



# Brazil

Area	8,547,403 km <sup>2</sup>
Population <sup>i</sup>	191,971,506
Age structure	
• 0-14 years (%)	26.4
• 15-64 years (%)	67.1
• 65 years and over (%)	6.6
Infant mortality rate (per 1,000 live births) both sexes <sup>ii</sup>	18
Life expectancy at birth (years) female	76.2
Life expectancy at birth (years) male	68.8
Maternal mortality ratio (per 100,000 live births) <sup>iii</sup>	110
GDP per capita	
• Current USD <sup>iv</sup>	8,205
• PPP (current international \$) <sup>v</sup>	10,296
• Constant local currency	8,136
Unemployment rate (%)	7.3
Human development index (HDI) rank <sup>vi</sup>	75
HDI poverty indicators – Human poverty index rank	43

# Broadening Social Protection and Integrating Social Policies

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Brazil

*Rômulo Paes-Sousa**Aline Ribeiro Dantas de Teixeira Soares**Fernando Kleiman*

## Summary

- Coordinated programmes from 19 ministries as well as partnership with civil society;
- Introduced the food and nutrition-security issue into the public policy agenda (Brazil and abroad);
- Aims at ensuring the production, availability and regular access to adequate food for everyone.

## Component

## Main Federal Programmes

### Access to food

- Conditional cash transfer: Bolsa Família (Family Grant) Programme;
- Food and nutrition programmes: food at school (National School Meals Programme (Programa Nacional de Alimentação Escolar), food for indigenous and specific population groups, rainwater cisterns, community restaurants, food banks, urban community agriculture, food and nutrition monitoring, distribution of vitamin and mineral supplements, nutrition education programmes;
- Tax incentives: Worker Food Programme (Programa de Alimentação, PAT);
- Tax reduction: lower prices for basic foods (basic food basket).

### Income-generation

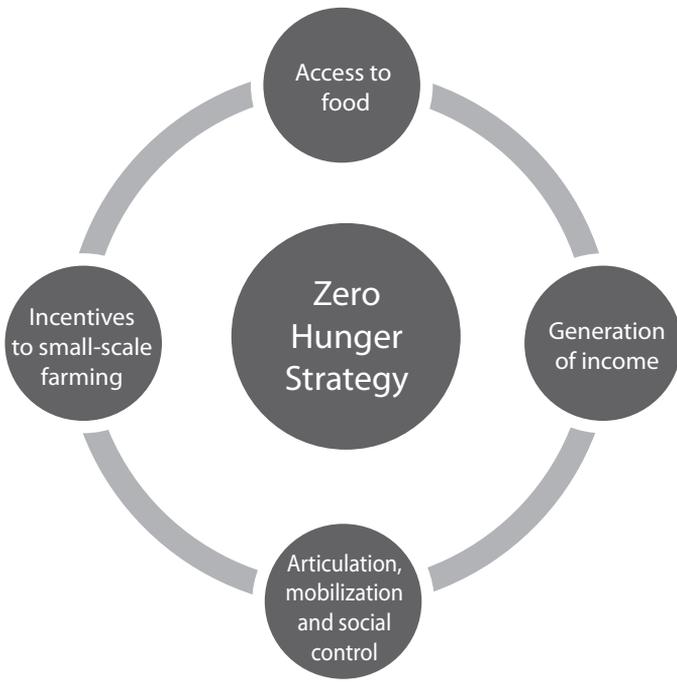
- Social and professional training;
- Solidarity-based economy and productive inclusion;
- Food security and local development consortium (Consórcio de Segurança Alimentar e Desenvolvimento Local, CONSAD);
- Community productive arrangements;
- Development of cooperatives of recyclable material collectors;
- Production-oriented microcredit programmes.

### Partnership promotion and civil society mobilization

- Social assistance reference facilities (Centro de referência e assistência social, CRAS);
- Social mobilization and education for citizenship;
- Capacity-building for public and social agents;
- Campaigns and donations;
- Partnership with private sector and NGOs;
- Social Development Councils.

**Summary (cont'd.)**

Component	Main Federal Programmes
Incentives to small-scale farming	<ul style="list-style-type: none"> <li>• National Programme for Enhancing Small-scale Farming (Programa Nacional de Fortalecimento da Agricultura Familiar, PRONAF);</li> <li>• Harvest insurance;</li> <li>• Small-scale farming insurance;</li> <li>• Small-scale Farm Production Purchasing Programme (Programa de Aquisição de Alimentos, PAA).</li> </ul>



**Information on the Authors**

*Rômulo Paes-Sousa*, Vice Minister of Social Development and Fight against Hunger; PhD in Epidemiology from the London School of Hygiene and Tropical Medicine, University of London.

*Aline Ribeiro Dantas de Teixeira Soares*, Chief of Staff to the Vice Minister of the Ministry of Social Development and Fight against Hunger; MSc in Education from the University of Brasilia.

*Fernando Kleiman*, Adviser to the Vice Minister of the Ministry of Social Development and Fight against Hunger; MSc in Sociology from the University of Brasilia.

## INTRODUCTION

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Social protection policies in Brazil should be analysed over a long-term trajectory that explains not only much of the success achieved but also some of the challenges to be faced. This case study aims to describe this trajectory with respect to the consolidation of a social protection system in Brazil, including the achievement of some results as well as challenges to be dealt with in the near future. First there is a short description of the process through which social policies have become effective rights to be provided by the State. Then, in order to understand the dimension and complexity of the Brazilian social protection network, the role, policies and programmes of the Ministry of Social Development and Fight against Hunger (Ministério de Desenvolvimento Social e Combate à Fome, MDS) are discussed, including the efforts to integrate benefits and services, which are provided in a systemic approach. This is followed by an analysis of the most significant recent results and, finally, a discussion of the necessary steps towards the consolidation of these policies as an integrated social protection network.

