



International  
Inequalities Institute

# **Intersecting Inequalities and the Sustainable Development Goals: insights from Brazil**

---

**Naila Kabeer and Ricardo Santos**

Working paper 14

August 2017



THE LONDON SCHOOL  
OF ECONOMICS AND  
POLITICAL SCIENCE ■

## LSE International Inequalities Institute

The International Inequalities Institute (III) based at the London School of Economics and Political Science (LSE) aims to be the world's leading centre for interdisciplinary research on inequalities and create real impact through policy solutions that tackle the issue. The Institute provides a genuinely interdisciplinary forum unlike any other, bringing together expertise from across the School and drawing on the thinking of experts from every continent across the globe to produce high quality research and innovation in the field of inequalities.

For further information on the work of the Institute, please contact the Institute Manager, Liza Ryan at [e.ryan@lse.ac.uk](mailto:e.ryan@lse.ac.uk).

International Inequalities Institute  
The London School of Economics and Political Science  
Houghton Street  
London  
WC2A 2AE

Email: [Inequalities.institute@lse.ac.uk](mailto:Inequalities.institute@lse.ac.uk)

Web site: [www.lse.ac.uk/III](http://www.lse.ac.uk/III)

 @LSEInequalities

 LSE Inequalities

© Naila Kabeer and Ricardo Santos. All rights reserved.

Short sections of text, not to exceed two paragraphs, may be quoted without explicit permission provided that full credit, including © notice, is given to the source.

## **Abstract**

The international development community has long been pre-occupied with the reduction of absolute income poverty, relegating concerns with inequality to the margins of its policy agenda. The Millennium Development Goals, for instance, which were adopted by 189 world leaders at the 2000 Millennium Summit, defined the reduction of absolute poverty by 2015 as its overarching goal. However, concerns about the dramatic rise in income inequality across the world have been growing over the last few decades and came to the forefront of public consciousness in the wake of the global financial crisis of 2008. At the same time, assessments of national progress on the Millennium Development Goals made it clear that income inequality alone did not explain the distribution of gains and losses across countries. Rather it was the intersection of income inequality, marginalized social identities and, very often, locational disadvantage which led to the systematic exclusion of certain groups. In recognition of this, the Sustainable Development Goals which became the basis of the new post-2015 international development agenda now includes a commitment to the reduction of income and other inequalities, summarized as the principle of 'leave no one behind'. Our paper uses national data from Brazil between 2002 and 2013 to examine retrospectively how it has performed on some of the indicators relating to the inclusive principles articulated by the SDGs. We have selected this period in Brazil because at a time when income inequalities were rising in most countries of the world, they were declining in Brazil. Our paper examines the extent to which this decline in income inequality was accompanied by a decline in intersecting inequalities and explores some of the economic, political and social explanations given for the country's performance.

## **Editorial note and acknowledgements**

We would like to acknowledge the research assistance provided by Amanda Shaw for this paper.

## Section 1: Introduction

### 1.1 Objectives of the study

A concern with absolute poverty, defined as a money-metric measure of basic subsistence needs, has occupied a central place within the international development agenda for much of its existence. Efforts in recent years to promote a more multidimensional understanding of poverty, with a particular focus on human capabilities, have met with some success and there has also been a growing literature on discrimination based on social identities such as race, gender and ethnicity. Attention to income inequalities waxed and waned in the earlier decades of development planning, but has come on to the agenda in a more sustained way in recent years.

That these trends have existed largely in parallel to each other within the official development discourse was evident in the failure to integrate them within the Millennium Development Goals. The MDG agenda declared its overarching goal to be the halving of extreme poverty (MDG 1) but was largely silent on the underlying inequalities that generated extreme poverty as one of its symptoms.

It has been harder to ignore inequality in the intervening years. The global financial crisis of 2008 underscored the steady growth in income inequalities since the 1980s. It finally led the international financial institutions to acknowledge that income inequality not only slowed down the translation of growth into poverty reduction but compromised the sustainability of growth itself. At the same time, as the 2015 deadline for the MDGs approached and various assessments of its successes and limitations took place, one clear thread of criticism running through these assessments was their failure to acknowledge various forms of social inequalities, including those that prevailed among the population classified as poor.

Kabeer's contribution (2010) to this body of critiques provides the point of departure for this paper. She pointed out that the measurement of MDG achievements in terms of 'proportions' and 'averages' obscured the fact that certain sections of the poor were systematically left out of most forms of progress reported by their countries. Their excluded status reflected the intersection of multiple and overlapping inequalities which made them harder to reach than the rest of the population and gave their disadvantaged status an enduring quality, lasting over lifetimes and sometimes over generations.

The SDG agenda shows clear signs of lessons learnt. It has a more in-depth understanding of some of the goals which featured in the MDGs and it includes a number of new goals. Most relevant for this paper is SDG 10 which is committed to reducing inequalities within and between countries. These include income inequalities as well as inequalities based on age, sex, disability, race, ethnicity, origin, religion or economic or other status within a country. This new commitment to inclusiveness is spelt out forcefully in the declaration of the 2030 Agenda:

*As we embark on this great collective journey, we pledge that no one will be left behind. Recognizing that the dignity of the human person is fundamental, we wish to see the Goals and targets met for all nations and peoples and for all segments of society. And we will endeavour to reach the furthest behind first.*<sup>1</sup>

This is an ambitious agenda. It promises to address the distribution of income and wellbeing between the haves and the have-nots. It also promises to reach out to the socially excluded sections of 'have-nots' rather than opting for the 'easy wins' associated with targeting those who are easier to reach. There are clearly lessons to be learnt from countries that have made some progress in this direction. Brazil stands out as one of these. It exemplifies key aspects of the intersecting inequalities outlined in Kabeer (2010) and indeed was used in the report to illustrate how they complicated claims about progress on the MDGs based on national averages. Yet since the early 2000s, Brazil has attracted international attention for its success in reducing both absolute poverty as well as income inequality. What has been less well publicized is that it has also made progress in reducing intersecting inequalities.

The objective of this paper is to explore the phenomenon of intersecting inequalities in the context of Brazil, to document their decline in recent years and to explore how and why this happened. Although the declines we will be studying belong within the period covered by the MDGs, we are linking our analysis to the SDG agenda because of its commitment to leaving no one behind. We will be asking whether the Brazilian experience has lessons to offer for such an agenda.

The structure of the paper is as follows. The rest of Section 1 elaborates on the concept of intersecting inequalities and examines its manifestation in the Brazilian context. Section 2 provides a brief history of the evolution of these inequalities in the Brazilian context and documents its current manifestations. Section 3 uses national household survey data to track trends in key SDG-related socio-economic indicators between 2002 and 2013. It will draw on the relevant data sets from the Brazilian National Survey by Household Sampling (*Pesquisa Nacional por Amostra de Domicílios*, PNAD). This has been made public and freely available by the Brazilian Institute of Geography and Statistics (*Instituto Brasileiro de Geografia e Estatística*, IBGE)<sup>2</sup>. It finds that not only have income poverty and inequality declined over this period but that there has also been a decline in intersecting inequalities. Sections 3 and 4 draw on various bodies of literature to piece together an explanation for how and why this happened. Section 3 explores explanations that focus on economic and social policy during this period while Section 4 examines the politics of inclusion. Section 5 concludes by asking what the Brazilian experience offers by way of generalizable lessons.

## **1.2 Conceptualizing intersecting inequalities**

There have been two broad approaches to the analysis of inequality within international development studies. The first revolves around inequality conceptualized in terms of income and measured at the individual/household level. While the early focus on money-metric measures have been supplemented over time with more multidimensional approaches which

encompass inequalities in material assets and human capabilities, these continue to be measured at the level of individuals. This has been termed a 'vertical' model of inequality as it is based on ranking individuals/households by their income, assets or human capabilities (Stewart, 2002).

A second approach revolves around the phenomenon of social discrimination. It uses *group-based disadvantage* as its entry point into the analysis of inequality where the inequality in question revolves around the social identity of different groups. This gives rise to what has been described as a 'horizontal' model of inequality (Stewart op cit) in that the groups in question cut across the different strata that make up the vertical model. Group-based inequalities are the product of cultural norms, values and practices which serve to routinely disparage, stereotype, exclude, ridicule and demean certain groups relative to others, denying them full personhood and the ability to participate as equal citizens in the life of their community. The identities in question can take many different forms, but some are socially ascribed from birth, and hence more immutable and harder to shed than others. This, for instance, differentiates identities associated with gender, caste, race and ethnicity from those associated age and certain forms of disability.

The two approaches to inequality thus focus on quite distinct axes of disadvantage: the distribution of resources and the devaluation of identity. It is possible to be economically deprived, to lack the means to meet basic needs, without necessarily being despised for it: this underpins the distinction between the 'deserving' and 'undeserving' poor. Similarly, it is possible to face social discrimination, without necessarily facing material deprivation. Gender, for instance, cuts across economic strata so that women tend to occupy a subordinate status relative to men within these different strata but they are fairly evenly distributed across the economic hierarchy. Gender is generally associated with discrimination but not necessarily with poverty.

However, it is the intersection between these different forms of inequality that serves to define the most severe and often the most enduring form of social exclusion in societies. Kabeer (2010) found that it was these groups who were over-represented at the bottom end of the income distribution and who reported the least progress in terms of the MDG indicators. She noted also that there were other dimensions to social exclusion that were not fully captured by the interplay between economic deprivation and social discrimination. Spatial inequalities often overlapped with intersecting inequalities: socially excluded groups were concentrated in the most disadvantaged locations – remote and challenging rural terrains or overcrowded slum neighbourhoods. These social, economic and spatial inequalities in turn contributed to political disenfranchisement: such groups were generally denied voice and influence in collective decisions that affected their lives.

The language of 'vertical' and 'horizontal' inequalities is not always helpful in capturing what is at issue here because of the 'grid-like' symmetry evoked by these terms. The *intersection*, rather than *addition*, of different forms of inequality, the fact that they reinforce and exacerbate each other, is better captured by the language of 'sharp discontinuities' and

'intensifications' which have been found to distinguish the poor from the poorest in many regions of the world (Lipton, 1983). Thus while gender on its own does not signify poverty and social exclusion, the intersection of gender with income and other forms of inequality is generally associated with an intensification of disadvantage so that women and girls from poor and marginalized groups tend to be among the most excluded in their society.

Brazil is a useful case study of intersecting inequalities for a number of reasons. For much of the 20<sup>th</sup> century, Brazil has been one of the fastest growing economies of the world. Even between 1980 and 2000, when growth had slowed down, GDP per capita grew at an annual average rate of 2.5% (Mario and Woolcock, 2008). Yet its Gini coefficient remained among the highest in the world throughout this period and fairly constant at around 0.58 and 0.60. In addition, as will be discussed in the paper, it is clear that race, ethnicity, gender and location intersect with the income distribution in Brazil to produce distinct social and spatial patterns to poverty and inequality. These intersecting inequalities are bound up with the history of colonization in the country and its subsequent efforts at economic development. Their recent declines can thus be seen as a break with a very long history. We turn in the next section to a brief summary of this history.

## **Section 2: The evolution of intersecting inequalities in Brazil**

### **2.1 From 'illiterate agro-export outpost' to 'conservative modernization'**

Portuguese colonization of Brazil began around 1500 with the goal of exploiting its wealth and converting its population to Christianity. The colonizers carried the values of a strictly hierarchical society dominated by a hereditary monarch and aristocratic elite with them into their colony, regarding it as little more than an 'illiterate agro-export outpost' (Skidmore, 2004). They began by enslaving the indigenous population to grow sugar but with the decimation of the population by war and disease, turned to the import of slaves from Africa, adding a further layer of 'racially inferior people' to an already highly stratified social hierarchy. There were around 3.6 million Africans by 1850 when the slave trade ended, more than anywhere else in the region. They were largely concentrated in the north and north-east of the country which had been the centre of the early plantation economy.

The colonial settlers subsequently expanded into mining and cattle rearing and then to coffee. The country was under Portuguese rule for three centuries with very little experience of representative self-government (Skidmore, 2004). It was governed by Crown-appointed governors-general and bureaucracies till its independence in 1822 when it declared itself an empire. While elections took place periodically in later years, voting was restricted to the small percentage of the population who were literate which, even in the 1920s, was just 25% of the population.

One reason for these low levels of education was its suppression under colonialism and prohibition of printing (Skidmore, 2004). There were few schools and no universities. Only the

children of the very rich amongst the settlers gained entrance to school and, in the absence of universities, went to Portugal for their university education. The first university was not founded till 1932. Consequently, even into the twentieth century, Brazil had the worst educational record of the major Latin American countries (Birdsall and Sabot 1996).

The abolition of slavery in 1888 foregrounded two sets of concerns among the Brazilian elite. One was the disappearance of the pool of cheap, 'unfree' labour. The other was the fear that prevailing theories of scientific racism would lead European countries to look down on a country with such a large African and indigenous population. Both concerns were addressed through a strategy of subsidizing the large-scale immigration of European workers (but forbidding Asian immigration) who would not only add to the workforce but also 'whiten' the population and improve the physical and moral characteristics of the Brazilian people (Rezende and Lima, 2004). This meant that the newly-freed slaves had to compete with European migrants on highly disadvantaged terms which relegated them to the poorest paid jobs in the economy.

