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Luiz Carlos Bresser Pereira
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GLOBALIZATION AND COMPETITION

Globalization and Competition explains why some middle-income countries, principally those in Asia, grow fast, while others are not as successful. The author criticizes both old-style developmentalism and the economics of the Washington Consensus. He argues, instead, for a "new developmentalism" or third approach that builds on a national development strategy. This approach differs from the neoliberal strategy that rich nations propose to emerging economies principally on macroeconomic grounds. Developing countries face a key obstacle to growth, namely, the tendency to overvaluate foreign exchange. Instead of neutralizing it, the policy that rich countries promote mistakenly seeks growth through foreign savings, which causes additional appreciation of the national currency and often results in financial crises, rather than genuine investment.

Luiz Carlos Bresser Pereira has taught economics and political theory at the Getulio Vargas Foundation, São Paulo, Brazil, since 1962. More recently, he has also taught at the École des Hautes Études en Sciences Sociales in Paris. Professor Bresser Pereira was minister of finance in the Jose Sarney administration in Brazil (1987) and, with the technical support of two major international banks, framed the proposal on how to solve the foreign debt crisis that formed the basis of the Brady Plan (1989). From 1995 to 1999, he served as Brazil's minister of public administration and reform of the state and minister of science and technology. In addition to numerous titles in Portuguese, Professor Bresser Pereira's works in English include *Development and Crisis in Brazil* (1984), *The Theory of Inertial Inflation* (1987), *Economic Reforms in New Democracies* (Cambridge University Press, 1993, with Jose Maria Maravall and Adam Przeworski), *Democracy and Public Management Reform* (2004), and *Developing Brazil* (2009).

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LUIZ CARLOS BRESSER PEREIRA
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