## SOCIAL POLICIES

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Brazil, a country with a population of 190 million, occupies more than 50 per cent

of South America. Per capita gross domestic product (GDP) is around US\$10,296 (PPP) (World Bank, 2009), and the country has been experiencing a period of economic stability and growth. Despite recent improvements regarding the reduction of socio-economic inequalities, 30 million people are still poor and 8.9 million are extremely poor,<sup>1</sup> making Brazil one of the most socio-economically unequal countries in the world. Besides historical inequity, Brazil accumulated two decades of comparatively low average growth rates (1990s to the beginning of the 2000s) as compared to the index on population increase.

From a historical perspective, a more structured, articulated framework of social policies, relating overall to the formal labour market, dates back to the 1930s although there were some isolated initiatives on social protection in Brazil earlier than that. In the 1930s, a social dimension of the State emerged as part of a populist policy framework implemented by a dictatorial mandate. At first, such concessions were restricted to certain organized urban workers; however, throughout the decades, there was progressive incorporation of new labour segments.

For more than half a century, most of the advances towards the consolidation of a social protection system were only incremental and restricted to the field of contributive participation in social security.

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<sup>1</sup>MDG Report, Brazil, 2010; poverty line based on the minimum wage; thus, extreme poverty stands for incomes below one quarter of the monthly minimum wage.

Other social protection initiatives were undertaken by private institutions, with donations to charity and largely known forms of social help. In this sense, there was a weak, fragmentary social protection system in which the Catholic Church influenced groups that prevailed over State action.

It was with the discussion and approval of the Constitution in 1988 that a new landmark point was established as a universalized social security model came to life that was grounded in citizenship rights. After the Brazilian military dictatorship in the 1970s, many different citizen groups and grass-roots movements gained space in the public arena and brought their issues to the country's agenda. Thus, a social security system based on the pillars of social insurance, health and assistance was established in a very propitious environment.

Nevertheless, many of the rights brought up by the Constitutional text were approved with legally conditioned disposals, which still had to undergo regulation in order to become effective. Even with the broadening of fields and groups that were now enabled to access these rights, a large part of the population still remained excluded from social protection policies.

Even so, it is important to state that the Constitution of 1988 launched a new paradigm in the field of social security in Brazil. After its approval, there has been considerable evolution regarding its implementation, especially over the last several years, owing to the political will

of President Lula.

The institutional design foreseen in the Constitution became a reality in the early 1990s and, as a consequence, the implementation of the new Constitutional rules strongly changed the design and operational structures of the social protection scheme in Brazil. With respect to the implementation of health and social assistance policies at the sub-federal level, 27 State governments (including the Federal District) and more than 5,500 municipalities played important roles in the accommodation of new structures to support some public policies that can be seen as the seeds of the current Brazilian social protection system. This is the case even though the same design does not seem to apply to social insurance, which, throughout, has been centralized in design and operation. However, the process of decentralization included a great deal of fragmentation, and, as a consequence, the lack of coordination among different government levels made it virtually impossible to build a holistic, effective social protection system.

## **THE MINISTRY OF SOCIAL DEVELOPMENT AND FIGHT AGAINST HUNGER**

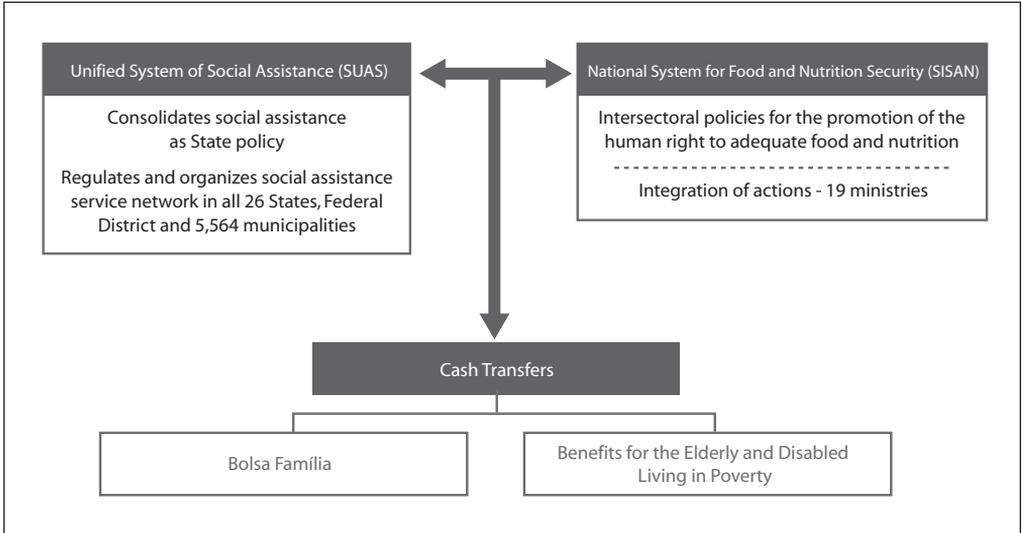
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In January 2004, the government of President Lula decided to promote a new social agenda integrating non-contributive social protection policies for the poor/vulnerable population. It did so in order to enhance the articulation and coordination of actions in three fields:

social assistance, food and nutrition security, and conditional cash transfers. Thus, since its inauguration in 2004, the Ministry of Social Development and Fight against Hunger has played an important role in broadening social pro-

tection and integrating social policies and their contribution to the reduction of poverty and inequality in Brazil (fig. 1). Nowadays, social protection is important not only to guarantee social rights but also to foster economic performance.

