

SUMMARY

The research aims to analyse the Brazilian coffee consumption in the last two decades.

First of all, we show a historical sight about the performance of the coffee economy, trying to emphasize the more important facts relatives to this subject.

Taking the premise that the coffee internal market is subordinated to the exportation business, we tried to detect the effects of this event in the Industry structure and consumption standard.

It was estimated a Brazilian crushed and toasted coffee demand function, 1960 to 1981 period. It was concluded that the price policy efficacy is diminished to the sector.

Through the demand variables' simulations and industrial data, we foresee that it will persist a down tendency to the consumption and there will be a big competition to take the market share in the industrial sector.