

# Technology use in a foreign country research paper sample

[Politics](#)



## **The country of choice**

Brazil is the country of choice for foreign investment. According to A. T Kearney consultancy, Brazil is ranked as the third most attractive country for foreign investment in the world. The other best countries include China, India and Poland. Brazil is the 7th largest economy in the world. It has stable political environment and has attained maturity in its institutions. The information technology infrastructure of Brazil is ranked 4th in the world with a turnover of \$233 billion in 2012 . Brazil is a country that has shown positive growth since 2002 because of the increased demand for commodities. 2002 was the year which Brazil recorded an increase in semi-manufactured exports by 23 per cent. There are many reasons why Brazil was selected as the best choice for foreign investment. Among those reasons include the good political environment, increase in global demand for products from this country, good foreign investment incentives (Haber, 1997).

## **History**

Brazil was colonized by the Portuguese. The royal family of Brazil ruled Rio De Janeiro after running away from the Napoleon army in 1808. The country was declared independent in 1822 September (Banerjee & Iyer, 2002). It was then ruled by the emperor until 1889 when the Federal republic was established. Constitutionally democratic government ruled Brazil from 1889 to 1930 with a President. There was a military coup in which led to dictatorial leadership until 1945. Brazil came back to democratic leadership in 1961. This is the only country that speaks Portuguese in America. Brazil is a Christian country with 80% of the population being Roman Catholic Church

followers while others practise African-American religions or they are Protestants (Root & Ahmed, 1979).

Brazil is a country with rich economic history because of the important resources it has. During early colonial years, Brazil was known for its timber export activities. Sugarcane becomes another important commodity in Brazil during the 16th and 17th centuries. In 18th century important mineral deposits such as the gold and silver were discovered. There were also gems such as diamond and emeralds (Wheeler, & Mody, 1992). The best part of Brazil was in 19th century when it discovered the export of coffee as an important economic activity. Brazil attained the levels of modern economic growth in 1930's after industrialization during the First World War. Brazil realized its first steel plant in 1940's in Rio de Janeiro (Wheeler, & Mody, 1992).

The import sector of Brazil has grown rapidly since the industrialization in 1950's. Some of the key imports for Brazil in this period up to 1970's were the automobiles, petrochemicals and steel (Marcovaldi & Marcovaldi, 1999). After the Second World War, Brazil has registered an increased Gross national Production GNP in the world. There has been huge cash inflow in the infrastructure investments where state sectors were based in this area. There was an annual increase in Gross Domestic Growth of 8.5 per cent annually from 1970 to 1980 (Mulder, 1999).

In 1980's, Brazil implemented strict rules on importation which negatively affected economic growth. This was because of the visible rise in the US interest rates that increased the rates of the world economy. There were also suspension inflows which affected the economic growth of Brazil. This

crisis provided Brazil with an opportunity to reform its economic sector (Navarra & Cornford, 2005). This is because the country was engaged in strict regulations on the products manufactured abroad. There was liberalization, privatization, and deregulation and embarked on legal frameworks that will promote foreign investment.

The country realized more changes in the economic regulation such as removing of monopoly to provide equal competitive environment for business ventures, reducing of restrictions to starting a business and subsidies for service and goods. All the reforms were to adhere to the World Trade Organization WTO.

The Real Plan developed and implemented after 1994 ensured that inflation was reduced. The currency of the country was also replaced under the real plan which ended the long time inflation in Brazil. Since the country realized a stable currency, there has been no artificial method to control the prices of the product. The purchasing power of the currency has grown hence reduction of poverty.

## **Governmental structure**

The current government systems of Brazil is federal system of government. It is a presidential and federative republic with Brasilia as the capital city of the country. The government is composed of the Executive, Legislature, and the Judiciary. The president is directly elected by the voters who are the citizens of Brazil (Marcovaldi, & Dei Marcovaldi, 1999). The country has a constitution, National flag and the National Anthem. The president is the top most political leader. There is a good political environment in Brazil which has resulted into economic performance globally. The political stability is

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also a reason for Brazil being ranked as most attractive nation for foreign investment. The government also has implemented the e-government services where it serves its people using online systems (Marcovaldi, & Dei Marcovaldi, 1999).

## **Past and current IT issues**

The countries in the Latin America started the 21st century with plans on ICT growth in public sectors. There were initiatives to digitize most of the government documents and offer e-government solutions (Rabelo, Gusmeroli, Arana & Nagellen, 2006). However, many of the Latin America countries are ranked globally on the 50th position and above on e-government implementation. World economic forum 2013 positions Brazil on position 60 globally on network readiness.