**Figure 1** | Areas encompassed by the Ministry of Social Development and Fight against Hunger.

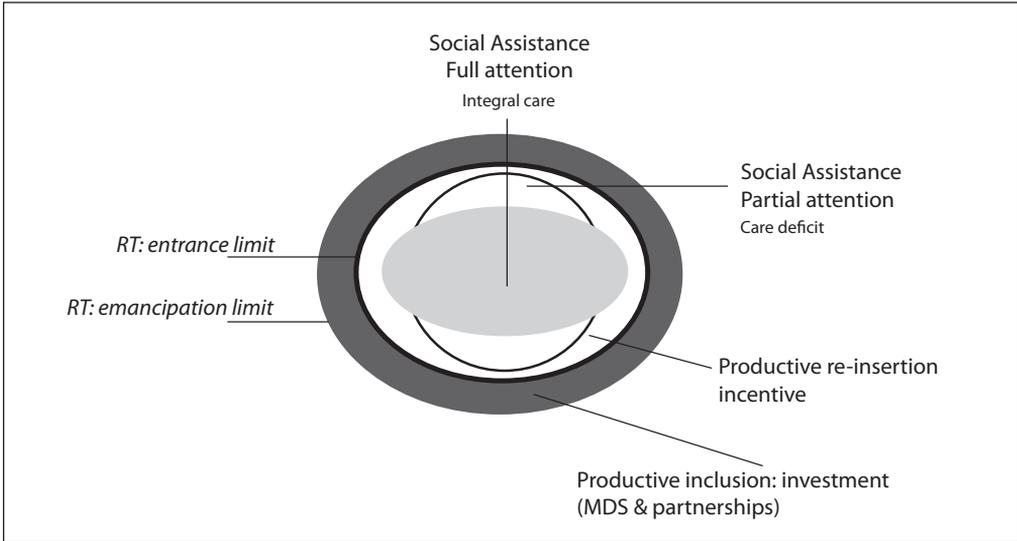


Source: Ministry of Social Development and Fight against Hunger, 2010.

In spite of the legal configuration of the social protection system, which comprises contributive and non-contributive policies (social insurance: contributive pensions; health: Unified National Health System and Social Assistance), the Ministry of Social Development and Fight against Hunger (MDS) is in charge only of the latter. Therefore, areas of the Ministry encompass productive inclusion policies and the conditional cash-transfer programme (Bolsa Família, or Family Grant) in its updated format. They also include previously conceived public policy systems: the Unified System of Social

Assistance (Sistema Único de Assistência Social, SUAS) and the National System for Food and Nutrition Security (Sistema Nacional de Segurança Alimentar e Nutricional, SISAN). The execution of most of these public policies is decentralized in cooperation with State governments and municipalities. The target populations reached by these policies and programmes are shown in figure 2.

In figure 2, there are two elliptical shapes that represent the population living in extreme poverty. The light grey ellipsis in the centre stands for the part of the population comprised of the whole

**Figure 2** | Logical framework: access of poor and extremely poor populations to MDS programmes.

Source: Paes-Sousa, R., 2009, p. 390.

portfolio of MDS programmes. The round white shape represents the segment of the population whose access is still partial due to deficits of coverage concerning certain social assistance services. The white oval area (indicated by the words "Productive re-insertion incentive") stands for the poor target population, whose demand for social assistance is lower. In this case, although access to cash-transfer policies is comprehensive, it is necessary to provide access to governmental programmes of productive inclusion, housing, health and high-quality education.

The black oval line stands for the entrance limit (criteria based on income and vulnerability) to cash-transfer programmes and the external line shows the population at risk of impoverishment. As a consequence, there is demand, repre-

sented by the dark grey (outermost oval) area, for anti-poverty policies, such as incentives for family farming. Conditional cash-transfer beneficiaries also need this type of support since, after some permanence in the programme, there seem to be slight increases in family income, which could possibly make the families ineligible for the benefit. Owing to such cases of vulnerability and instability, there must be specific policies to promote sustainability and empowerment to counter unfavourable economic environments.

### UNIFIED SYSTEM OF SOCIAL ASSISTANCE

For decades and before the conception of a systemic model, the social assistance policy consisted of various types of facilities and initiatives developed around the country in a complementary, compensatory fash-

ion. In this sense, much of the work was done without consistent planning or a national project for broad coverage since municipalities, State governments and private actors organized their activities according to emerging needs and demands. As a consequence, these dispersed actions resulted in a fragmentary sector that operated policies at times classified as palliative assistencialism (Sposati, 2009). It was still necessary to build and strengthen a conceptual model in which a universalized social protection system would enable the articulation among the policies and actors.

With the 1988 Constitution, these initiatives were to be integrated into a national social assistance policy. Thereupon, many legislative actions focused on institutionalizing social assistance, especially the Organic Law of Social Assistance (Lei Orgânica de Assistência Social, LOAS), enacted in 1993. This specific law established the competencies of the federal, State and municipal levels regarding the implementation of a participatory, democratic management model and compliance with standards for social assistance benefits and services. This landmark, along with the ongoing experience of the Unified National Health System, was seminal to the decision to build a unified system of social assistance.

In 2004, there were intensive negotiation and social mobilization towards the consolidation of a national policy document, the National Social Assistance

Policy (Política Nacional de Assistência Social, PNAS). This discussion acted as a catalyst for the National Council for Social Assistance (CNAS), empowered by the new political perspectives, to approve a resolution establishing the Unified System of Social Assistance (SUAS) in 2005.

The whole process was a big step from the perspective of creating public structures for planning and executing the Constitutional obligation of protecting poor people through a holistic system of social protection. As a result, the system has consolidated social assistance as a State policy towards the guarantee of social rights.

Nowadays, social assistance services are organized and provided according to different levels of complexity, especially in public facilities where reference and counter-reference (Social Assistance Reference Centre (Centro de Referência de Assistência Social, CRAS) and Specialized Social Assistance Reference Centre (Centro de Referência Especializado de Assistência Social, CREAS)) enable the development of programmes and projects, as shown in table 1.

