

# **The Development Process of the Production and Distribution Systems and Agro-industry Complexes (CAIs) in Brazilian Agriculture**

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The purpose of this dissertation for a doctorate is to show the development of agricultural sector has been encouraged through enforcing the dependence on Transnational Agribusiness since the middle of the 1960s.

The first point is to demonstrate Brazilian agricultural sector transformed from a disarticulated into an articulated structure by Agro-industry Complexes (Complexeos Agroindustriais: CAIs). This means a "dependent development", where the dependency is compatible with development, not underdevelopment economies whose feature is the lack of domestic market. Furthermore, the development of CAIs has built a mass production and mass consumption systems and caused a change of the class structure in Brazilian agriculture society. Small and middle class farmers in southern Brazil were one of the leaders and were sufficiently able to compete with the big farmers in the cerrado.

The second point is to show the high value added production and distribution system, which is built up for corresponding with the diversified needs of present consumers, means new type of the economic development process. The changing production and distribution system from mass to high value added enforces the dependence on Transnational Agribusiness and connotes the new routes of value transfer from the agricultural producer to Agribusiness. As a result, producers must pursue much more scale merit to survive as a producer and are marginalized. However, the high value added production and distribution system promotes the segmentation of the market and creates niche markets. So if the producer can get the competitive advantage at specific markets such as organic markets, the small scale producer can survive without scale expansion.