Brazil's subsequent development strategy has been described as a process of 'conservative modernization' (Mario and Woolcock, 2008) entailing the selective incorporation of certain segments of the population into the modernizing sectors of the economy, society and the political system and the systematic exclusion of the rest. Until the 1930s, the economy was dominated by the agricultural sector largely based in the north. Its early efforts to industrialize were boosted by the Depression when a shortage of foreign exchange served to promote domestic manufacture of previously imported products. By the 1950s, the country had embarked on a massive import substituting industrialization programme to end its dependence on foreign imports. The government led this process through a corporatist strategy intended to both promote industrialization and to manage the accompanying urbanization and unionization. It created a network of state enterprises to expand its role in the economy, used a large-scale labour bureaucracy to bring unions under its control and put in place generous pension schemes for federal government employees.

Economic growth and industrialization in Brazil was constant and fast until the early 1980s. It was under military rule for much of this period (1964 to 1985). Economic success partly explained why the military was able to hold on to power for this length of time. However, this was also a period of widening economic inequalities. Industrialization was concentrated in São Paulo and other regions of South-East and South to the neglect of the north and north east. This emerging regional inequality mapped into a racial geography in that Afro-Brazilians were, and remained, concentrated in the northern region while the majority of whites were to be found in the increasingly prosperous south. The neglect of agriculture meant that between 1960 and 1980, more than 30 million people moved from the countryside into the cities in search of work (Mario and Woolcock, 2008). For the better-educated workers and their families, the move into cities held out real prospects of upward mobility and material improvement. But for the poorer majority, it meant finding work in the rapidly expanding informal economy with little hope of better prospects in the foreseeable future.

The 1980s saw a slow-down in growth rates accompanied by rising unemployment, high rates of inflation and further migration into urban areas. Recurrent economic crises gave rise to intensified political mobilization culminating in the end of military rule in 1985 followed by the first democratic election to be held in over two decades and the adoption of a progressive new constitution in 1988. However, successive governments spent much of the decade that followed dealing with hyperinflation and low, sometimes, negative rates of growth. A number of policies directed towards the poor were put in place in the 1990s and while this led to some decline in poverty, income inequality did not show any sign of change until the start of the new century.

## **2.2 Shifting constructions of inequality in the Brazilian context: vertical, horizontal and intersecting**

While racial inequality is closely bound up with income inequality in Brazil, the understanding of the relationship between the two has undergone a number of shifts over time. This in turn reflects the shifting interpretations given to miscegenation, or racial mixture, as one of the defining characteristics of Brazilian society, within both official and popular constructions of national identity. The origins of miscegenation go back to the colonial period which was characterised by a high ratio of males to females among the Portuguese settler population combined with relatively unlimited sexual ‘access’ by Portuguese males to female slaves of Indigenous and African origin. The result was a steady increase in the mixed race population.

Scientific theories about the inferiority of the non-white races flourished in Europe and were incorporated into Brazilian colonial ideology. However, while the racial distinction in Brazil mapped onto a social distinction, it was blurred to some extent by the common practice of freeing the offspring of white males and black slave women. This gave rise to mulattos as an intermediate social category of ‘browns’ while ‘blacks’ continued to make up most of the slave population. This creation of what has been described as the ‘mulatto escape hatch’ (Degler, 1971) was believed to have forestalled the development of rigid racial boundaries. Instead, it seems to have given rise to the conceptualization of race in terms of skin colour rather than descent and as a complicated and continuous rather than a simple, categorical variable.

The complex understanding of the relationship between race and inequality in Brazil is clearly illustrated in the debates that ensued as earlier theories about racial inferiority gave way to more contested conceptualisations about how race fitted into the social structure. The discussion of these debates as elaborated by Telles (2004), Skidmore (1992) and others echo the discussion about horizontal, vertical and intersecting inequalities that we started out with in this paper. We draw on this work to summarize the different positions in these debates.

### ***From horizontal to vertical inequality***

According to Telles (2004), the first generation of researchers to contribute to these debates began writing around the 1920s and sought to construct Brazil as a racial democracy in which race made no difference to status and opportunities. They were largely

North Americans or had been trained in North America, carried out their research in the North-east of Brazil which had a largely Afro-Brazilian population and they focused their enquiry on horizontal relationships, the relationships between different racial groups. They stressed the fluidity of racial classifications, in marriage and in friendship between people of different races and colour and concluded that race was irrelevant to the social hierarchy. Any differences in social status by race that might exist were the legacy of slavery that had only recently been abolished and would diminish over time.

The work of Gilberto Freyre (1933) was particularly influential in promoting this vision. He argued that the overwhelmingly white elite had acquired valuable cultural assets from their intimate mixing with the African population whose culture he considered more evolved than indigenous Brazilians (Rezende and Lima, 2004). He juxtaposed the figure of the master and slave, representing Portuguese and African culture, as the two basic poles that constituted Brazilian colonial society. 'Brazilianness' was the result of the productive fusion of two antagonistic cultures placed in a hierarchical relation to each other but in which opposites complemented each other harmoniously: 'the European culture came into contact with the indigenous, softened by the oil of the African' (cited in Rezende and Lima, p. 759).

The claim that race was irrelevant to social mobility proved extremely useful to the conservative civil and military elites who ruled Brazil for much of the 20<sup>th</sup> century and was incorporated into their nationalist rhetoric as a means of staving off the possibility of racial unrest. There was systematic avoidance of any mention of race by successive governments leading to a major lacuna in relevant data. While race had been included in the first census of 1872 and then in 1890, basic data collection between 1890 and 1940 omitted all reference to racial categories (Skidmore, 1992).

The second wave of scholarship, starting in the 1950s, were less concerned with the consequences of miscegenation and focused instead on vertical inequalities. These were mainly Brazilian scholars writing within a Marxist framework who researched the white-dominated regions of the South and South east. They found a very different Brazil, with recent European migrants leapfrogging over blacks and mulattos in the labour market, pervasive prejudice and discrimination against non-white populations, rigid racial distinctions and limited social interactions between white people, on the one hand, and the black and brown population, on the other.

However, they interpreted racial inequality as a manifestation of the vertical inequalities embedded in the class hierarchy. They argued that because the newly-freed black population had not been able to compete on equal terms with the influx of European immigrants that accompanied the abolition of slavery, they had been condemned to 'economic maladjustment, occupational regression, and social imbalance' (Rezende and Lima, 2004: p. 761). The racial and ethnic specificities which gave rise to group-based inequalities which cut across class were largely ignored, providing the ideological justification for racially and ethnically blind national policies for poverty reduction.

### *From vertical to intersecting inequalities*

Much of this debate was carried out within historical and anthropological disciplines and relied on 'soft' data, a rich repertoire of laws, travellers' accounts, memoirs, newspaper articles and detailed ethnographic accounts of different dimensions of relations among and within different racial categories but unable to establish whether race made a macro difference in social or economic outcomes. Nor was it possible for other social scientists to do so. The harsh political repression that characterised the years of military rule had curtailed the scope for critical research, while the failure of official statistics to include race as a category made it even more difficult to investigate claims about group-based discrimination.

Race was re-introduced into the census in 1950 and 1960 but could not be matched with socio-economic data (Skidmore, 1992). It was omitted again in the 1970 census and it was only in the face of vigorous protest from social scientists, sections of the press and an emerging group of Afro-Brazilian activists that it was included in the 1980 census. Restrictions began to ease and the 1976 PNAD was the first time that the government collected and published data on income and employment by race.

The new generation of Afro-Brazilian activists had emerged in the 1970s to contest the myth of Brazil's racial democracy and to protest police brutality, mistreatment by public officials and discrimination in the job market and public places. While they did not enjoy broad support, their arguments were supported by third wave of scholarship that moved beyond constructions of race relations as either essentially democratic or racial inequality as an accidental feature of class to an analysis of racial and ethnic discrimination as independent of class, but exacerbating its effects. This view of race was made possible by availability of new forms of data. These studies, some of which are summarized below, demonstrated that '100 years after the abolition of slavery, Afro-Brazilians continued to dominate in the lowest economic strata' (Lovell and Wood, 1998, p. 105).

This was also a period that saw the beginning of attention to the gender as a further dimension of the intersection between class and racial inequality. A number of authors traced the collective struggles of Afro-Brazilian women to navigate their way through the race and class biases of the women's movement and the patriarchal politics of the black movement in order to affirm blackness and femaleness as legitimate forms of self-identification (Caldwell, 2007; Lovell, 2000).

As Rezendo and Lima (2004) observed, Afro-Brazilian women had either been invisible in the debates around the nature of inequality in Brazil or they had been brought in to buttress particular positions. The work of Gilberto Freyre had located the birth of racial democracy in Brazil in the intimate structure of the plantation house and slave quarters which allowed miscegenation to take place under the aegis of the rural patriarchal family. Ascribing a near-mythical status to the figure of the slave woman, he attributed any violence they had suffered to slavery. Where gender was discussed in the class-based paradigm of inequality, women were simply part of the poor and uneducated black population who had failed to compete with

European immigrants for places in the labour market and were thus left with the most poorly skilled jobs. There was no specific reflection at this stage on the situation of black women.

As Gonzalez (2008) points out, the significance assigned to miscegenation as the core of national identity, buttressing claims about racial democracy, served to 'normalize and naturalize' the idea of Afro-descendants as sex objects (in the case of mulatto women) and domestic servants (in the case of darker women), 'the necessary physical providers of pleasure, comfort and altruism' (p. 223). As a result, as Caldwell (2007) argues, Afro-Brazilian women are positioned as "the altruistic caretakers of white Brazilians, rather than full citizens and equal participants in Brazilian national culture" (77). Feminists have noted that black women's experience was marked not only by backbreaking domestic and farm labour associated with their status as slaves but also by 'mandatory gender-related functions': 'mammies nursing the children of the white plantation family, the masters' sexual satisfaction, the young boys' sexual initiation' (Rezendo and Lima, p. 760). Feminist scholarship has drawn attention to how the legacy of this history can still be seen in the occupational structure of the Brazilian economy which relegates a significant proportion of paid domestic service to indigenous and Afro-descendant women.

### ***Documenting intersecting inequalities in late 20<sup>th</sup> century***

There is now a considerable body of studies documenting how the intersection of inequalities are reflected in different measures of poverty and wellbeing. Most use national survey data and hence their classifications to capture racial/ethnic identity. Since 1950, the Brazilian census has used colour to capture racial/ethnic distinctions. There are five main categories: white or *branco* who are Euro-descendants; yellow or *amarelo*, who are descended from Japanese and Korean migrants); brown or *pardo* who are dual/multiple descendants from European and African/indigenous people and *preto*, the Afro-descendants. The category *indigena* or indigenous people was only added in 1991. Because of the very small percentages of the population who are indigenous or yellow (less than 1% in each case), most studies tend to distinguish between white (including yellow), brown and black (including indigenous) or just white and non-white. We draw on some of these studies to illustrate how intersecting inequalities played out in the Brazilian context in the late 20<sup>th</sup> century.

A first set of findings confirm the marked racial dimension to poverty and inequality. Afro-descendants made up approximately 45% of the Brazilian population in 2000: between 1995 and 2000, they earned around half of the average income of the white population, a proportion that remained stable over this period. A comparison of the racial composition of income deciles showed that it became increasingly 'blacker' with the move from higher to lower income deciles. Black households made up 20% in the highest income decile and increased systematically as income declined so that they made up 70% in the lowest income decile (Marió and Woolcock, 2004: page 16).

Racial inequalities were evident in health and education. White life expectancy at birth in 1950 was 47.5 compared to black life expectancy of 40.1. The gap of around 7 years

remained the same in 1980 when life expectancies had risen to 66.1 and 59.4 respectively (Lovell and Wood, 1998). These differences in life expectancy declined with income level – from 8.59 at the lower end of the income distribution to 2.28 at the highest level. Blacks also lagged behind in education: primary school enrolment rates for whites was 0.93 and 0.87 in blacks in 1995 but there had been considerable closing of disparities at the level of schooling by 2002 with rates of 0.97 for white and 0.95 for blacks.

A second set of findings attested to the overlap between the racial and spatial distribution of poverty. It noted that eight of the ten poorest states were in the north east, which had the highest concentrations of Afro-descendants, while three of the four states in the south east were among the five richest in the country. Nearly 50% of the poor live in the Northeast region although they represent only 30% of the total population. The racial differences in life expectancy at birth noted earlier varied by region. In addition, while the relationship between racial differentials and income levels held across the northern and southern regions of the country, and overall differentials were larger in the poorer north, the relationship was also flatter: it was 7.10 years among high income groups in the north compared to 8.41 in the south.

There was also a rural-urban dimension to poverty. Nearly 55% of the poor live in rural or small urban areas although they account for 35% of the population. Among the poor, the majority are found among farm households located in remote, isolated, sparsely populated and low productivity areas and largely depend on farming and agricultural labor. They are mainly indigenous (Mario and Woolcock, 2004).

A third set of studies documented the intersection of inequalities in the labor market. Lovell and Wood (1998) compared the situation in 1960 and 1980. They found an occupational structure that was highly stratified by race, class and gender, both between better paid white collar and less well-paid blue collar jobs but also within these broad categories. In 1960, 88% of black women were in blue collar jobs compared to 35% of white women. Most of the black women were in the least well-paid and lowest status unskilled manual and personal service categories (74%) and mainly in domestic service (68%). White women in white collar jobs were evenly distributed between professional/technical and clerical jobs. Barely any had managerial positions.