## **NATIONAL SYSTEM FOR FOOD AND NUTRITION SECURITY**

The implementation of the National System for Food and Nutrition Security (SISAN) started much before its legal establishment in 2006. In other words, about two decades of social mobilization

**Table 1** | Levels of complexity of social assistance: Services and facilities.

Social Assistance Services	
Basic Social Protection	Special Social Protection
<ul style="list-style-type: none"> <li>• Social Assistance Reference Centre (CRAS)               <ul style="list-style-type: none"> <li>- In 2010, 3,919 CRASs co-financed by MDS in 3,187 municipalities (70% of Brazilian municipalities);</li> </ul> </li> <li>• Comprehensive Family Care Programme (Programa de Atenção Integral à Família, PAIF);</li> <li>• Socioeducational Services for Adolescents (ProJovem Adolescente);</li> <li>• Entrance door into the social protection network of SUAS.</li> </ul>	<ul style="list-style-type: none"> <li>• Specialized Social Assistance Reference Centre (CREAS)               <ul style="list-style-type: none"> <li>- 2010: 1,235 CREASs in 1,014 municipalities;</li> </ul> </li> <li>• Protection and specialized attention to families and individuals;</li> <li>• Child Labour Eradication Programme (Programa de Erradicação do Trabalho Infantil, PETI);</li> <li>• Programme for Fighting Sexual Exploitation of Children and Adolescents;</li> <li>• Social protection services to victims of violence, mistreatment and other violations of rights.</li> </ul>
<p>Source: National Secretariat for Social Assistance (SNAS)/MDS, Brazil, 2010.</p>	

for an effective system of food and nutrition security were necessary before the reactivation of the National Council on Food and Nutrition Security (Conselho Nacional de Segurança Alimentar e Nutricional, CONSEA) and the Federal Law on Food and Nutrition Security became a reality.

The development of the system (SISAN) aims at promoting the human right to adequate food through the intersectorality of actions, public programmes and policies besides the articulation of social participation, with repercussions at the State and municipal levels.

Regarding the participation of MDS in

the implementation of the National Policy on Food and Nutrition Security, among other actions, it is worth mentioning:

- local public facilities to provide access to food and water by the low-income population (popular restaurants, food banks, community kitchens, cisterns);
- policies for food supply, land reform, school meals, nutrition education, etc.; and
- policies for the strengthening of family farming and agriculture (financing, technical assistance and guaranteed government purchase).

With the approval of a new Constitutional amendment in February 2010, the right to adequate food is part of the catalogue of fundamental guarantees, which reinforces the role of the State in strengthening the mechanisms and resources necessary to ensure food and nutrition security in Brazil.

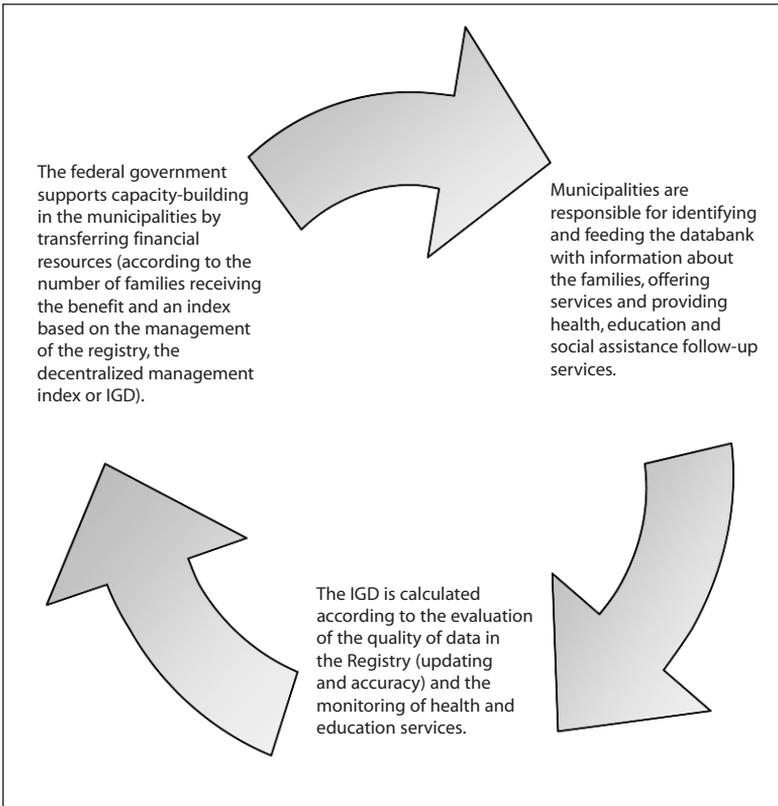
**CASH-TRANSFER PROGRAMMES**

***Bolsa Família Programme***

The Bolsa Família (Family Grant) programme is a conditional cash-transfer programme that was launched in October 2003 and instituted by federal law. Its main objectives are to transfer income to

the poorest families so as to combat hunger and poverty as well as to promote these families' access to health, education and social-welfare public services.

Over the last several years, the Bolsa Família programme has turned out to be one of the most important strategic axes for the integration of policies and actions that are part of the Brazilian social protection network (fig. 3). The Unified Registry for Social Programmes of the Federal Government (Cadastro Único para Programas Sociais do Governo Federal, CadÚnico) is an articulated set of procedures, techniques and capacities for registering and updating socio-



**Figure 3 |**  
**Bolsa Família:**  
 Roles and responsibilities in the operation of the Unified Registry for Social Programmes of the Federal Government (CadÚnico).

Source: National Secretariat for Citizen Income (SENARC)/Ministry of Social Development and Fight against Hunger (MDS), Brazil, 2010.

economic information about families in poverty. It contains the database on families earning no more than half the Brazilian minimum wage per capita.

