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Pandemic hits Brazil hard, especially the poor

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RIO DE JANEIRO (AP) – Brazilian President Jair Bolsonaro asked supermarkets to lower the prices of basic foods and his economy minister suggested that the homeless could live off restaurant leftovers, in stark contrast to comments days earlier. in which both said their policies had restored the economy to pre-pandemic levels.

The desperation for temporary solutions reflects a recent recognition that Brazil's economic recovery was driven largely by the agriculture and investment sectors, while the poorest citizens saw their situation worsen.

In the first quarter of 2021, unemployment in Brazil – officially 14.7% – and economic inequality reached their highest levels for at least nine years. The cost of living has skyrocketed – from food to rent to cooking gas – and more slums and tent camps have emerged. A record drought threatens to send electricity prices up sharply.

All of that has left governments, companies, and nonprofits trying to help the poor with benefits, gas subsidies, food donations, and solar panels – everything to help them survive 2021 as the pandemic continues to rage. It is a sample of the Brazilian capacity to improvise, but it also illustrates how many barely manage to survive, with financial catastrophe looming.

"The poor are by far the biggest losers and they are paying the price for this crisis," said Marcelo Neri, director of the center for social policies at the Getulio Vargas Foundation. "We Brazilians improvise, but sometimes we are victims of our own creativity in the face of collective problems ... The pandemic is the ultimate test and we are losing the war."

Among the 12 million unemployed in Brazil is Sergio Alves, 52, a resident of the working-class neighborhood of Babilonia, in Rio de Janeiro. Alves has survived thanks to the government's generous pandemic relief program, which sustained the poor and spurred consumption, thereby preventing a worse recession last year. Brazil officially has 27.5 million poor people – defined as people who subsist on less than a minimum wage (\$ 220). If the government ceased its current program, that number would automatically rise to 34.5 million, Neri said.

That aid was reduced and then suspended at the end of 2020. It was restored in April – but at a lower level. Now, Alves spends more on electricity alone than he receives from the program.

"The cost keeps going up, for electricity, gas," he said at his home in the favela. "And apart from paying my bills, I have to survive."

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