

Employment makes middle class grow in the metropolises

Valor Econômico – 08/06/2008

The resumption of the formal jobs left the unemployment crisis of big cities behind and supported the growth of the middle class, according to a study made by Marcelo Neri, economist of Getúlio Vargas Foundation (*Fundação Getúlio Vargas* - FGV). Based on data of the Monthly Employment Survey of the Brazilian Institute of Geography and Statistics (IBGE) from April 2002 to April 2008, Neri came to the conclusion that the middle class is already the majority in the six largest Brazilian metropolises. In April, 2004, when the country started to revert the economic crisis of the previous year, the participation of the population considered C class was 42.3% in the largest Brazilian metropolises. In April, 2008, it became 51.9%, "The background for such change is the reduction of poverty together with the more sustainable and equitable growth of the economy and of the income of work. The middle class begins having its benefits. People are going to the C class and stay there", says Marcelo Neri. The economist mentions the participation of the formal job in the six metropolises studied in April, of 44.3%, greater percentage since 1992. To strengthen the theory of the strengthening of the C class, Neri emphasizes the creation of 387 thousand jobs in the first half of this year, the equivalent to 28,5% of the total jobs, also the greatest proportion of the historical series of the IBGE, since 1992. Income inequality has been falling in the country since 2001 and that is something considered historical by the researcher of the FGV. "It has happened for seven years in a row. That is something completely atypical in Brazil", he affirmed.