The purpose of the Unified Registry is to ensure that socio-economic data about the poor and extremely poor families are collected and fine-tuned by the municipalities so that the identification of poverty pockets and territorial challenges is used as a guideline for planning, implementing and monitoring public policies. It also enables support for the integration and articulation of other social programmes with Bolsa Família, aiming at the development of family capacities. Furthermore, through the construction of multidimensional indexes, it has been possible to measure poverty and vulnerability, pointing to target families eligible for social assistance follow-up.

Nowadays, families with per capita income below US\$80 – totalling around 12.4 million poor families (almost 50 million people) – have benefited in all 5,564 Brazilian municipalities. The Bolsa Família programme is notable for its low operating costs (only 5 per cent of the programme budget): expenditure in 2010 reached US\$7.7 billion (0.4 per cent of the GDP).

Besides income, some additional criteria have been defined in order to focus on certain features that may increase the vulnerability of the families, such as the number of children and youths between 16 and 17 years of age, who tend to drop out of school in order to work and support the families.

The choice of conditionalities attached to a cash-transfer programme is, above

**Table 2** | Bolsa Família: Criteria for calculating benefits (US\$1~R\$1.7).

Type of Benefit	Amount	Criteria
Basic	US\$68	Families with per capita income up to US\$41; not attached to number of children, adolescents and youths.
Adjustable	US\$12.90	Families with per capita income up to US\$82.30; limited to 3 adjustable benefits for children or adolescents (younger than 15 years of age).
Adjustable for youths	US\$19.40	Families with per capita income up to US\$82.30; limited to 2 benefits for youths between 16 and 17 years of age who are attending school.

- The amount per family varies from US\$12.90 to US\$117.60 depending on family size and poverty level.
- The average monthly benefit paid to families is US\$54.

Source: National Secretariat for Social Assistance (SNAS)/MDS, Brazil, 2010.

all, a way to reinforce basic rights, such as education, health and social assistance services. The monitoring of these conditionalities enables an effective process of tracking down the most vulnerable fami-

lies, which should have follow-up priority. It is also seen as a means of reinforcing the importance of sharing responsibility between the families and the State.

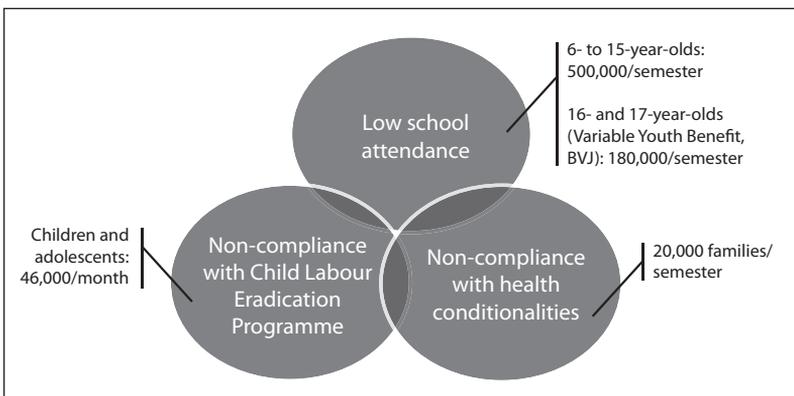
**Table 3** | Conditionalities monitored by the Bolsa Família programme.

Area	Conditionality	Target
Health	Following vaccination calendar, children’s growth and development	Children under 7 years of age
	Pre-birth and nursing health care	Pregnant women and nursing mothers
Education	School registration and monthly attendance (minimum 85%)	Children and teenagers between ages 6 and 15
	School registration and monthly attendance (minimum 75%)	16- and 17-year-olds
Social protection	Socio-educational and community activities (Child Labour Eradication Programme)	Children up to 15 years of age

*Source: National Secretariat for Citizen Income (SENARC)/MDS, Brazil, 2009.*

Monitoring conditionalities is an intersectoral responsibility shared by the Ministries of Health, Education and Social Development. This process

involves a great deal of articulation and mobilization both vertically and horizontally. When non-compliance with conditionalities is found (fig. 4), it is mostly



**Figure 4** | Families meeting priority criteria for follow-up services.

*Source: National Secretariat for Citizen Income (SENARC)/MDS, 2010.*

interpreted by federal and local authorities as a sign that a family may be at risk or in need of additional social assistance services. The consequences for non-compliance with conditionalities are gradual, beginning with a “warning” followed by blockage, suspension and finally cancellation of benefits.

Emphasis has been put on the development of strategies to strengthen the articulation among social protection services and benefits in order to overcome situations of vulnerability and risk. In this sense, the Protocol for Integrated Management of Services, Benefits and Cash Transfers aims to provide social assistance follow-up services to beneficiaries of the Bolsa Família and the Benefit for the Elderly and Disabled in Poverty or Continuous Cash Benefit (Benefício de Prestação Continuada, BPC). Thus, whether there is non-compliance with conditionalities of the Bolsa Família programme or with the Child Labour Eradication Programme, for instance, the focus should be on diagnosing and treating the cause of vulnerability so as to break the intergenerational cycle of poverty and violation of rights.

### ***Benefit for the Elderly and Disabled in Poverty***

The Benefit for the Elderly and Disabled in Poverty or Continuous Cash Benefit (BPC) is a Constitutional right under the Social Assistance Policy included in the Unified System of Social Assistance. It is a poverty-targeted, non-contributive pension aimed at guaranteeing income

security for the elderly (over 65 years of age) and for the disabled, at any age, who are not capable of living independently or working.