In 1980, 66% of black women were still in blue collar jobs but while 44% were in unskilled/personal services, the rest had moved into skilled manual labor. The percentage of black women in white collar jobs had increased from 12% to 34%, mainly in professional/technical and clerical. White women had also increased their share of white collar jobs from 48% to 63% but had not made it into managerial /administrative positions.

As far as men were concerned, 82% of black and 62% of white were in blue collar jobs but with more black men in skilled manual work than white (71% and 50%). Similar percentages of both were in unskilled services. 37% of white men and only 17% of black men were in white collar jobs but only white men had managerial positions. By 1980, 46% of white men

and 25% of black men were in white collar jobs, including 9.6% and 3.4% in managerial/administrative jobs respectively. Of the rest in blue collar jobs, the vast majority in both ethno-racial categories were in skilled manual jobs.

The occupational gains reported by both men and women in the two groups reflected the expansion of the economy between 1960 and 1980 and the accompanying urbanization of the work force. What can be seen is that, despite expansion of education and opportunities, the black population remained concentrated at the lower ranks of the occupational hierarchy, with black women in particular concentrated in domestic service.

Comparison of average monthly wages in 1980 established that white collar jobs paid considerably higher wages than blue collar ones and that unskilled/personal services were the least well-paid of all occupations. Furthermore, white men and women earned more than black men and women respectively in each occupational category while black women earned less than black men in each of these occupational categories. For example, focusing on unskilled/personal services, the lowest paid occupational category, white men earned 8917BRL<sup>1</sup> in 1980, black men earned 6892 real, white women earned 4165 BRL while black women earned 3715 BRL.

Later studies testified to the persistence of the race/gender hierarchy in the labor market. Analysis of 1996 PNAD data showed that 64.6% of white women and 68.7% of black women earned less than the monthly minimum wage compared to just 24.2% of white men and 34.5% of black men (Mario and Woolcock, 2004). Similarly, the rise in earnings associated with education was much steeper for white men than other groups in both 1992 and 2000. For each level of education, the highest earnings were reported by white men and the lowest by black women. Earnings were very similar for white women and black men at lower levels of education but were lower for white women than black women for 11 years of schooling or more.

Rezendo and Lima cite work by Telles (1990) who examined the importance of education, gender, age, race, and migratory status for the occupational distribution of workers in the greater metropolitan areas of Brazil and found that gender explained the greatest share of variation in the composition of the informal market. Black women were especially prone to having jobs in the informal sector, even more than would be expected based on the single effects of race or gender, indicating the existence of particularly severe discrimination against non-white women.

To sum up, studies of labour market inequalities have consistently found white men at the top of the occupational hierarchy and black women at the bottom. Black men, on the other hand, often appear to do better than white women. These studies also confirm the continued concentration of black women in domestic work (Bruschini, 2000; Lima 2001). As analysis of the 1998 PNAD reports, 36.8% of black women and 27.4% of brown women were still in

---

<sup>1</sup> BRL refers to the Brazilian Real, the country's currency.

domestic work. If the 'personal services category' was added, then 47.8% of black women in urban Brazil in 1998 were concentrated in these two occupational categories, often with the worst conditions in terms of income and working conditions (Rezende and Lima).

The data cited so far attest to the significance of intersecting inequalities in determining how different gender/race groups are positioned in vertical hierarchies of income, life expectancy, education and wages. But before we conclude this section, it is important to note that there is also empirical evidence to support some of the claims made in relation to racial democracy in Brazil. This has led some to refer to 'Brazil-style racism' (Mario and Woolcock) to differentiate it from the more clear-cut racism of the US and South Africa, the two countries most often used as comparators. We summarize evidence on the three examples of this discussed in Telles (2004).

The first example relates to ambiguity around racial classification. As we noted, official statistics classify the population by colour, using 5 categories and relying on self-identification by respondents. Studies have suggested that the population itself has a much richer vocabulary to capture various gradations in colour than these five. One survey in 1976, for instance, which asked an open-ended question about colour, recorded over 100 terms. However, a re-analysis of the data suggested that in fact, over 95% of the respondents opted for one of six terms (variations on black, brown and white) with those using other terms (such as purple, dark chocolate and Pele-coloured) were used by just three or four people.

More indicative of the fluidity around racial classification are some of the discrepancies observed by studies. One example of this relates to discrepancies in how people choose to classify themselves. Self-classification as well as classification by others will often reflect some combination of skin colour, appearance and social status so that that individuals with the same skin tone may classify themselves and be classified differently according to social status. Also the same person may classify themselves differently over time: changes in self-reclassification between censuses accounted for some of the changes in the racial composition of the population documented at the national level (Lovell and Wood, 1998).

Telles notes the particular ambiguity surrounding the 'brown' category who, along with the official label of *pardo*, are also referred to as *moreno*. In his analysis of 1995 data, he found that those who had classified themselves as *moreno* in response to the open-ended question distributed themselves between white, brown and black categories when asked to use the census categories. There was also considerable discrepancy between self and interviewer identification using the census categories. There appeared to be least ambiguity for those with higher education and at the lighter end of the colour scale. For instance, there was near-perfect consistency (98%) between interviewer classification among highly educated men and women in the South who classified themselves as white, and only slightly lower for this group in the north (93-94%). At the other end of the colour continuum, blacks were more likely to encounter discrepancies than either whites or browns for both higher and less educated groups but ambiguities appeared to be largest for more educated black women, particularly

in Bahia where there was only 22% likelihood that interviewer would classify highly educated women as black.

A second form of evidence that appeared to support the idea of a racial democracy related to residential segregation. We have already noted the existence of a spatial geography of race which creates concentrations of whites in the more affluent southern states and of blacks in the poorer north and northeast. However, there has been considerable racial convergence in urban areas: while 51% of white, 42% of blacks and 37% of browns lived in urban areas in 1960, this had increased to 84%, 80% and 74% respectively by 1990. Examining residential patterns in two large urban areas in the South, Telles found considerable evidence of overlapping racial and class segregation: whites were concentrated in the most affluent central districts while non-whites were found in the poorer outer districts.

However, a more complicated picture emerged at neighbourhood level. Here Telles used a dissimilarity index (DI) which measured evenness in the distribution of racial and household income groups across a given neighbourhood and an exposure index (EI) which measured the extent to which members of a certain social group are exposed to those of another group by virtue of living in the same neighbourhood). The two are not the same: it is possible for whites to be more exposed to blacks in neighbourhoods where blacks are a majority but this has no bearing on the dissimilarity index.

He found that the DI for the ten largest metropolitan areas in Brazil varied from a low of 37 to a high of 48. These are very much lower than estimates varying from 75 to 93 in the ten largest metropolitan areas in the US. The EI index ranged from 12 to 59 in Brazil while it varied from 4 to 12 in the US. In other words, white Brazilians were far more likely to live in racially mixed neighbourhoods than are US whites and far more likely to be exposed to black people.

Residential segregation by race appeared to increase by income, suggesting that higher income whites were less likely to live in racially mixed neighbourhoods. This probably reflected the greater ability of wealthier whites to use the formal housing market to select residence by colour than poorer whites who gained access to housing through informal markets. In other words, the lower levels of racial segregation in poorer neighbourhoods is less likely to reflect greater tolerance among the poor as it is the precarious housing situation of those 'who have little control or concern over the colour of their neighbours'

Following on from Brazil's lower levels of segregation is a third example of what makes race in Brazil different which is the 'relatively high levels of racial interaction, including interracial friendship and intermarriage, at least among the poor' (Telles, p. 213). This was evident in the data on inter-racial marriage. Data from 1991 suggested that 23% of marriages in Brazil were between of different colours, a much higher percentage than found in other racially structured societies like USA and South Africa. While this is indicative of fairly widespread inter-racial sociability, it is also the case that intermarriage by whites is mainly with mulattoes. Despite the fact that brown and black people are closer to each other in the vertical

distribution of opportunities, there is greater social acceptance of marriage between whites and mulatto. This appears to reflect the preference for lighter rather than darker skin colour in the marriage market in Brazil. An important factor in inter-racial marriage in Brazil is interracial propinquity. As a result, intermarriage occurs mostly in the North east where whites are more likely to interact with browns and blacks. Similarly, it is most prevalent among poor whites who are also most likely to be exposed to non-whites. It is less common among middle class whites.

### Section 3: Leaving no one behind? Trends in intersecting inequalities 2002-2013

Bearing in mind these intersecting patterns of inequality in the closing decades of the 20<sup>th</sup> century, we turn our attention to the early decades of the 21<sup>st</sup>. As we pointed out in the introduction, this paper is motivated by the apparent break with history, evidence of declining inequality since 2000 in a country that has historically been characterized by high, and remarkably stable, measures of income inequality. This section of the report uses PNAD data to unpack some of the components that make up this historical reversal and to explore in greater detail how groups that had hitherto been left behind in the country's progress have fared in an era of declining income inequality. We organize our analysis around the SDG indicators as a way of linking it to the larger development agenda but are only able to focus on those indicators for which we have data.

At the start of the period under analysis, Brazil's population was estimated by PNAD to be 175 million people (of which 51.2% were female) growing to 201 million people (51.4% female) by 2013.

**Table 3.1 Brazilian demographics – ethno-racial groups**

	White		Yellow		Black		Mixed		Indigenous	
	2002	2013	2002	2013	2002	2013	2002	2013	2002	2013
<b>Brazil</b>	<b>53.2%</b>	<b>46.3%</b>	<b>0.4%</b>	<b>0.5%</b>	<b>5.6%</b>	<b>8.0%</b>	<b>40.5%</b>	<b>45.0%</b>	<b>0.2%</b>	<b>0.3%</b>
North	27.6%	22.6%	0.2%	0.3%	4.7%	7.4%	67.3%	68.1%	0.2%	1.5%
Northeast	30.2%	27.4%	0.2%	0.2%	5.5%	9.6%	63.8%	62.4%	0.2%	0.4%
Southeast	63.2%	54.3%	0.6%	0.6%	6.7%	8.6%	29.4%	36.4%	0.1%	0.1%
South	82.7%	76.4%	0.4%	0.5%	3.7%	4.0%	13.1%	18.9%	0.2%	0.2%
Centre-West	44.7%	39.5%	0.5%	0.5%	3.9%	6.6%	50.2%	53.1%	0.6%	0.2%
Federal District	44.1%	44.1%	0.4%	0.6%	5.8%	7.6%	49.3%	47.4%	0.3%	0.3%

As Table 3.1 indicates, the Brazilian population is largely made up of 'whites' and 'mixed' groups (53% and 40.5% respectively in 2002). 'Blacks' made up 5.6%. The share of those classified as 'yellow' and 'indigenous' are extremely small (0.4% and 0.3% respectively). During the period under study, there is evidence of a reduction in share of the white population at the national level (46.3% in 2013) and in the different regions (with the exception

of country's administrative centre, the Federal District of Brasilia, where it remained unchanged). This was accompanied by an increase in the share of blacks (8%) and mixed groups (45%). We also note that population was and remained more white/yellow in the south and south east regions over this period with greater evidence of mixed groups/indigenous groups in the North and North-east. Blacks appear to be more geographically dispersed although they made up 9.6% of North east by 2013.

A preliminary analysis of socio-economic indicators led us to group the white and yellow populations together and those classified as black and mixed together. 'Indigenous' Brazilians are usually grouped together with blacks but they show significantly different values for their socio-economic indicators, suggesting that they should be object of specific attention. While representing only 0.3% of the Brazilian population in 2013, they do represent 689,000 people, larger than the populations of several countries in the world.

### 3.1 Income inequalities

We start our discussion with income inequality, the main focus of SDG 10. Table 3.2 reports on three measures in income inequality at the national level:

- the better known Gini Index
- the Palma Index (ratio of the 10% highest income bracket of the population's share of total reported income divided by the poorest 40%'s share)
- Theil's Generalized Entropy GE(2) measure (additively decomposes total inequality into between group inequality and within group inequality).

**Table 3.2 Indicators of income inequality**

Vertical Inequality	Income	
	2002	2013
Palma Index	47.9	<b>36.0</b>
Gini Index	0.731	<b>0.652</b>
GE (2)	3.237	<b>2.191</b>

All three measures confirm there has been a significant decline in income inequality. Figure 3.1 disaggregates this overall picture by income group. It suggests that while average income rose by 9.5% per annum between 2002 and 2013, the rate of growth was not evenly distributed across the income distribution. It was lower for the bottom 10% of the income distribution, much higher for those in the 10-30% and 30-50% income groups and then declined steadily at higher levels of income. While this picture is consistent with the picture painted by the vertical inequality indicators, it does suggest that the lowest income group did not benefit as much from the improvements in income experienced by the poorer half of the population.

