

ABSTRACT

This thesis analyzes the economic and taxation policies of the Japanese Government during the rapid economic growth era (1955-73) and the Brazilian economy in the 1990s. The democratic reforms of the Supreme Commander of the Allied Powers (SCAP) after World War II are also being covered, being fundamental prerequisites for Japan's rapid industrialization.

Lessons are drawn from the Japanese experience that can be applicable in the case of a developing country like Brazil. Special attention is given to the study of Brazil and Japan's tax policies.

The thesis concludes that the Brazilian tax system is unfair and inefficient, it hinders economic growth and promotes income inequality. Taking into account peculiarities of the country and the present tax structure, a proposition for tax reform is made.

As for other policies, the conclusion is that Brazil needs a new development pattern that leads to a self-sustained growth. An industrial policy that promotes competitiveness of domestic industries, enhances the domestic market and equilibrates the balance of payments is urged.