Beneficiaries who fulfil the criteria are granted a monthly minimum wage (US\$283). From 2003 to 2009, coverage was extended to about 80 per cent of those qualifying for it. Nowadays, beneficiaries total 1.6 million elderly and 1.8 million persons with disabilities, in both cases belonging to poor families with a monthly per capita income lower than one fourth of the minimum wage (US\$66).

In 2010, the budget provided for the Continuous Cash Benefit (BPC) was US\$12 billion, representing 0.6 per cent of Brazilian GDP.

## **RECENT RESULTS REGARDING THE SOCIAL PROTECTION SYSTEM**

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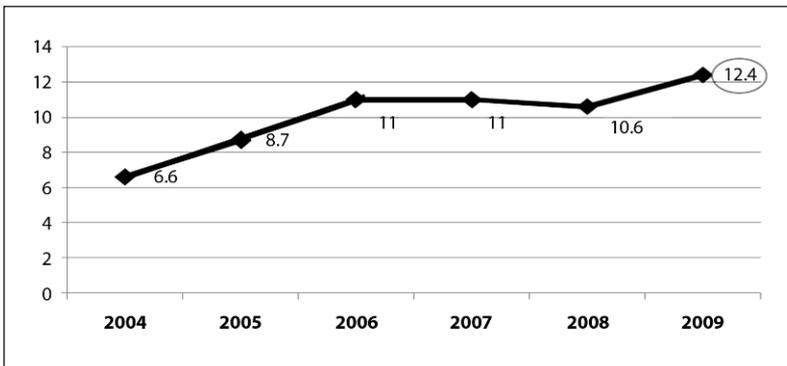
In evaluating the results of benefits and services, it is necessary to note that, while the measurement of the impact of cash transfers can be done by monitoring standard statistics and well-known variables, the same objectivity does not apply to the evaluation of services. Since there are no such known standards or acknowledged measures for services, it becomes somewhat more difficult to make comparisons. It is also early to measure the impact of these services since the implementation of massive coverage and quality standards is still in progress.

What can be said is that the social protection network, consolidated by the programmes described earlier, has had powerful effects regarding poverty reduction and food security for poor families in Brazil. Moreover, these results seem to be even more robust when the focus is on the impact of cash-transfer actions.

In this sense, the expansion of Bolsa Família (graph 1) and the Continuous

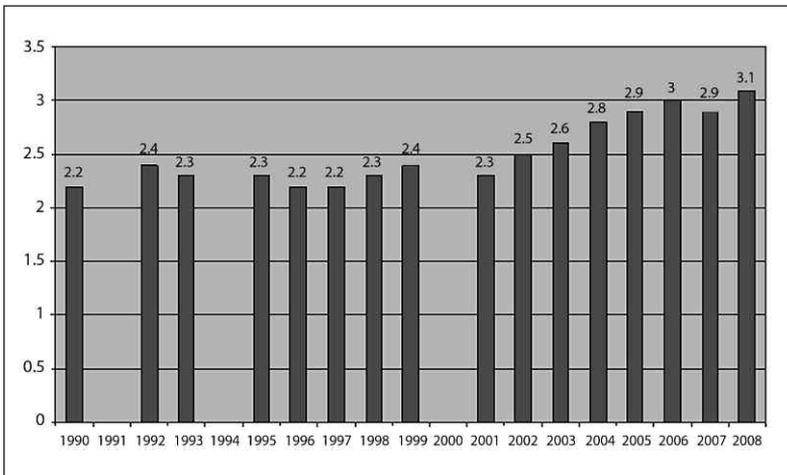
Cash Benefit (graph 2) has resulted in immediate and significant effects on the living conditions of the poor population. Families receiving the benefits have been directly affected, and results point to increased food and nutrition security and reduced poverty and inequality.

These programmes have had a great impact on the reduction of the risk of child labour as well as child malnutrition



**Graph 1 |** Evolution of Bolsa Família benefit coverage: number of families, 2004-2009 (in millions)

Source: National Secretariat for Citizen Income (SENARC)/MDS, Brazil, 2009.



**Graph 2 |** Expansion of the Continuous Cash Benefit (BPC): Elderly and persons with disabilities (in millions).

Source: National Secretariat for Social Assistance (SNAS)/MDS, Brazil, 2008.

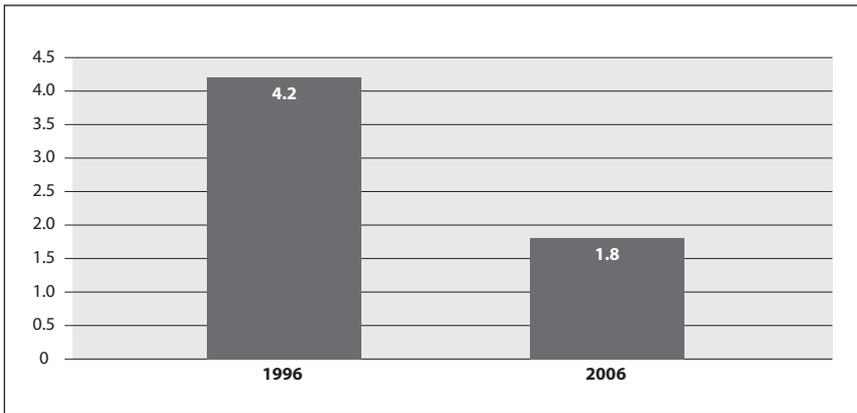
(graph 3). For instance, in the semi-arid region, participation in the Bolsa Família programme has reduced the risk of chronic malnutrition in children under five years of age by 30 per cent. The greatest benefit was seen for children between the ages of 6 and 11 months, for whom there was a 62 per cent reduction in the risk of chronic malnutrition.