## **Current Use of Information Systems**

Brazil has improved infrastructure just like any sound economy in the world. The infrastructure is based on the IT-BPO industry which has facilitated the growth of the economy. Brazil has what is being referred to as world class infrastructure that has highly globalized the market when it comes to IT-BPO sector. There is also a mature IT business related regulation and practices that offer any company a conducive environment. The basic infrastructure of Brazil is undergoing radical changes based in the program known as Program Accelerated Growth (PAC) launched in 2007. This program was launched in 2007 by the federal government with a projection of \$273 billion in energy, logistics, social and urban infrastructure investment by the private and public sectors (Wheeler & Mody, 1992).

Technology Parks Brazil has resulted into growth and maturity of the technology parks since 2000. The main objective of technology parks is to invest more in the development and growth. Education has been seen as an active component in the technology park, each park has at least one education centre. Currently there are 30 technology parks in Brazil in which most of these are operational while others are still under constructions. The centres form a value chain connection with key economic components such as IT firms, universities, research institutes and service firms. The government and the business sectors are established in the parks to offer quality services to the customers (Marcovaldi, & Dei Marcovaldi, 1999).

Telecommunication industry is another sector that spread its services throughout Brazil and they are growing rapidly. Gartner asserts that Brazil has the capacity and telecommunication infrastructure to support the double digit growth of the ICT services. There are fibre optic networks has covered the major cities of the country. The fibre has connected cities internally and with other countries which offer high speed internet connection. There is a rapid growth in the broadband sector which is reported to have doubled from 2005 to 2008 and continues to grow daily (Besley & Burgess, (2004).

According to Point Topic of British, Brazil is in the 9th position worldwide when it comes to broadband connections. There is a huge growth in the Brazil's mobile industry with over 121 million handsets distributed. It is ranked in the 5th position globally when it comes to mobile telephone market while it is in the 4th position for fixed-telephony market globally.

According to the Economist Intelligence Unit, Brazil is viewed as a country in Latin America to have IT-BPO infrastructure. This is based on research that

considered issues such as cost on hardware, software and IT services not forgetting the computers and broadband connections (Rabelo et al., 2006). The road network and transportation system of Brazil is in sound condition in most of the areas. The country has road system of 1.6 million kilometres that are in good condition and serves the whole country. There is also water transport system in Brazil which is key in Agriculture sector. There are about 34 international airports that are of high capacity with 33 domestic ones. There are direct flight services which connect to many cities in North America and Europe. There are improved postal services where letters and packages are delivered within time. This is also because of the good condition of road transport systems. The major international players in Brazil transport sector include UPS, DHL and FedEx in the postal services (Camarinha-Matos, 2005).

#### (20) Current view of green and sustainable technology

Brazil is one of the countries that is sensitive on sustainable environment. There are many government projects that are initiated to ensure that the country responds to the environmental changes. Green and sustainable technology such as energy and housing infrastructure are the key priority of the country. After the rapid development of the infrastructure and investment in development, many were concerned about sustainability of Brazil. However, there are plans that the government of Brazil has set out to remain 'green' and sustainable. Development of ethanol fuel vehicles and emphasizing on bio-fuel industry is the main focus of the country (Mulder, 1999). The country is focusing on its development agenda on 1992 Rio sustainable development principles which highlight the need for economic

growth being combined with environmental and social sustainability. The housing sector also has encouraged the use of low energy materials that are efficient in the constructions of houses that will not impact on the global environment (Besley, & Burgess, 2004).

This means that Information systems are going to use energy that is generated from methods that are sustainable and friendly to the environment.

## **Evaluation and Recommendations**

The company will be sustainable and succeed in Brazil because it is a country with attractive direct foreign investment. The company will be able to capitalize on the social diversity and political stability to establish and grow. IT and information system is something that is still under development state in Brazil. This is because there are a lot of services and solution to be offered in the IT sector.

Brazil is the largest country in South America and the fifth largest country in the world. It is a multi-ethnic society with huge wildlife diversity, wide range of natural resources and natural environment. According to the 2008 statistics, Brazil had Gross Domestic Product of \$1. 993 trillion (Navarra, & Cornford, 2005). It has huge labour force which means that there is diversity of talents and skills to employ. When there are many skilled people, the level of current expenditure is reduced because instead of importing labour local labour force can be cheaply sourced (Bengoa, & Sanchez-Robles, 2003).

It is recommended that the company should enter into a joint venture with a local company in order to have an upper hand in the market. Having a strategic alliance or partnership of any nature with the local company will



ensure that the company gets high priority in the tendering process. There is a political will to provide a conducive environment for sustainable investment by the foreign companies. There is also enough IT infrastructure that will enable the company to start up without the need to import all of its technology services. There is mature IT-BPO infrastructure with the technology park which means there is enough manpower for the company to start off (Banerjee, & Iyer, 2002).

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