

The Fight against Poverty and Hunger in Brazil

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Brazil suffers from the persistence of two historically related problems: a high percentage of the population lives in poverty—approximately 23 percent in 2007, or around 42 million people—and the level of social inequality is high; the level of income concentration as measured by the Gini index was 0.553 in 2007. Experience has shown that because past economic growth in Brazil did not redistribute income, it was insufficient to create solid domestic markets and to promote the basis for sustainable development. Inequality and poverty are the causes, not the consequences, of the underdevelopment.

The Brazilian government understands that the social agenda is intrinsic to the economic agenda and complementary to it. Without human development and capacity building, it will be impossible to produce a permanent cycle of sustainable growth that can bring benefits in an equitable way to the entire population. Brazil's President Luiz Inácio Lula da Silva considers the fight against poverty and hunger a priority and makes great efforts to overcome these problems, having achieved significant progress since the beginning of his administration.

The Brazilian Strategy

The government's strategy for fighting poverty and hunger is known as Zero Hunger, which creates a basis for promoting food and nutrition security, contributes to the reduction of extreme poverty, and fosters a sense of citizenship among the population most vulnerable to hunger. By integrating social protection measures with those aimed at ensuring a broader set of social rights, this strategy eliminates the false dichotomy between development policies and emergency measures.

The creation of the Ministry of Social Development and Fight against Hunger in 2004 was an important factor in strengthening and articulating social policies in Brazil. This ministry, which is responsible for a budget of US\$14.21 billion in 2009, has implemented two large systems of social policies: one for social assistance and one for food and nutrition security. These systems are composed of a set of programs for poor families that includes conditional cash transfers (CCTs), social assistance services, actions to guarantee the right to proper food and nutrition, and the promotion of sustainable opportunities for social inclusion for these families. These two systems are being expanded and consolidated as public policies that ensure the rights of citizens. They are regulated by laws that assign responsibilities to the three governmental levels in Brazil—national, state, and municipal—working in partnership with civil society.

An Array of Programs to Fight Poverty and Hunger

The main program in Brazil's Zero Hunger initiative is Bolsa Família, a CCT program that promotes improved health care and education for participating families. Bolsa Família benefits around 45 million poor people, providing a basic income to 11.1 million families that earn up to US\$60.00 per capita a month. The program transfers an average of US\$36.00 a month to families, with a maximum benefit of approximately US\$80.00, depending on household income and family characteristics. The calculation of the benefit depends on the number of children. Beginning in 2008, the age limit for children of beneficiary families was extended from 15 to 17 years; as a result, the maximum benefit per family could be as high as US\$80.00 a month. This income helps ensure access to food and other basic goods. In addition to receiving financial resources, families must keep their children in school and pursue an agenda of basic health care (prenatal and child development monitoring, vaccination, and so on). These conditions expand participants' opportunities for social inclusion and help to break the poverty cycle across generations. Participating families benefit from several other government provisions as well, including subsidized electricity and prioritization of participating young people and adults in education programs.

Bolsa Família also increasingly works to promote opportunities for work and income generation for poor people through mechanisms such as professional training, support for social entrepreneurship and family agriculture, and production-oriented microcredit. The budget for the Bolsa Família program is US\$4.95 billion in 2009.

Studies have shown that the Bolsa Família benefit is used mainly to purchase food. Among those served, 9 out of 10 families report improving their eating habits, 7 out of 10 families say that the variety of food they consume has increased, and 9 out of 10 children eat three or more meals a day. Research also shows that the pro-

gram has positive impacts on local and regional economies, creating new opportunities for work and income.

One key factor explaining the success of Bolsa Família is that it works in an integrated fashion with the other programs in both the social assistance and the food and nutrition security systems. The Unified Social Assistance System (SUAS) is implementing a new organizational model for providing social assistance and for managing national social assistance policy in a unified way. It operates at several levels of complexity. An important cash transfer linked to SUAS is the Continuous Cash Benefit, which pays a monthly minimum wage (around US\$190.00) to 2.5 million elderly people and to people with disabilities who cannot work and have a per capita family monthly income of less than US\$47.00. The 2009 budget for the Continuous Cash Benefit program is US\$8 billion. The Reference Center for Social Assistance enrolls families, provides social and psychological guidance, identifies needs, and refers families to other levels within the system. At more complex levels, differentiated centers deal with cases of violation of rights, such as those regarding child labor and sexual exploitation of children and adolescents, and take care of the most vulnerable populations, such as the elderly poor, children, people with disabilities, and the homeless.

The right to adequate food is institutionally ensured by joint action undertaken by the three governmental levels and civil society and enforced by the Organic Law of Food and Nutrition Security. This law, designed in partnership with various groups in Brazilian civil society, called for implementation of the National System of Food and Nutrition Security, which articulates policies to ensure that the population has access to high-quality food at regular times and in adequate quantities. The law requires the state to be involved in food production, commercialization, and storage; in food education; and in guaranteeing access to water and food, among other actions. The law also involves the state in strengthening family agriculture (through financing, technical assistance, and guarantee of purchase); creating local facilities to improve access to food and water (such as restaurants, food banks, community kitchens, and cisterns); setting storage policies; pursuing agrarian reform; establishing and operating school feeding programs; and ensuring that there is healthy food in the marketplace. The policy is monitored by the National Council on Food and Nutrition Security, consisting of 18 ministers of state and 36 representatives of civil society and directly linked to the presidency of the republic.

A Strong Start Calling for Continuous Progress

How well have these efforts worked? The programs that are part of the Zero Hunger strategy have contributed very significantly to the recent drop in poverty and income inequality in Brazil.

Brazil has already achieved the first Millennium Development Goal, which calls for halving extreme poverty by 2015. In 1992, 11.7 percent of the population lived on less than a dollar a day, but by 2006 the percentage had fallen to 4.7 percent. Between 2003 and 2007, poverty levels declined by 33.14 percent. In 2003, 33.96 percent of the population lived below the poverty line, but by 2007 the share was 22.70 percent. Sixteen and a half million people overcame poverty during that period.

Moreover, the Brazilian economy has been growing, benefiting everyone, especially the poor. Brazilians' incomes increased by an average of 9.16 percent from 2005 to 2006. The incomes of the poorest 40 percent increased by an average of 12 percent, whereas the incomes of the richest 10 percent rose by 7.85 percent. Brazil is managing to reduce both poverty and inequality at the same time, with income concentration reaching its lowest level of the past 30 years in 2007.

Nonetheless, the number of families in poverty is still high. According to the *Human Development Report*, in 2006 Brazil was still one of the 10 most unequal countries in the world, despite the improvements achieved. Thus, it is crucial for the country to keep moving in the direction of economic growth with income distribution and social inclusion. Brazil must continue to work to consolidate policies institutionally, to focus on families and territories, to pursue universal human development and strong social protection where necessary, and to ensure food and nutrition security. More must be invested in the poorest regions and people. Such investments will require clear and precise goals, transparency, greater integration among social policies, accountability, and evaluation of the impacts of the programs. Finally, as recent global events have shown, the state has an increasing strategic role in managing, challenging, or alleviating the impacts of globalization.