As a result, 19.4 million Brazilians

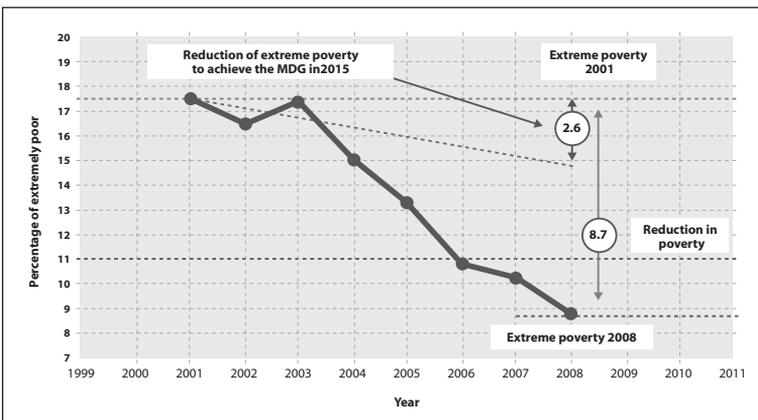
have overcome extreme poverty since 2003 (Fundação Getulio Vargas Center for Social Policies) (graph 4). Moreover, Brazil achieved Target 1 of the Millennium Development Goals ten years in advance and it has set higher standards: to reduce extreme poverty to one fourth and eradicate hunger by 2015.

There has also been a decrease in inequality, which dropped from 2001 to

**Graph 3** | Percentage of children from age zero to four years with weight-for-age deficit, 1996 and 2006.



Source: National Survey on the Health and Demographics of Women and Children (Pesquisa Nacional de Demografia e Saúde da Mulher e da Criança, PNDS), 2006; Dimensions of the reproductive process and children’s health, Ministry of Health, Brazilian Centre for Analysis and Planning, Brazil, 2009.



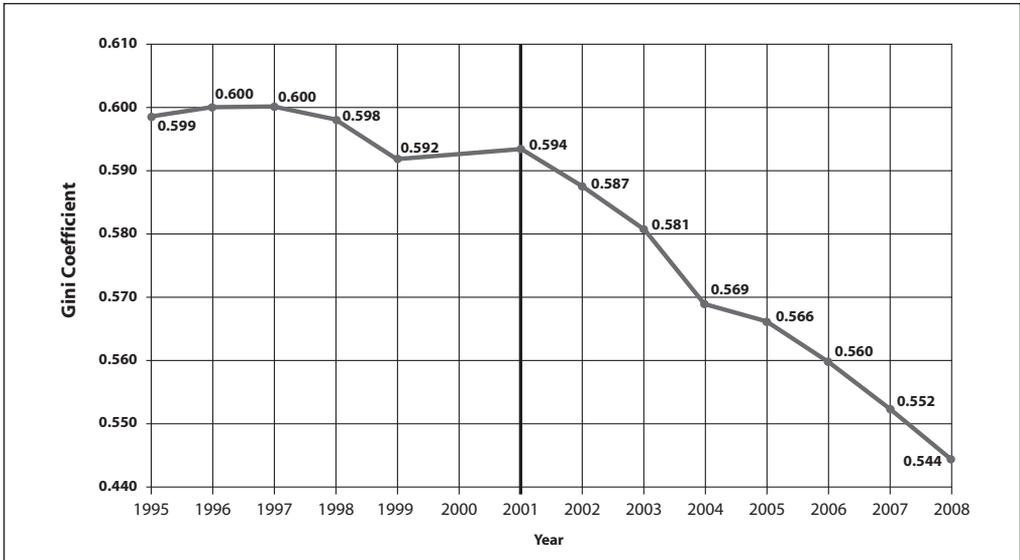
Source: Barros, R.P., Sobre a Recente Evolução da Pobreza da Desigualdade. Brasília: IPEA, 2009.

**Graph 4** | Evolution of extreme poverty in Brazil, 2001-2008.

2008 (graph 5), with the income of the bottom 10 per cent growing six times faster than that of the top 10 per cent (Institute of Applied Economic Research, Instituto de Pesquisa Econômica Aplicada, IPEA).

According to Sergei Soares (2008), on average, the Gini index in Brazil has been falling 0.7 points per year, which is superior to the rhythm of a selected group of Organisation of Economic Co-operation and Development (OECD)

**Graph 5** | Distribution of per capita household income according to the Gini index, 1995-2008.



Source: Estimates based on National Household Sample Survey (Pesquisa Nacional por Amostra de Domicílios, PNAD) from 1995 to 2008.

countries analysed according to the criterion of having built a consistent welfare system. The general conclusion of this study was that the speed with which inequality is falling is adequate, but the challenge will be to keep inequality falling at the same rate for another two or three decades (Soares, 2008, p.16).

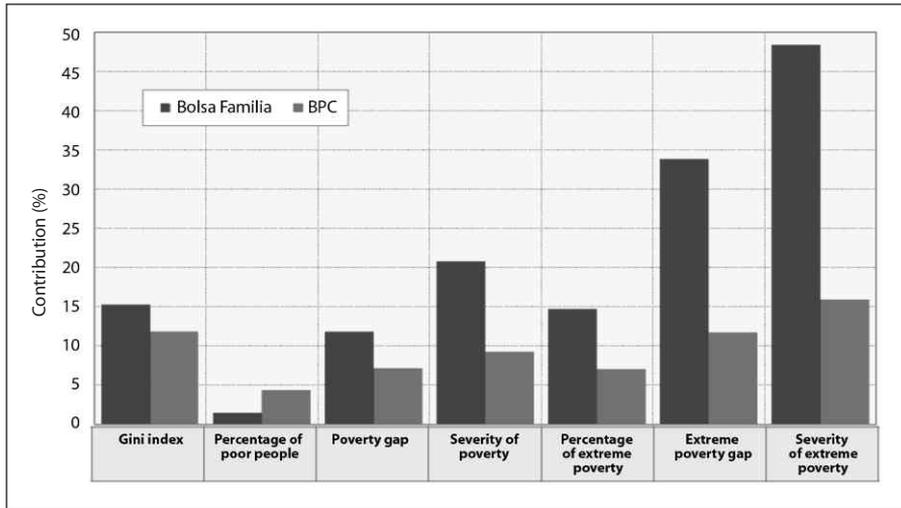
Evaluations have pointed out consistently that cash transfers have made relevant contributions to the reduction of inequity and poverty in Brazil (graph 6), especially when taking into consideration that one of the main objectives of the Bolsa Família programme is the immedi-

ate alleviation of poverty.

