

Congress for approval an economic and social development program and a three year budget, which together spell out in general terms the government's action program through 1974. Individual sector action programs are expected to follow. The development program, which contains no surprises, seeks continued growth of GNP at an 8 to 10 percent annual rate, an increase in employment at a slightly faster rate than the estimated 2.9 percent annual rate of population growth, national integration through the Transamazon (PIN) program and the fiscal incentives and PROTERRA programs benefitting the north and northeast, and improvement in income distribution. Brazil will continue oriented toward an internal market economy and will seek increasingly closer ties to the world economy as a way to faster growth. The pluri-annual budget for the 1971-74 period for the first time includes both current and capital expenditures and budgets of autonomous agencies receiving transfers from the Federal Government. Federal Government expenditures, including transfers to autonomous agencies but excluding their internally generated funds, are budgeted at CR\$32.2 billion (about \$5 billion) in 1972, CR\$34.2 billion in 1973 and CR\$36.2 billion in 1974, representing increases of about six percent in each of the last two years. Expenditures for education, agriculture, and science and technology are allowed a higher rate of annual increase than other activities. No increase in the tax burden is planned.

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