**Figure 3.1 Average yearly growth in income**

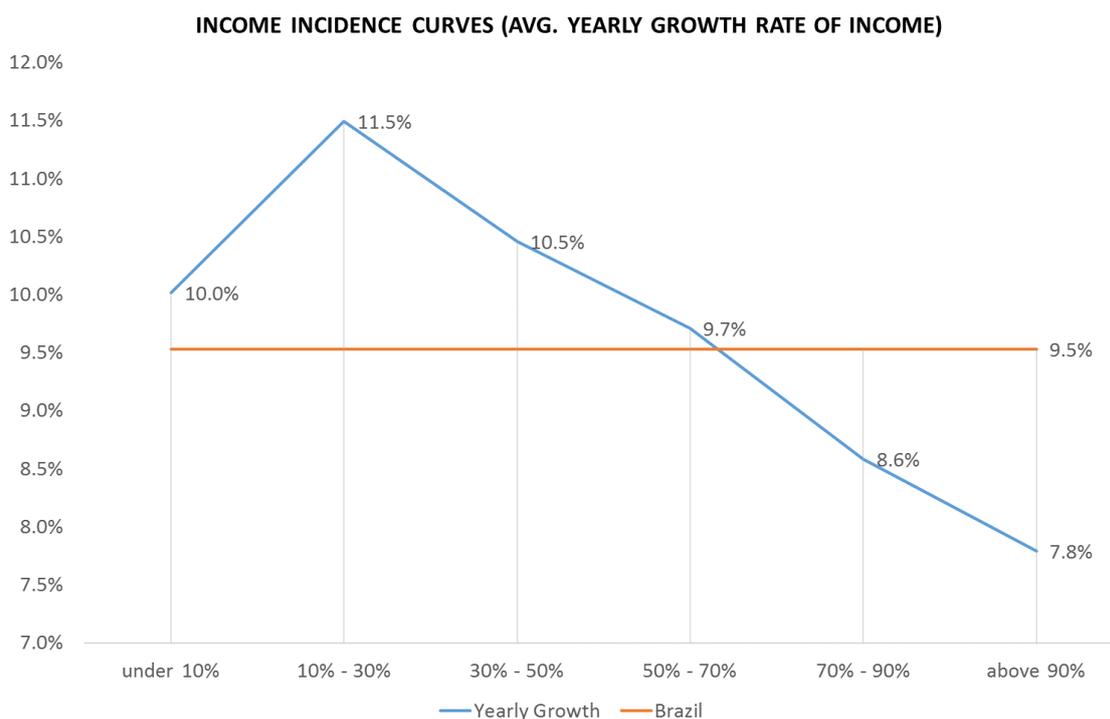
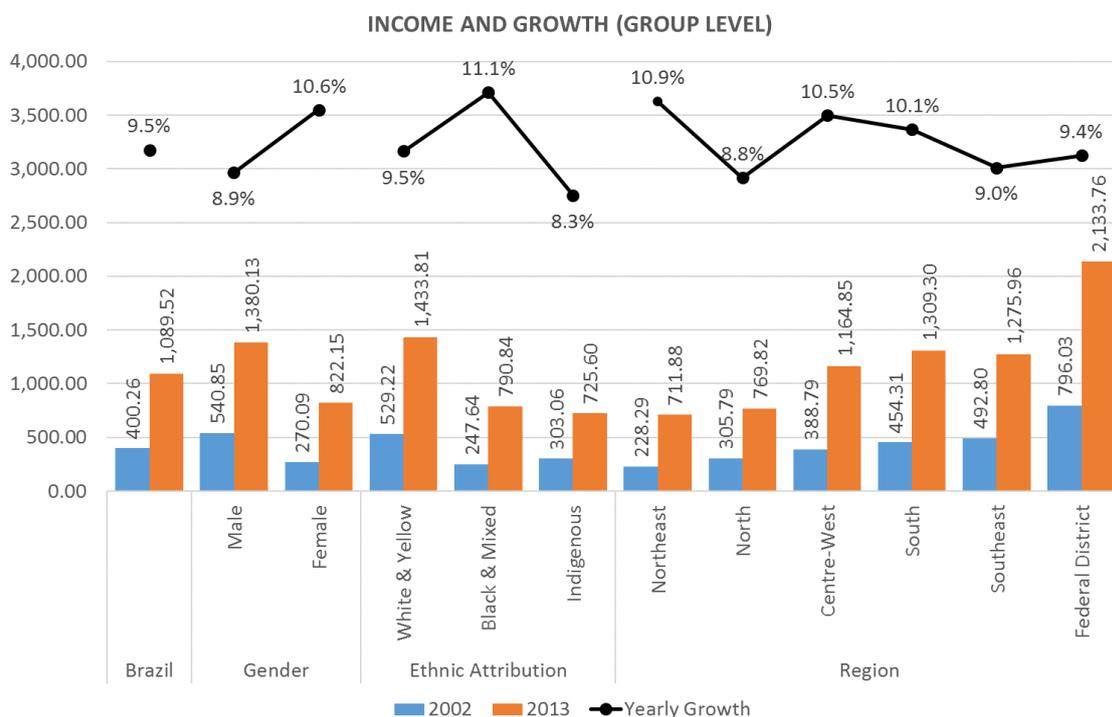


Figure 3.2 examines how the rates of change in average monthly income varied by gender, race and region. It suggests that average monthly income grew faster for women than for men by 1.7 percentage points but that the absolute difference in incomes also grew - from around 300 BRL a month in 2002 to around 500 BRL in 2013.

A broadly similar pattern is evident for the two major ethno-racial categories: average monthly income grew faster for the poorer black population than the higher-income white although once again, absolute differences in income grew from 345 BRL in 2002 to 643 BRL in 2013. Growth rates were lowest for the indigenous minority and their income levels fell below black earnings in 2013.

The regional trends are more complicated. It is clear that the Federal District reported considerably higher monthly incomes in both 2002 and 2013. Despite somewhat higher rates of growth in some of the less affluent districts, the absolute difference in monthly income in the Federal District and the North east, the poorest in both years, grew from 568 BRL in 2002 to 1422 BRL in 2013. Rates of growth were lowest in the North, the second poorest region in both years.

**Figure 3.2 Changes in average monthly income by gender, ethno-racial group and region**



In Table 3.2, we present three different indices which synthesize group inequalities (Gisselquist, 2015). The Group Weighted Coefficient of Variation (GWCOV) is a common measure of regional disparities. Weighted by the population size of each group, the GWCOV is less sensitive to changes in the relative position of smaller groups, because they receive a lower weight in the sum, relative to larger groups (Mancini, 2008). The second indicator is the Group Weighted Gini Index (GWGini) which, like the standard Gini Index, measures the pairwise weighted sum of differences between the average group measures for the indicator of interest, divided by the overall average. It is more sensitive to changes in relative positions around the population (or sample) mean. The third indicator is the Group Weighted Theil Index (GWTheil) which, as highlighted by Gisselquist (2015), is the most sensitive to the lower end of the distribution. The technical explanation of these indicators is provided in the Appendix.

Table 3.3 below presents the values of the three group-based inequality indicators for three groups: gender, ethno-racial identity (Indigenous, White and Yellow, Black and Mixed) and region (Northeast, North, Centre-West, South, Southeast and Federal District). All three indicators tell us that, along with overall declines in income inequalities between 2002 and 2013 depicted in Table 3.2, there have been declines in gender, ethno-racial and regional inequalities income. At the same time, they tell us that ethno-racial income inequalities were and remain larger than income inequalities by gender or region.

**Table 3.3: Indicators of group-based income inequalities**

Income Inequalities	Gender		Ethnic		Regional	
	2002	2013	2002	2013	2002	2013
Coeff. of Variation	0.338	<b>0.256</b>	0.567	<b>0.406</b>	0.250	<b>0.229</b>
Gini	0.169	<b>0.128</b>	0.175	<b>0.147</b>	0.159	<b>0.134</b>
Theil	0.062	<b>0.036</b>	0.061	<b>0.045</b>	0.044	<b>0.034</b>

Figure 3.3 gives us a more disaggregated picture of the changes in average monthly income for groups at the intersection of gender, ethno-racial identity and region, with the different groups ranked by their income levels in 2002. A broad reading of the figure suggests that average income increased over this period for each of these groups with largely similar ranking in both years, with black/brown and indigenous men and women at the lower end of the income distribution and white/yellow males at the higher end. While there are some exceptions in the case of a number of non-representative groups (such as indigenous women resident in the Centre-West region and indigenous men resident in the Federal district), it is worth noting that black/brown women from the Northeast earned the lowest monthly income in both 2002 and 2013 while white/yellow men from the Federal District earned the highest. Thus, while group-level indices suggest that inequalities are higher by ethno-racial identity than by gender, the intersection of race and gender creates what appears to be a fairly consistent income hierarchy by gender and race. The other point to note is the relative flattening of the income curve – the average income gradient between groups reduced from 7.9% in 2002 to 6.6% in 2013, despite an increase in the absolute difference between lowest and highest average group income.

**Figure 3.3**

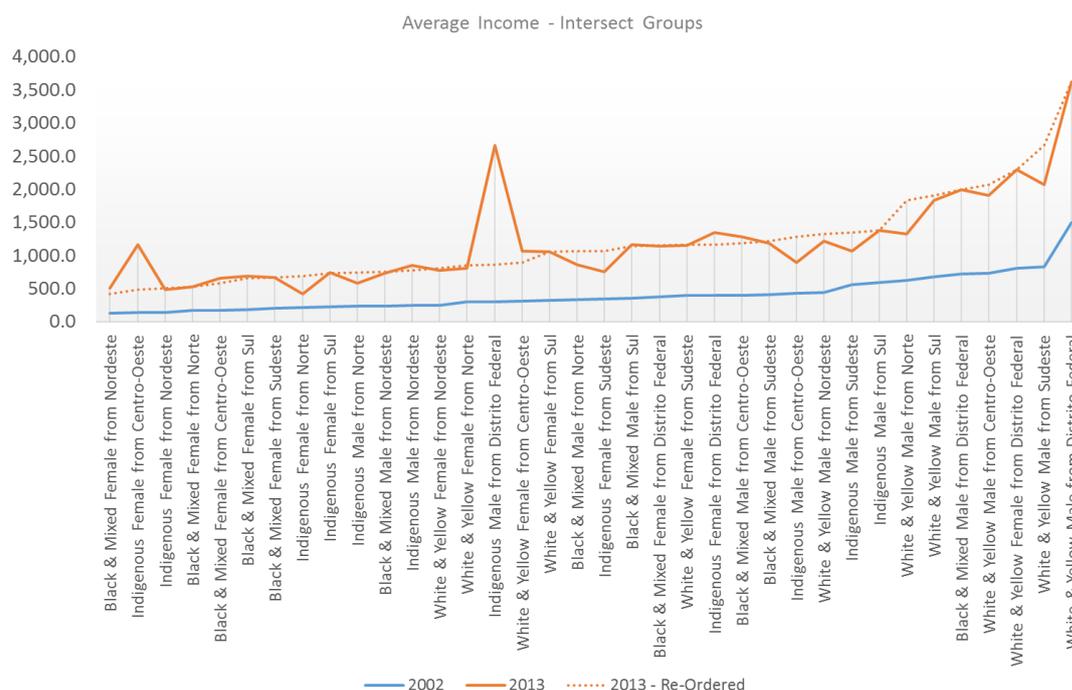
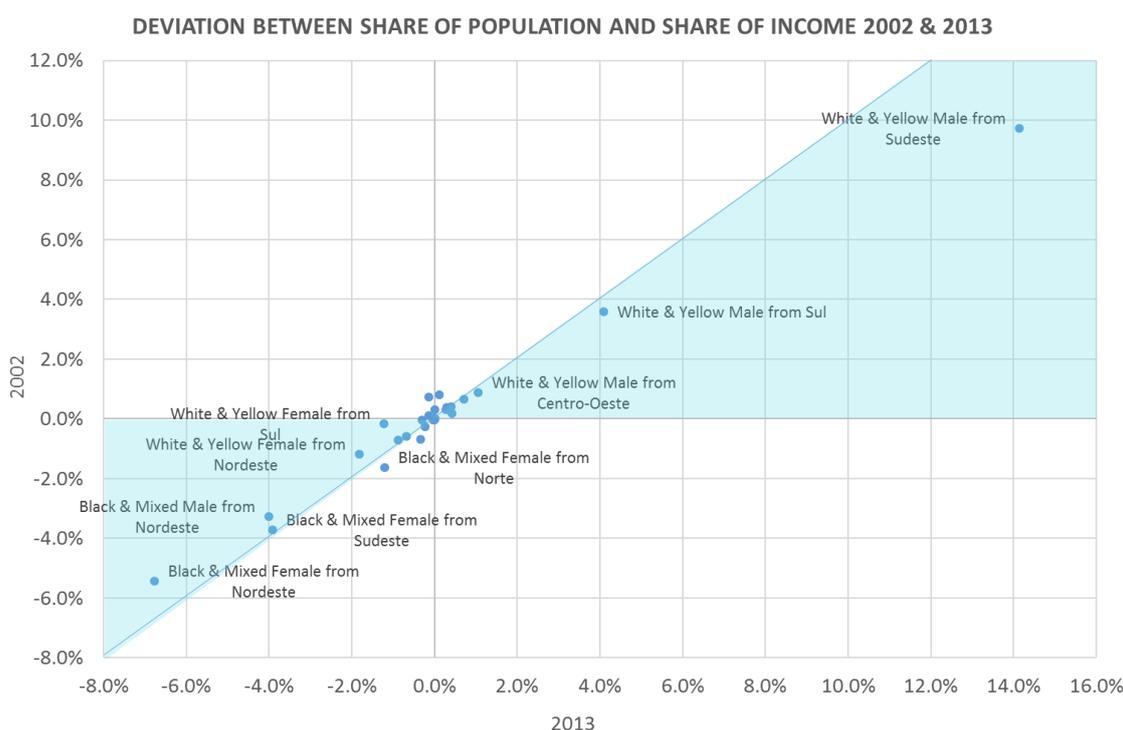


Figure 3.4 offers further insight into the hierarchies defined by intersecting inequalities. Using the idea of the Palma Index it displays the deviation of the share of the population and of income of the different intersecting groups for 2002 and 2013. The deviation is positive for groups whose share of income exceeded their share of total population and negative for those whose share of income was lower than their share of the population. Positive deviations are largest for white/yellow men from the South East followed by those from the South and the Centre-West. Negative deviations are largest for black/brown women from the Northeast, followed by black/brown women from the South and black/brown men from the Northeast. The shaded area shows all cases where the absolute deviation declined, in other words, the cases where the share of income came closer to share of population, leading to a more equitable distribution of income. The figure suggests that this was the case for many groups (53% of the groups to be exact), including the most extreme ones, although the positive deviation remains still very high for the most privileged groups (white/yellow men residing in the Southeast). It also suggests a significant concentration of groups in a window where the difference between share of income and share of population does not exceed 1% - a suggestion that these groups, on average, are not driving group-based inequalities. In fact, the proportion of such groups increased from 75% to 81% of the total.

