

T A X J U S T I C E

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Some heartening news from Brazil

The Financial Times, in an [article about Brazil](#), is quoting Professor Marcelo Neri of the Getulio Vargas Foundation (FGV; he is also co-ordinator of a large-scale study on Brazil's new middle class):

"In the past 10 years, the income of the poorest 50 per cent of the population grew 68 per cent in real per capita terms while the income of the richest 10 per cent grew by 10 per cent."

Even more startlingly, the income of the average illiterate person rose 37 per cent between 2003 and 2009, while that of the person with at least an incomplete university degree fell 17 per cent. "It's up side down," says Prof. Neri.

You don't see that kind of positive trend very often these days. While the 17 per cent fall for people with somewhat higher earnings is a matter for concern, the overall trend has to be described as highly, remarkably positive. Especially when you consider the findings of the [Spirit Level](#).

Note also this new report from Britain's Trades Union Congress, noting, among other things, that

"There is a conventional economic view that asserts that inequality is a price a country has to pay to achieve economic success. But a comparison of the performance of equal and unequal countries does not back this up.

Indeed, there is evidence that some redistribution enhances economic performance. International comparisons provide very strong evidence that inequality is linked to poor health and social outcomes."

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T J N

The Tax Justice Network (TJN) is an international, non-aligned coalition of researchers and activists with a shared concern about the harmful impacts of tax avoidance, tax competition and tax havens. www.taxjustice.net

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