

AMERICAS

In Brazil, Economic Reforms, Social Programs Expand Middle Class

Jeff Swicord | Rio de Janeiro

01 November 2010

Brazil is experiencing its most sustained period of growth ever, with an expanding middle class and social and economic benefits for the poor.

Ruth Hins owns a grocery store and bakery in the Rio de Janeiro favela of Cantagalo, where she used to live. She is one of 35.5 million Brazilians who have moved from humble beginnings into the middle class since 2003. Another 20 million have risen above the poverty level. "I never would have thought of this. I never would have dreamed of this happening," she said.

SHARE THIS

[Digg](#)[Facebook](#)[StumbleUpon](#)[Yahoo! Buzz](#)[del.icio.us](#)

RELATED ARTICLES

[Brazil's Farmers Seek Higher Coffee Profits](#)



As most of the world struggles to climb out of a recession, Brazil's \$1.3-trillion economy is booming, and now surpasses India and Russia. Its per-capita income is twice that of China, and creative entrepreneurs like Hins are reaping the benefits

Her father moved the family to Cantagalo from a small town in the northern state of Bahia when she was 12. He bought the property that now houses the store. "When I got the idea to open a shop, the only thing I had in the cabinet was salt. So, I started to sell salt," she said.

She quickly moved from selling salt by the kilo to baking bread. Her store grew to the full grocery store it is today. She has expanded and opened a produce market next door, where she used to sleep. And there is a full bakery upstairs that runs 24 hours a day.

Hins sells her baked goods to businesses and restaurants in neighboring Copacabana. Small business loans are difficult to come by in Brazil. Hins has expanded by leveraging her savings and making smart business decisions.

"The machines to make bread are very expensive. So I bought old machines and renovated the old machines to bake bread. And now I am in the process of replacing the old machines with new ones," she said.

Watch: Video report by Jeff Swicord
Windows Media

[Email This Article](#)[Print This Article](#)

LATEST WORLD NEWS

[U.S. To Play Belgium in Hopman Cup Final](#) 14 min. ago

[Coalition Partner Rejoins Pakistani Government](#) 15 min. ago

[Norway to Host Talks on Reviving Philippine Peace](#) 16 min. ago

[Armenia, US Deny Alleged Spy Entry Into Iran](#) 24 min. ago

[Ruling Party Wins Nigerian State Governor's Election](#) 1 hour ago

[\[More...\]](#)

LATEST BLOG POSTS



[Plugging the Leaks](#)
Security Briefing



[Mum\(mer\)'s the Word](#)
Ted Landphair's America



[Belarus' Lukashenko: Term Limited by Biology?](#)
Russia Watch



[On Cultures and Sub-Cultures in America](#)
VOA Student Union



[Luol Deng: Bullish About Sudan](#)
Sonny Side of Sports

ON THE GROUND IN SUDAN

[Follow southern Sudan's historic referendum on independence](#)

[Read More »](#)

VIDEO FEATURES

The Link

New: A look at 2010 and the year in tech, and what surprises 2011 may hold

[More Webcasts](#)

DIGITAL FRONTIERS

[What will 2011 bring for social media and the Internet?](#)

[Share your thoughts »](#)

MOST-VIEWED ARTICLES

1. [Incumbent Ivory Coast President Expels British, Canadian Ambassadors](#)
2. [Demonstrators Prevent Court Appearance of Alleged Pakistani Assassin](#)
3. [Canada, Britain Reject Order to Remove Ivory Coast Ambassadors](#)

Brazilian economists say the country's success is simple to define. Policies put in place in the 90s to tame runaway inflation worked. A commodities boom has fueled growth and lowered poverty across Latin America. And aggressive social programs have educated more people and raised living standards.

"Brazil is becoming a normal country in the sense that what is normal is to have kids in school, not to have high inflation, and to have an open economy. So, it is not that we are becoming a developed country; we are just filling the gaps. And there is a long way to go still," said Marcelo Neri, the chief economist for the Center for Social Policy in Rio.

Brazil's economy has created 2.2 million formal jobs in the last nine months, a record for the country. More people with money to spend translates into a better quality of life for business owners like Ruth Hins. She now earns 10,000 reis, the equivalent of \$5,800 per month. She is quickly moving out of the middle to the upper class. She bought a penthouse apartment on a street bordering the favela and can afford luxury goods such as a refrigerator, cable television, and a washing machine. "It is a dream. It is a dream come true for me. Just to have my own house. You know a lot of people who rent houses don't even have an address. They are always moving from place to place. But I have a house here, I have an address, this is my place," she said.

Now she has new dreams. She wants to go back to school, travel outside of Brazil, and one day open a large grocery store in neighboring Copacabana.

[Watch](#) [Email](#) [Print](#)

4. [WikiLeaks: Israeli Officials at Gaza Crossing Corrupt](#)
5. [Suicide Bomber Kills 17 at Afghan Bathhouse](#)

MOST E-MAILED ARTICLES

1. [Report: Annual Tobacco Deaths in China Could Top 3.5 Million by 2030](#)
2. [Scientists Find Bacteria Devoured Methane From Gulf Oil Spill](#)
3. [Obama Chooses New Chief of Staff](#)
4. [WikiLeaks: Israeli Officials at Gaza Crossing Corrupt](#)
5. [Demonstrators Prevent Court Appearance of Alleged Pakistani Assassin](#)