**Figure 3.4**



To sum up this section, we have shown that economic growth in Brazil, from 2002 to 2013 was accompanied not only by a decrease of vertical income inequality, but also in horizontal and intersecting inequalities. There has been a decline in regional inequalities in the income distribution, in gender inequalities as well as ethno-racial inequalities. However, it is important to note that the decline in ethno-racial inequalities does not include the indigenous population whose incomes do not appear to be converging towards the average. While an examination

of horizontal inequalities suggests that ethno-racial inequality is higher than gender-based inequality, re-examining income distribution from an intersectional perspective suggests women from marginalized ethno-racial groups are clustered around the lower levels of the income distribution, despite a higher proportional increase in their respective average incomes. The suggestion is therefore, of a possible narrowing of identity-based differences in income due to a more than proportional increase of the income “floor” but not to higher socio-economic mobility.

### 3.2 Poverty

We turn next to the distribution of poverty across the population. SDG 1 suggests attention to ‘the proportion of the population below the international poverty line, disaggregated by sex, age group, employment status and geographical location (urban/rural)’. Figure 3.5 compares BRL estimates of different poverty lines between 2002 and 2016. It shows a near-perfect coincidence between the International (Extreme) Poverty Line (IPL) set by the World Bank and Brazil’s National Extreme Poverty Line. By contrast, Brazil’s National Poverty Line (NPL) is set higher. In our analysis therefore we will focus on extreme poverty as measured by the IPL and overall poverty as set by the NPL.

Figure 3.6 examines the incidence of extreme and overall poverty for different income groups between 2002 and 2013. It suggests that extreme as well as overall poverty were concentrated in the lowest 10% of the income distribution in both 2002 and 2013 and both forms of poverty declined over this period. 78% of this group were below the poverty line in 2002 declining to 18% in 2013. In addition, we should note that around 37% of the population aged 10+ earned zero income in 2002, a figure that declined to 30% in 2013.

Figure 3.5

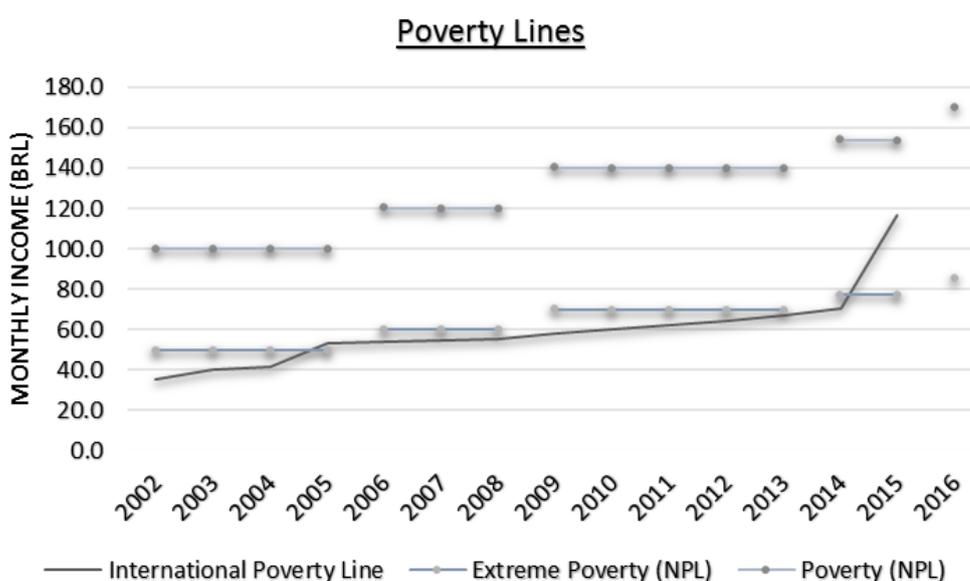


Figure 3.6 Poverty by income groups

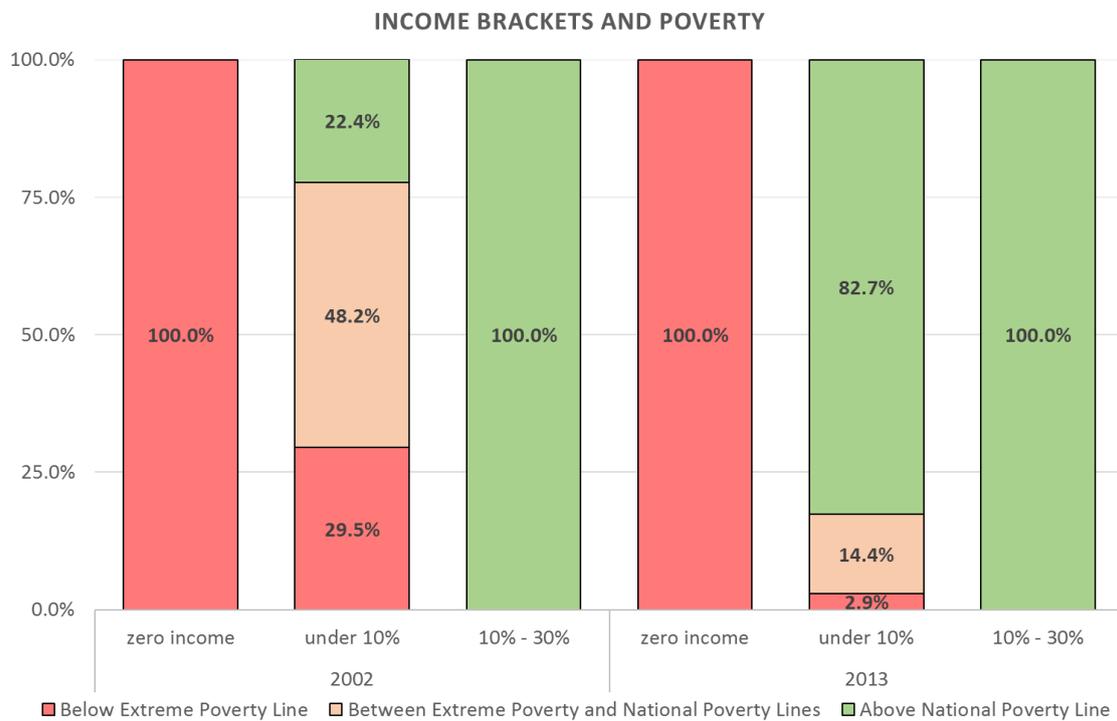


Figure 3.7 Incidence of poverty by gender

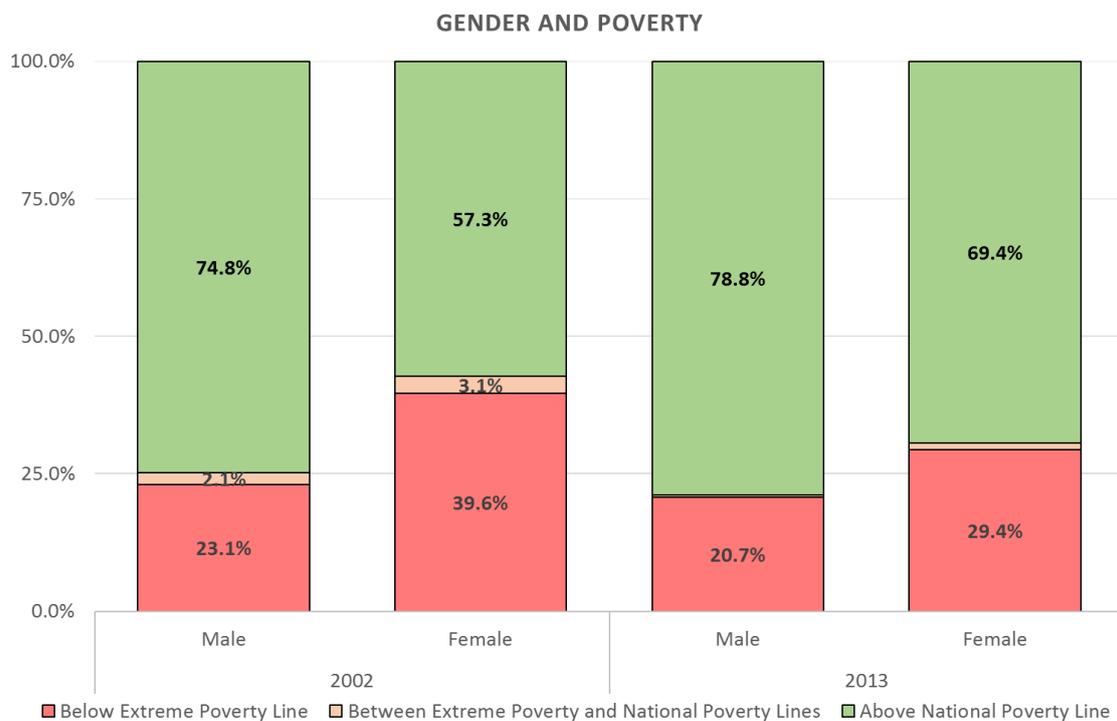


Figure 3.8 Incidence of poverty by ethno-racial group

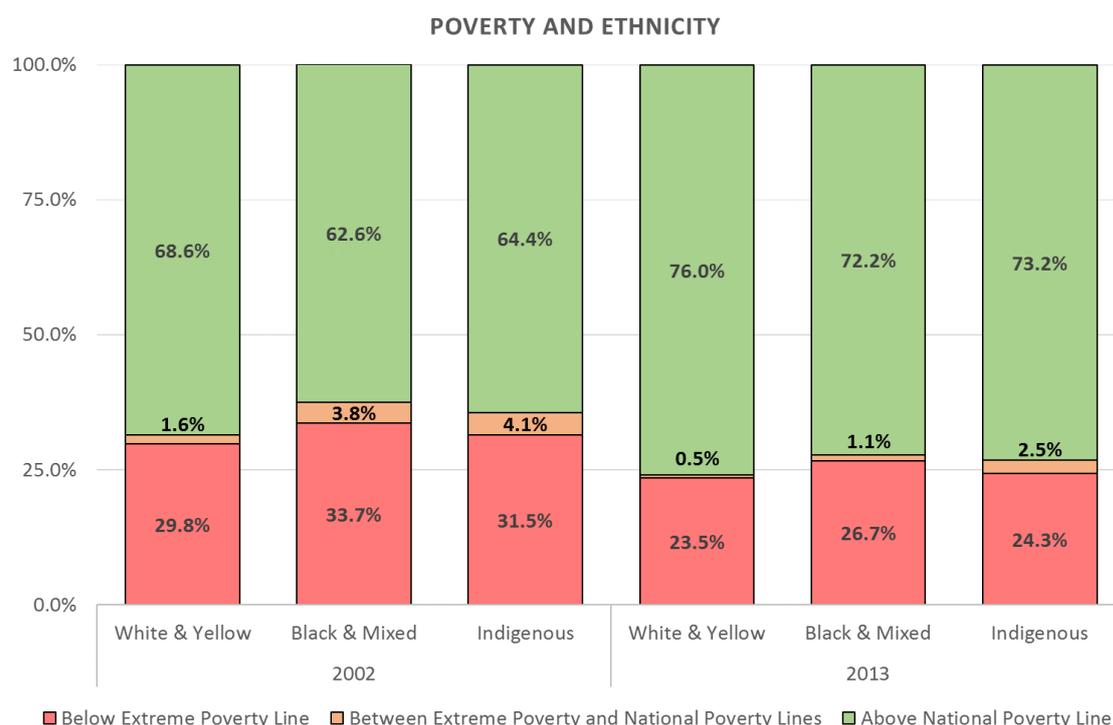


Figure 3.7 shows that, along with the overall decline in poverty, there was a clear decline in the gender gap in the incidence of poverty. While the percentage of men below the extreme poverty line declined from 23% in 2002 to 21% in 2013, the percentage of women declined from 39.6 to 29.4 percent. Nevertheless, women were still 8% more likely than men to earn less than US\$1.25 a day in 2013.

