraid to reduce consumption. Those little consume, too. With this unique posture, consumers rather than citizens (those who exercise civil rights, political and social) contribute to the "rust" institutions, and with them, of democracy itself, opening a corridor of opportunity for populist and anti-democratic regimes, moreover, already experienced by Brazil situation, between the end of the 1970s and the first half of the 1970s, when the military regime promoted above an annual growth of 10% per year. China has the largest economic growth today, but don't have democracy.

Studies indicate that democratization precipitated slows down growth in unequal societies like Brazil, however is not the case of Brazil, whose re-democratization already reached 25 years and more than that, it was precisely in the democratic regime in the country managed to bypass the chaos in their economy. This is even still

incipient, institutional aspects, which are critical to a good long-term economic performance. This proposition has support in the New Institutional Theory, which explains the role of institutions in development. Two of its biggest names, Ronald H. Coase and Douglass C. North, won the Nobel Prize in economics 1991 and 1993, respectively

If the consumer does not assume its role as a citizen, what to say of him who has not arrived or only is in the "periphery" of this social class! A reality shown by a national network of television, in a series of three articles called "Silent Disease" which focused on tuberculosis, malaria and Chagas disease, displayed in days 10.11 and 12 November 2010, spells and the seriousness of the problem. An old lady, carrier of evil Chagas interviewed by a reporter about the dilemma between buy the medicine that fails in the clinic, and the purchase of food, she opts for food (obvious)! But by their State almost absolute grace, can't see your right to treatment correctly and dignified, on the contrary, demonstrates a conformism, because even gets an aid that allows you to buy food. Its rationality, cruel for this moment of your life is correct; the problem is the perpetuation of such a framework, which can only be changed if other forces there fall helping, enforcing and realize the population, a continued learning and which must be exercised by all individuals and civil society institutions.

And as a tool in that fight for increased training of citizenship, the Brazilian society of the 21st century needs to exercise fully the article first, § 1 of the **Constitution of the Federative Republic of Brazil**. *"All power emanates from the people, that carries through elected representatives or directly, under the Constitution"*. The exercise of that power must have as a priority the maintenance of democracy as a political system that allows not only economic growth, but citizenship and national development with respect for people and institutions.