









Dynamiques démographiques, politiques sociales et relations entre générations : vers de nouvelles configurations ?

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Recent publications of Valéria PERO

AGUAS, MARINA; **PERO, VALÉRIA**; RIBEIRO, EDUARDO. Heterogeneity in the labor market: unemployment and non-participation in Brazil. <u>Economia Aplicada</u> (Impresso), v. 18, p. 355-378, 2014.

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Title of presentation : Poverty, inequality and the conditional cash transfer Bolsa Família program in Brazil

Abstract

Brazil is internationally recognized for its success on the reduction of income poverty rate in the last decade. The good performance of the labor market and the expansion of conditional cash transfer programs, like *Bolsa Família*, were essential for this process. The poverty line to receive the benefit of the program is a household income per capita of R\$140, approximately US\$ 50 per month. The proportion of persons below the poverty line was 27% in 2001 and decline to 10% in 2013, according the PNAD/IBGE. The poverty rate is higher in rural areas, but on the metropolitan areas its reduction was slower. Thus, poverty is becoming more urban and raises new issues if we account for the higher living cost in the metropolitan areas and for the regional inequalities.

The public policies to tackle poverty are very comprehensive and we will emphasize the social policy focused on poor, which is contemplated in the *Brasil sem Miséria* Plan launched in 2011. It is composed by three axes: (i) income guarantee and social protection, basically introducing a new benefit on *Bolsa Família* to guarantee to all families a *per capita* income equal to the extreme poverty line; (ii) productive inclusion, with a set of strategies to create employment opportunities and enable the poor to enjoy them; (ii) improving access to public services, like the *Mais Educação* program which is implementing full-time education in schools with a large proportion of *Bolsa Família*'s beneficiaries.

The *Bolsa Família* program growth was significant: in 2004, when it started, the total resource was R\$ 3.8 billion, transfered to 6.6 millions of families; in 2013, the government expenditure with Bolsa Família were R\$ 24.9 billion (current values), that benefited more than 14 millions of families. Moreover, as we have mentioned, the poverty index fell a lot in the 2000s. If, on the one hand, the labour market evolution was crucial for this result, the Bolsa Família played an important role too. Nevertheless, the amount allocated to the program is still small: only around 0.5% of Brazil's GNP, and less than 3% of the total federal government expenditure. These numbers reflect the adoption of low extreme poverty and poverty lines and the granting of relatively small benefits.

Therefore, the analysis will present the evolution of socio-economic indicators in the first decade of the second millennium in Brazil, considering the changes in the poverty profile and in the conditional cash transfer program, *Bolsa Família*, under *Brasil sem Miséria* plan. The main objective is to contribute to the debate on tackling poverty pointing out the potential and the limits of the Brazilian experience.