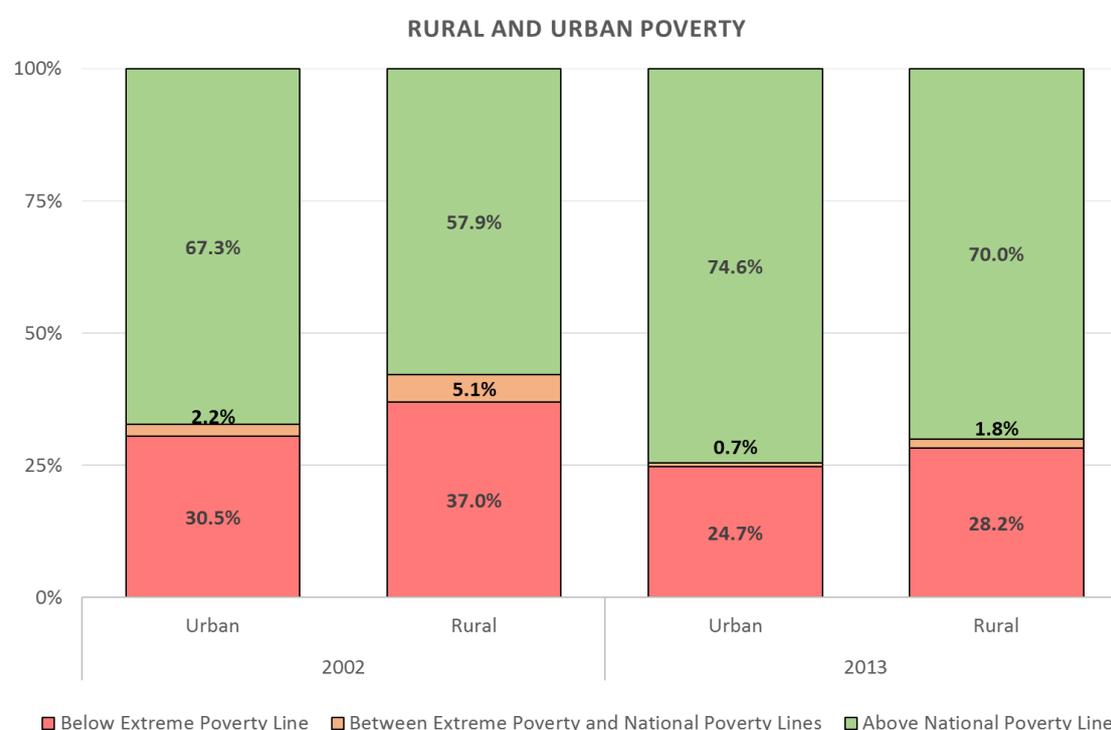
Figure 3.8 reports on the incidence of poverty by ethno-racial groups in 2002 and 2013. There appears to have been a decline in the incidence of poverty for each group so that the gap between the black/brown and indigenous groups declined vis-à-vis white/yellow groups.

Table 3.4 compares the incidence of extreme poverty between 2002 and 2013 for groups at the intersection of income, gender and ethno-racial inequalities, focusing on those at the bottom 10% of the income distribution. It finds that there was a significant decline in extreme poverty for all groups over this period, with particularly large declines for indigenous males and females. Nevertheless, indigenous men and women continued to face the highest levels of deprivation in 2013 as they had in 2002, with incidence slightly higher among indigenous men.

**Table 3.4**

Below 10% income level	Below Extreme Poverty Line	
	2002	2013
Indigenous Male	75%	15%
Indigenous Female	70%	12%
Black & Mixed Male	62%	8%
Black & Mixed Female	61%	7%
White & Yellow Male	61%	7%
White & Yellow Female	58%	7%

**Figure 3.9 Incidence of poverty by rural urban locations**

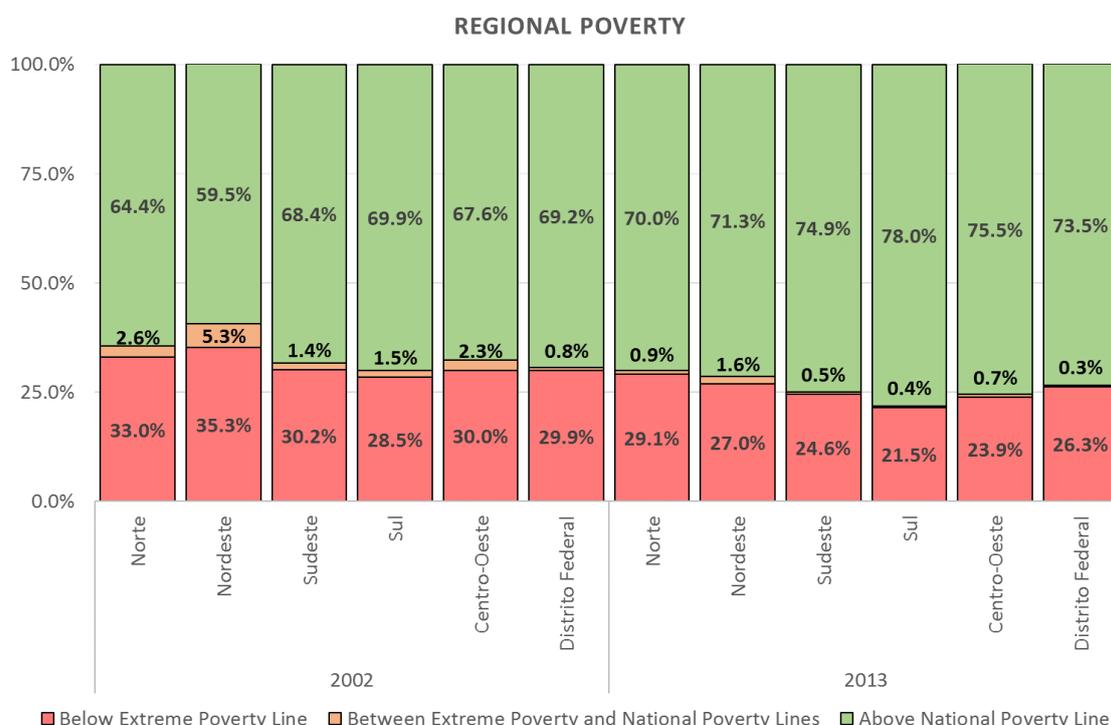


The next set of estimates examines spatial dimension of poverty in Brazil. Figure 3.9 suggests declines in poverty in both rural and urban areas with a faster decline in the proportion of rural poor (from 37% to 28.1%) compared to the urban (from 30.5% to 24.7%). This period therefore saw a reduction in the rural-urban poverty gap.

Figure 3.10 shows the regional distribution of poverty. It suggests that while the incidence of poverty went down in all regions, this did not necessarily reduce regional inequalities in poverty. While the largest reduction in poverty was reported by Northeast region, which had been the poorest in 2002, the second largest declines occurred in the South region which had been the richest region in 2002. Smaller declines in the North, which had been second poorest region in 2002, meant that it became the poorest region in 2013. The South region

was the richest region in 2002 and remained so 2013. The difference in the incidence of poverty in the region with highest levels of extreme poverty (North in 2013) and the region with the lowest (South) thus increased in 2013.

**Figure 3.10 The incidence of poverty by region**



In summary, our analysis suggests that along with a reduction in absolute forms of poverty in Brazil, the poverty gap between different groups also declined. This decline was evident by gender, by ethno-racial groups and among groups at the intersection of gender, ethno-racial inequality and extreme poverty. There was a particularly large decline in extreme poverty among indigenous groups. The regional distribution of poverty is more complicated. While there was a reduction in the rural-urban gap in the incidence of poverty and while poverty went down in all regions, regional inequalities in poverty may have increased. Smaller declines in poverty in the North, which had been second poorest region in 2002 (behind the Northeast), made it the poorest region in 2013 and increased the gap with the richest region, the South.

### 3.3 Labour market outcomes

#### *Wage inequalities*

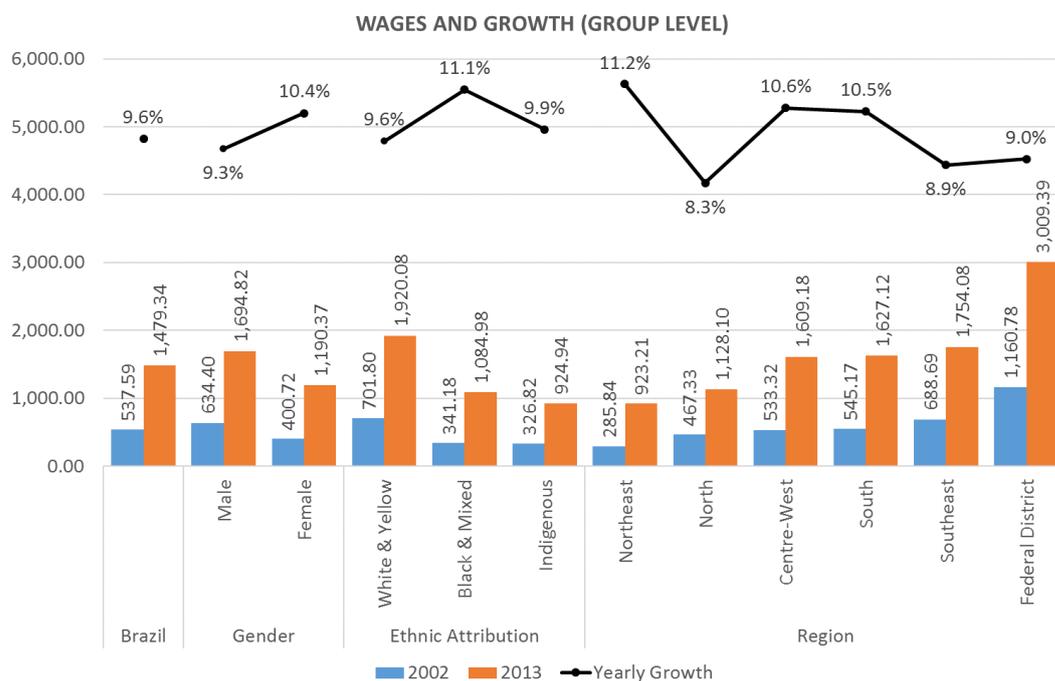
We next turn to labour market outcomes in 2002 and 2013. We start by wage earnings, one of the indicators of progress included under SDG 8. Given that wages represented 87% of reported incomes in 2002 and 90% in 2013 according to PNAD surveys, it is not surprising

that our estimates closely follow those reported for overall income. Figure 3.11 examines growth in wages by gender, ethno-racial identity and region. Wages grew by an average of 9.6 per annum over our study period, rising somewhat faster for women than men (10.4% and 9.3 respectively) although women continued to earn lower wages in 2013.

The table suggests some decline in ethno-racial inequalities in earnings in that growth in wages were highest for black and mixed groups (11.1%), followed by indigenous groups (9.9%), and then followed closely by white and yellow groups (9.6%). Wage levels, however, remained considerably higher for white/yellow groups (BRL 701 and 1,920 in 2002 and 2013 respectively), particularly compared to those reported by indigenous groups (BRL 326 and 924).

As far as regional disparities were concerned, the slowest rate of growth was reported by the North and the highest by the Northeast, but earnings in both 2002 and 2013 were somewhat higher in the North than in the North-East which reported the lowest earnings in both years. The Centre and Southern regions reported growth rates that varied between 8-10% but reported higher earnings than the northern regions in both years. The highest earnings, considerably higher than other regions, were reported by the Federal District for both years.

Figure 3.11



**Table 3.5 Measures of group-based, regional and intersecting wage inequalities**

Wage Inequalities	Gender		Ethnic		Regional		Intersecting	
	2002	2013	2002	2013	2002	2013	2002	2013
Group weighted...								
Coeff. of Variation	0.221	<b>0.173</b>	0.527	<b>0.385</b>	0.265	<b>0.231</b>	0.507	<b>0.573</b>
Gini	0.109	<b>0.085</b>	0.167	<b>0.141</b>	0.179	<b>0.139</b>	0.270	<b>0.300</b>
Theil	-0.017	<b>-0.014</b>	0.053	<b>0.037</b>	0.057	<b>0.026</b>	0.076	<b>0.456</b>

Table 3.5 estimates indices of wage inequality by gender, ethno-racial groups, region and the intersection of these. The final column needs some explanation. It calculates indicators of group weighted inequalities for a greater disaggregation, intersecting the three identities: gender, ethnic and regional. This allows us to highlight the differences between intersecting categories such as ‘white/yellow men from the south east’, ‘black/mixed women from the north-east’ or ‘indigenous women from the Centre-west’.

The tables suggest that, as with income, ethno-racial wage inequalities are generally larger than inequalities by gender and region but it also suggests the intersection of these inequalities is associated with the greatest wage inequalities. There has been a decline for the group and regional measures of inequality. We also find some suggestion of increasing wage inequalities, particularly when the indicator is more sensitive to the extremes of the income distribution, such as is the case of the GWTheil. We will explore this finding through a further examination of labour market dynamics.

### ***Labour market segregation by occupation and work status***

We turn now to the distribution of occupations across different groups and regions. Table 3.6 summarizes the average monthly wages in BRL by occupation in 2002 and 2013 ranked by average wage levels in 2013. It makes a number of points. First of all, occupations at the higher end of the wage distribution generally reported a slow rate of growth per annum than those at the lower end, leading to some convergence to the national mean. The exception to this pattern is the category ‘education, health and social services’ which grew at 10.4% compared to the 8-9% rates reported for other occupations in the higher end of the table. Secondly, jobs in public administration reported higher average wages than all other occupations in both 2002 and 2013 (with the exception of ‘other activities in 2002’). The third point to note is that agriculture and domestic services were the lowest paid jobs in both 2002 and 2013 as they had been the case in the earlier year.

