

Brazils new plan to beat poverty

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Brazil just launched a new, multibillion-dollar program to aid the 16 million Brazilians still living in extreme poverty. The program is the latest in an effort across Latin America to stamp out poverty.

With a monthly stipend that she receives from the Brazilian government, [Clemilda dos Santos](#) can now keep the refrigerator stocked for her 10 kids, but life for the family is still precarious. At the top of a red clay hill in Japeri, the town with the lowest human development index in the state of [Rio](#), the one-bedroom home she shares with her whole family still floods with rainwater. Her kids need winter coats.

In the past decade, [Brazil](#) has been touted for lifting 25 million people out of poverty, thanks to macroeconomic stability, high commodities prices, and a much hailed social program called Bolsa Familia that gives families monthly cash for families that adhere to conditions such as keeping kids in classrooms. But as the nation continues to rise – it became majority middle class in 2008, according to the Rio-based [Getúlio Vargas Foundation](#) – leaders say they are determined to do more, arguing that packed homes and uncloaked children have no place in today's economic landscape.

Now Brazil has launched another multibillion-dollar antipoverty plan, called Brazil Without Misery, to reach the remaining 16 million Brazilians still living in extreme poverty. Expanding upon Bolsa Familia, it will increase cash transfers, improve public services, and create new job opportunities for the poor. Brazil's new [President Dilma Rousseff](#), who took office in January, says her aim is to eliminate extreme poverty within four years.

"A country that has grown like Brazil can't be content with just having a big social program like Bolsa Familia," Social Development Minister Tereza Campello said upon the launch of the new program last month.

Regional goals

That sentiment reflects rhetoric across the region. Over the past decade, the poor have been buoyed across [Latin America](#), as nations have enjoyed sustained GDP growth and created targeted social programs like conditional cash transfers. But now goals have been set beyond poverty reduction. In the world's most unequal region, presidents from [Sebastian Piñera](#) in [Chile](#) to [Felipe Calderon](#) in [Mexico](#) are pledging to eradicate extreme poverty altogether.

"There is a sense that with Latin America growing at very high growth rates in the last decade or so, this is an opportunity to have a new social contract with people in the region," says [Norbert Schady](#), senior economic adviser for social sectors at the [Inter-American Development Bank](#).

The region's GDP grew by an average of 2.6 percent between 2000 and 2008, according to the [World Bank](#). Extreme poverty has gone down from 19.4 percent in 2002 to 12.9 last year, according to the United Nations [Economic Commission for Latin America and the Caribbean \(ECLAC\)](#). And 56 million households have joined the middle class in Latin America in the past decade and a half, according to a recent [ECLAC](#) analysis.

Bigger checks, better lives

Conditional cash transfer programs, like the one Ms. dos Santos receives in Brazil, have played an immediate role in poverty reduction. Spearheaded in Mexico and Brazil, the programs have been extended to virtually every country in Latin America today.