It is important to point out that social policies may be associated with two main externalities. First, they grant social rights for people who need assistance from the State and receive it through these public policies. In addition, they foster economic performance, injecting new money into some depressed regions that become dynamized by new demands for consumption and production.

This was one of the main reasons why the federal government decided to increase investment in social policies during the

**Graph 6** | Contribution of Bolsa Família and Continuous Cash Benefit (BPC) to the reduction of inequity and poverty, 2003-2008.



Source: Estimates based on the National Household Sample Survey (Pesquisa Nacional por Amostra de Domicílios, PNAD), 2003-2008/Barros, R. P., Institute of Applied Economic Research (IPEA), Brazil, 2009.

2008 economic crisis. The Bolsa Família programme benefits were raised and its coverage increased and unemployment insurance was extended. In addition, the maintenance of the policy on raising the minimum wage was important. Sustainable economic growth through social inclusion and redistribution of wealth was maintained, increasing domestic markets.

In 2009, resources effectively invested in the Continuous Cash Benefit (BPC) and Bolsa Família totalled US\$17 billion – around 1 per cent of GDP. In this sense, cash transfers have shown an important economic redistributive effect: the smaller the per capita income of a given region, the greater the importance of transfers for the local economy. In the Northeast (the poorest region of Brazil), they represent 3 per cent of regional GDP. Since these social transfers raise the consumption capacity of families, they have an immedi-

ate multiplier effect on the economy.

It is clear, therefore, that the existence of a wide network of social protection and promotion played an important role in overcoming the crisis in Brazil. Poverty and inequality continued to drop in the six main metropolitan regions, besides the acknowledged dynamization of local economies.

In addition, it is important to point out that the Bolsa Família programme has increased consumption and aggregate demand in local economies. Furthermore, studies show that the programme does not discourage beneficiaries from working since 77 per cent of beneficiaries do have a job (Brazilian Institute of Geography and Statistics (Instituto Brasileiro de Geografia e Estatística, IBGE), 2008). On the contrary, the programme provides many people with the opportunity to look for a job

once again. Data have shown that 99.5 per cent of beneficiaries have not quit working after being granted the benefit (Brazilian Institute of Social and Economic Analyses (Instituto Brasileiro de Análises Sociais e Econômicas, IBASE), 2008). Thus, the Bolsa Família programme can be seen as an integrator of opportunities for inclusion.

The central player of Bolsa Família is the mother, who receives the benefit, so the programme also works as a tool for the empowerment of women. According to official data, 92.4 per cent of Bolsa Família beneficiaries nowadays are women. Impact evaluation studies have shown that the participation of women in decisions regarding the consumption of durable goods has increased by 10 per cent.

Another positive advance that complements the actions described above is the social and economic data gathered by the Unified Registry for Social Programmes of the Federal Government (CadÚnico). Through the Unified Registry, it has been possible to find information about the beneficiary families in order to offer customized literacy courses for adults, low-income housing (Minha Casa, Minha Vida Programme: Ministry of the Cities), subsidized electric energy (Luz para Todos Programme: Ministry of Mining and Energy), financial/banking inclusion and actions aimed at income-generation, professional qualification and insertion into the labour market (Civil Construction, Tourism: Proximo Passo Programme).

Further comprehension of the impact and results of all these programmes should emerge in the long term. It is expected

that these results will include the improvement of educational and health services, which will contribute to breaking the intergenerational cycle of poverty, understood now as a multidimensional issue that comprises not only income but also access to services and rights.

## LOOKING FORWARD: CHALLENGES TO CONSOLIDATING THE SYSTEMS

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Despite recent advances in Brazil, the number of poverty-stricken people is still high (around 30 million, 8.9 million of whom still live in extreme poverty, according to the MDG Report/Brazil, 2010). Inequality rates continue to be among the highest in the world (Gini coefficient 0.531 in 2008); the country still faces persistent illiteracy levels and unsatisfactory health indexes.

This situation persists mainly in the poorest regions, such as the Northeast of Brazil, where the percentage of poor people is twice as high as the national average (IBGE, 2008). Moreover, poverty in rural areas is three times higher than in urban centres, and the percentage of black or mixed-race people living in poverty is twice as high as that of white people.

In short, it is mandatory that the combination of economic growth, income distribution and social inclusion be maintained for several years in order to achieve desirable standards of social development. Qualitative changes in the focus of current policies might be necessary as well.

In practical terms, these social pro-

grammes should be reorganized on two fronts. The first should be the integration of cash transfers and benefits to achieve an effect on income distribution and poverty reduction in the short term. The second should be the improvement and standardization of social services in line with these programmes so as to obtain longer-term, effective results.

This reorganization should take place because, in sum, the political and academic communities are increasingly reaching the conclusion that even with greater success, distribution policies will reach their limits by the second decade of the twenty-first century. Government policies, if based only on benefits, may lose their effectiveness, becoming a hostage of their own success. An approach to services that has a special focus on quality must, therefore, be taken into consideration at this point since a new chapter in the design of social policies seems to have started. Thus, it is possible to state that during this second decade, socio-economic development will depend very much on greater integration of social protection policies, strengthening the design of multisectoral approaches to social development.

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