**Table 3.6 Average monthly wages by occupation**

Occupations	2002	2013	YΔ%
Public Administration	1,033.9	2,747.8	9.3%
Other industrial activities	970.4	2,611.6	9.4%
Other Activities	1,075.6	2,496.3	8.0%
Education, Health and Social Services	768.9	2,285.0	10.4%
Transport, Storage and Communications	760.8	1,770.7	8.0%
Manufacturing	617.3	1,519.8	8.5%
Other collective, social and personal services	522.7	1,397.2	9.3%
Trade and Repairs	574.3	1,393.7	8.4%
Construction	482.2	1,371.4	10.0%
Underdefined Activities	348.2	1,170.0	11.6%
Accommodation and Food	419.7	1,169.0	9.8%
Agriculture	177.1	796.5	14.6%
Domestic Services	205.5	685.1	11.6%

Table 3.7 reports on the distribution of different groupings across the occupational hierarchy. The upper half of the table presents simple ratios to capture the class, gender, ethno-racial and rural-urban inequalities in the distribution of occupations. The lower half tries to capture how the intersection of these inequalities maps onto the distribution of occupations.

In the upper half of the table, the ratio of the poorest 40% of the population to the richest 10% captures the class distribution across occupations. The table tells us that poorer workers are severely under-represented at the higher paid end of the occupational hierarchy and over-represented at the poorer paid end, particularly in agriculture and domestic services. The ratio of female to male workers suggests greater parity in gender distribution at the better paid end, with women outnumbering men in the education, health and social services to a markedly greater extent in domestic services at the poorer end – a reminder that, despite of gender segmentation in the occupational structure, women are distributed across the class spectrum. The ratio of black, mixed and indigenous workers to white/yellow workers suggests some under-representation in better-paid occupations, parity in others and over-representation in yet others. As might be expected, the rural population is under-represented in most occupations but heavily represented in agriculture.

The lower half of the table which takes account of intersecting inequalities offers clearer insights into the distribution of disadvantage in the labour market. It compares the ratio of men and women from different ethno-racial categories from the poorest end of the income distribution (10-30%) to men from the privileged white/yellow ethno-racial categories from the top 10% of the income distribution. Predictably, both men and women from the poorer end of the income distribution are severely under-represented in the better—paid occupations (such as public administration and health, education and social services which are dominated by wealthy men from the privileged ethno-racial groups. There is, however, some variation in the occupational distribution among poorer men and women from different ethno-racial categories. Poorer men from all ethno-racial categories are over-represented in construction compared to privilege white/yellow men while poorer women are under-represented. Poorer white/yellow and black/mixed men are over-represented in the ‘undefined activities’. All the

poorer groups are over-represented in agriculture relative to privileged white/yellow men and in domestic services but poorer women from white/yellow and black/brown categories are heavily over-represented in this category.

Some of the changes between 2002 and 2013 are worth noting: some increase in representation of poorer yellow/white and black/mixed women in 'other social services' (but a decline among indigenous women); some increase in representation of poorer white/yellow male in construction (but a decline among indigenous men), a large decline in representation of white/yellow as well as black/mixed men in undefined activities along with a smaller decline among equivalent groups of women, an increase in representation of most groups in accommodation/food; a decline in representation of most groups in agriculture with the exception of indigenous men and women who experienced an increase and finally a major decline in representation of women from white/yellow and black/mixed groups in domestic service accompanied by a smaller decline among indigenous women who in any case are not as strongly over-represented in this occupation. There was some increase in this category of men from white/yellow and indigenous groups but they are also not strongly over-represented. Indigenous women are absent from most occupations with the exception of other social services, trade and repairs, agriculture and domestic services.

To sum up, there has been some convergence in earnings across different occupational categories over time. At the same time, income hierarchies and gender segmentation remains intact in the labour market. As we would expect, workers from lower income households are concentrated at the bottom of the wage hierarchy while those from wealthier quintiles are found in the better paid ones. Women are crowded into a limited range of occupations, outnumbering men in education, health and social services at the better paid of the hierarchy and more markedly more so in domestic services at the poorer paid end. There is less evidence of segmentation along ethno-racial lines with greater evidence of parity between white/yellow and black/mixed. Indigenous groups on the other hand tend to be over-represented in agriculture and increasingly so over time.

### ***Inequalities by earnings and work status***

Table 3.8 continues the discussion of inequalities in labour market outcomes, this time ranking work status according to earnings. This ranking did not change between 2002 and 2013. Employers, public sector workers and military personnel are all higher paid work statuses, earning between 2,658 and 5,051 Brazilian BRL a month in 2013. Next in rank were wage workers with licences, the self-employed followed by wage workers without licenses. The poorest among the wage earners are domestic workers with or without licences (earning 868 and 553 BRL respectively) while there are further categories of unpaid, own-account and subsistence workers who barely earn any income. The highest rates of growth in earnings were reported by domestic workers and wage workers without licenses but, as noted, this did not serve to alter the ranking of work status by earning.

**Table 3.8**

Work Status	2002	2013	YΔ%
Employer	1,979.2	5,051.5	8.9%
Statutory Public Worker	1,039.4	2,686.8	9.0%
Military	1,150.0	2,657.9	7.9%
Employee with Work Licence	663.9	1,553.5	8.0%
Self-Employed	494.1	1,373.0	9.7%
Other Employee without Work Licence	363.8	1,050.6	10.1%
Domestic Worker with Work Licence	289.7	868.4	10.5%
Domestic Worker without Work Licence	175.5	533.1	10.6%
Non-Remunerated	4.0	5.2	2.4%
Own Production Worker	1.2	2.0	4.8%
Own Consumption Worker	0.8	0.0	-100.0%

Table 3.9 examines how different social groups are distributed across these work statuses, following the same break-down as before. As before, the upper half of the table reports on simple inequalities while the lower half examines intersecting inequalities. As expected, the ratio of poorer workers to the wealthiest is well below parity in the better-remunerated work status and above parity in the more poorly remunerated statuses, mainly the self-employed and domestic service.

The distribution by gender is less clearly associated with rates of remuneration. Women make up twice as many statutory public workers as men and are nearly on par with men regarding the proportion of employees with work licenses. However, the ratio of women to men is 10.8 rising to 11.3 among domestic workers with a license and 24.8 declining to 21.0 among domestic workers without a licence. They also proportionally outnumber men among the unpaid family workers and own production workers. As far as the distribution of ethno-racial categories is concerned, the results suggest that white/yellow workers dominate in the better paid categories of employers, somewhat less so as public sector workers and employees with work licenses. They are less likely than other groups to be found in poorly paid categories of employees without work licences and domestic workers. While black/mixed workers outnumber other groups in the military, both black/mixed and indigenous workers outnumber white/yellow workers among workers without licences. Indigenous workers outnumber the rest among own-production and own-consumption work which are effectively unremunerated. This appears to have increased over time. Rural workers outnumber urban workers in various forms of self-employment and non-remunerated activity – this concentration has increased over time.

Turning to workers at the intersection of economic, gender and ethno-racial categories, we find some evidence of improvement in poorer sections of the working population. Among the poorest men and women from different ethno-racial categories there appears to have been some movement out of self-employed status and into employer status between 2002 and 2013. This suggests an improvement in returns to their enterprise efforts. There has also been a considerable increase in numbers from all these categories entering the military, some increase in employees with work licenses (except for indigenous males) and a considerable decline in employees without work licenses for all categories. Of particular interest is the

changing composition of domestic work with and without licences. There seems to have been a rise in the ratio of men in domestic worker with licences from all ethno-racial categories and of indigenous women to the reference group and a substantial decline in the ratio of women from poorer white/yellow and black/mixed groups. In addition, there has been a dramatic decline in ratios of women from different ethno-racial categories in domestic work without license. This would suggest that men from poorer households are more likely to enter licensed domestic work while women from poorer households are moving out of domestic work without licenses.

Referring back to Table 3.8, we can see that domestic and other workers with license earn considerably higher wages than those without licenses, confirming that formalization of some of the activities in which poor women and men were involved has contributed to the reduction of group-based and intersecting inequalities. Nevertheless, even with these improvements, it appears that indigenous women and the rural poor continue to find it difficult to improve their market opportunities.

Overall, therefore, as far as work status is concerned, there were clear signals of improvement, both with a convergence of income among market occupations, particularly in relation to domestic work but also to informal labour. While women are persistently overrepresented in both “out-of-market” activities and the least paid occupation of domestic workers, they moved into better protected and better paid formal categories of domestic work. Ethno-racial market segmentation, with ‘white/yellow’ men over-represented in the formal market work statuses and most notably as employers appears to persist. Amongst the poorest, the main, and positive, sign of change is one of formalization of the work status, to the benefit of those most disadvantaged by intersecting inequalities.

### 3.4 Unpaid reproductive work

The use of time is closely related to ability to take advantage of economic opportunities and bears more heavily on women because of their culturally-sanctioned responsibility for unpaid domestic and care work. This has been recognised in SDG 5 on gender equality where SDG 5.4 notes the need to recognize and value such work and promote a fairer distribution within the household. Information collected in the PNAD allows us to examine how this work is distributed between men and women in different groups.

Figure 3.12 examines the distribution of unpaid reproductive work by gender across different income groups. First of all, it confirms what has been noted in much of the world, that women do many more hours of such work than men in all income groups. Secondly, it notes that while the number of hours women put into such work declines fairly consistently by level of income, presumably because better off women can afford paid substitutes or labour-saving technologies for their time in such work, male hours vary very little by income. Thirdly, it shows that hours of reproductive work by women has declined over time (for instance, from 28.7 hours a week for women in the lowest decile in 2002 to 26.4 in 2013).

The relationship with income levels remains in evidence but irrespective of income, women spent 10 hours more a week in unpaid domestic work (reproductive work). There is less change in male patterns.

**Figure 3.12 Distribution of hours per week in reproductive work by gender and income**

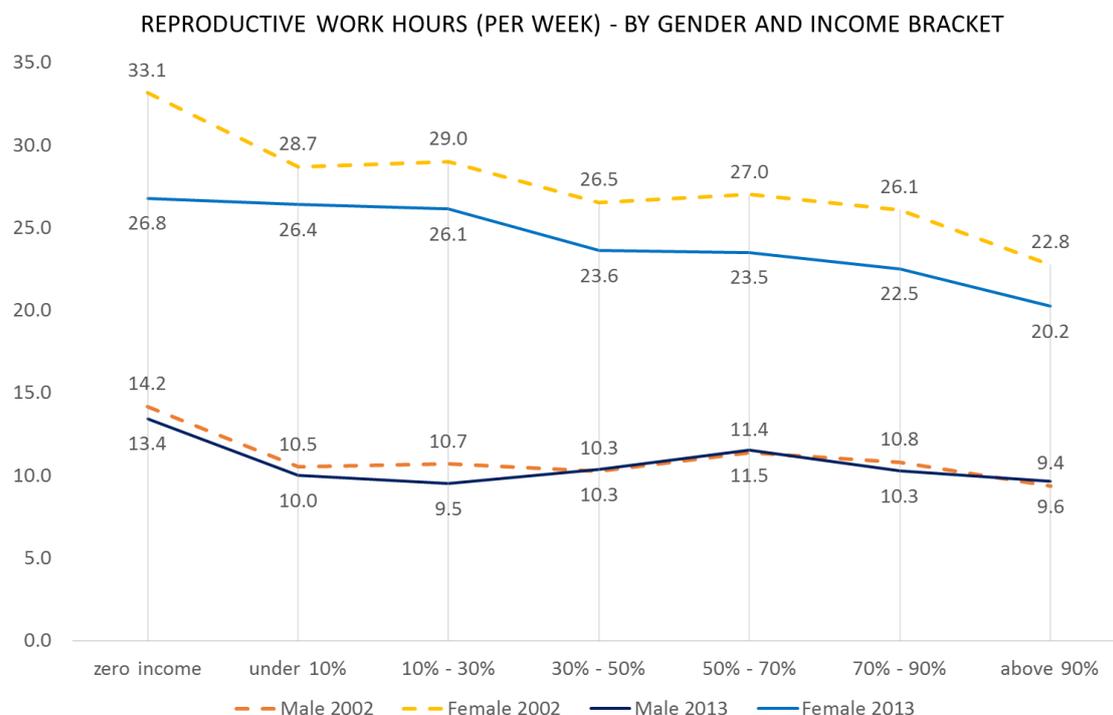


Figure 3.13 shows hours into reproductive work by income for different ethno-racial groups. The pattern for men from white/yellow and black/mixed groups is remarkably similar with very little variation by income. The pattern for women from these groups is also similar with both showing a decline by income. The pattern for indigenous groups is very different. Indigenous men increased their hours in reproductive work in the zero income group since 2002 but it declines dramatically for those in the 10% and higher income groups. Indigenous women have dramatically increased their hours of reproductive work in the zero income group since 2002 but this rises with income for the 10-30% income groups and then declines slightly. What is worth noting is that there was a decline in hours of reproductive work for all ethno-racial groups at the higher end of the income distribution between 2002 and 2013, although indigenous women still put in more hours on average at this end (26.2 hours) than other groups (21.2 for black/mixed women and 20.4 for white/yellow women). Indigenous men report fewer hours at this end of the income distribution than other ethno-racial groups.

Figure 3.13.1

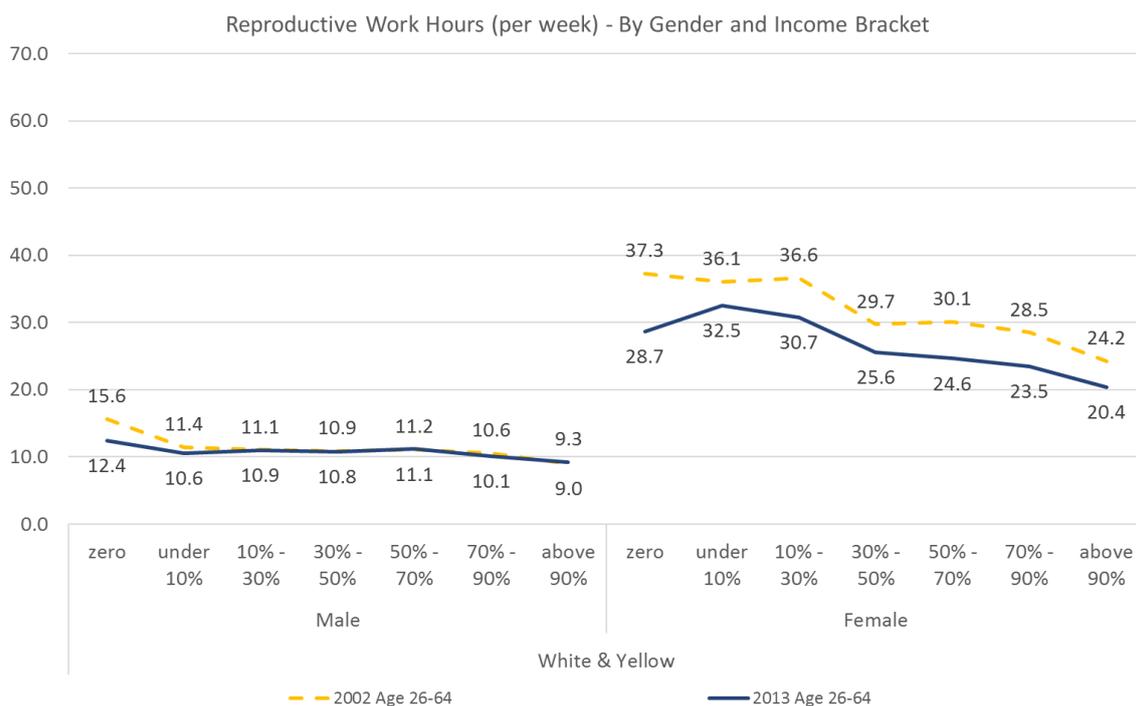


Figure 3.13.2

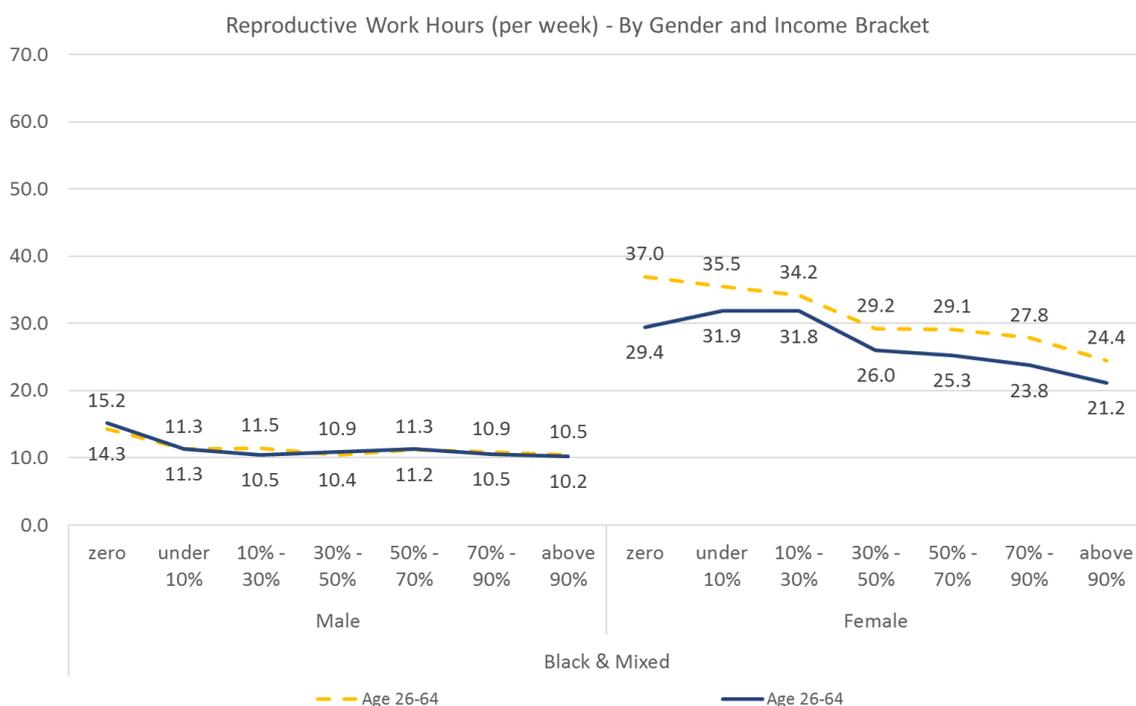
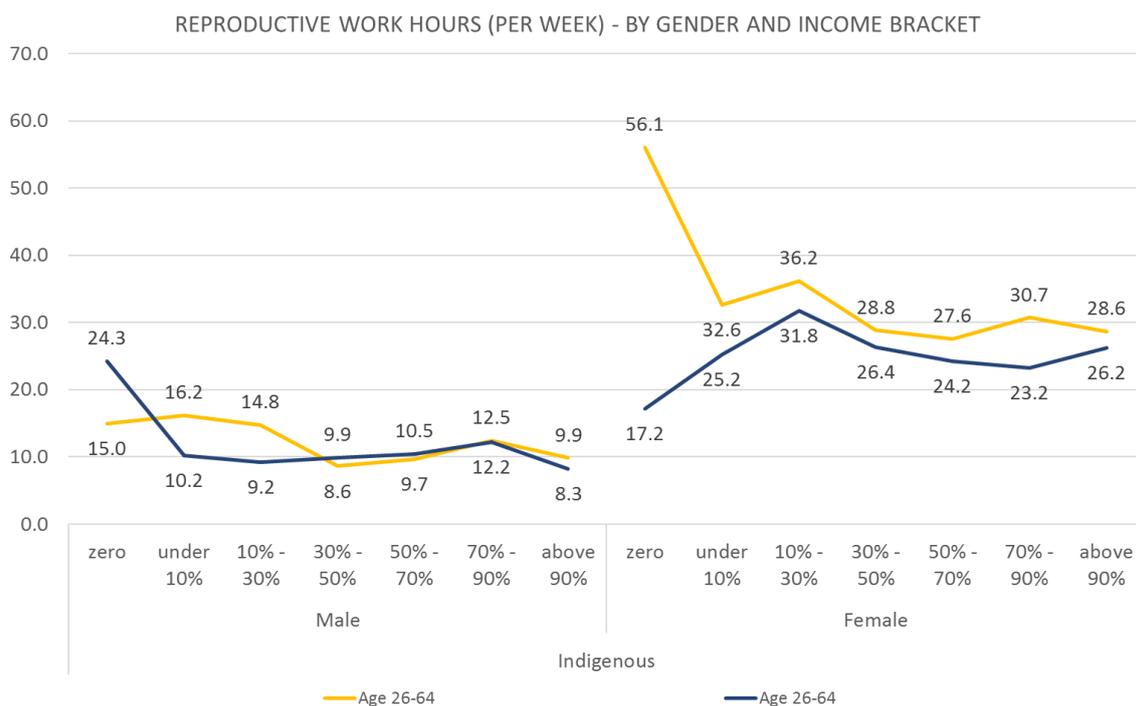


Figure 3.13.3



Overall therefore we can say that Brazilian men provide between 10-20 hours a week less in reproductive work than women. Translating into around 3 hours a day, this clearly has a significant impact on the ability of women to avail themselves of labour market opportunities on the same terms as men. We can also say that this disadvantage is greater at lower levels of income. At the same time, there does appear to have been some reduction in the hours put in by women between 2002 and 2013 but little change on the part of men.

### 3.5 Access to, and control over land

We turn next to an issue that is likely to have particular relevance to the rural poor, the right to land, which is linked to SDGs 1, 2 and 5. The PNAD defined five types of land access: ownership, tenancy, assignee (occupation/use of land with owners consent but no share of proceeds), squatter (occupation/use of land without owner’s permission) and partner (authorized occupation/use in return for retribution through share of production). Both squatter and assignee status are regarded as precarious forms of access.

Table 3.10 reports on average non-labour income associated with these different forms of access. It represents the difference between “income from all sources” and “income from all jobs’. It includes income from non-labour sources, such as rents, profits and interests but also social transfers. Although full attribution is not possible, it confirms that a relationship between levels of income and security of access.

Table 3.11 examines how access and ownership of land is distributed and how this distribution has changed over time. As far as vertical inequalities are concerned, we can

see that poorer households were less likely than richer ones to report ownership of land, somewhat more likely to report tenancy and partner status and considerably more likely to report assignee and squatter status. The table also suggests some increase in ownership among the poor relative to the rich but a decline in all other forms of access.

**Table 3.10 Non-labour income in BRL**

Rights to land	2002	2013	YΔ%
Owner	109.84	315.78	38.3%
Tenant	51.00	222.84	26.2%
Assignee	29.47	155.17	22.1%
Squatter	50.40	154.61	36.1%
Partner	42.88	117.38	40.0%

**Table 3.11 Distribution of access and ownership of land by vertical, horizontal and intersecting inequalities**

Ratios	Owner		Tenant		Assignee		Squatter		Partner	
	2002	2013	2002	2013	2002	2013	2002	2013	2002	2013
Household Income Percentile										
Bottom 40% / Top 10%	0.63	0.83	1.09	0.66	25.38	2.80	18.33	4.89	4.25	2.62
Gender										
Female / Male	0.97	0.96	0.46	0.75	1.81	1.45	0.88	1.41	0.62	0.78
Rural / Urban										
Rural / Urban	1.01	1.09	0.61	0.50	1.50	1.22	1.00	0.85	0.85	0.87
Ethnic Group/"White & Yellow"										
Black & Mixed	0.78	0.88	1.12	0.79	1.97	1.93	5.23	2.72	1.06	1.40
Indigenous	1.13	1.06	0.22	0.34	1.21	0.98	0.00	3.50	0.44	0.15
Intersecting - Group within the 10%-30% per capita hh income bracket / "White & Yellow Male Top 10% per capita household income"										
White & Yellow Male	0.74	0.82	0.82	0.93	15.10	8.11	3.67	0.00	4.17	3.83
White & Yellow Female	0.39	0.92	0.88	0.00	49.70	21.56	7.33	0.00	2.08	0.00
Black & Mixed Male	0.59	0.81	1.51	0.49	18.80	9.00	27.00	19.00	3.63	3.46
Black & Mixed Female	0.58	0.70	0.42	0.70	31.70	11.11	26.67	27.33	1.83	1.67
Indigenous Male	1.13	1.04	0.00	0.00	0.00	0.00	0.00	31.00	0.00	0.00
Indigenous Female	1.13	0.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.00

As far as gender is concerned, women appeared almost as likely as men to report land ownership with little change over time. This is remarkable, given widespread gender inequalities in land distribution documented in the international literature. What the table does not tell us is the quantity and quality of land owned by men and women. Women are considerably less likely to be tenants, squatters and partners but more likely to be assignees. Over time, the likelihood of being tenants, partners and squatters has increased but the likelihood of assignment declines. Ownership of land does not differ much by rural/urban

location though it increased slightly over time. Tenancy and partnership do not appear common in rural areas and there was a decline in most forms of access.

Ethno-racial identities appear to have a bearing on land access. Relative to both white/yellow and black/mixed categories, indigenous groups appear more likely to report land ownership though this likelihood declined over time. This explains their concentration in agricultural occupations. They were less likely to have tenancy arrangements. Both tenancy status and squatting increased somewhat over time but the likelihood of being assignees and partners declined. Combining the different forms of inequality, the key findings are that relative to the most privileged groups in the population, only indigenous men and women were more likely to report landholdings but this declined by 2013. They were far less likely to be assignees squatters but many more indigenous reported this practice in 2013. Squatting, assignation and partnerships were more likely to be reported by other groups but there appeared to have been a decline in most of these practices for most groups.

Overall, there is some suggestion of increased formalization of relations regarding rights to land. This seem to suggest an easier access to the ownership of land by previously relatively excluded 'black and mixed' Brazilians but this seems to have been accompanied by loss of ownership among indigenous groups. Land formalization may have encroached on their ancestral rights. There is a clear suggestion of a persistent discrimination relating to access to land via tenancy agreements, both against women and black, mixed and indigenous Brazilians. This is shown even more clearly among the poorest, with poorer white men relatively better off than all other groups. The apparent move towards more formalized rights to land does not therefore appear to have reduced horizontal and intersecting inequalities in access to land.

### 3.6 Educational outcomes

We conclude our analysis of the PNAD data by examining the distribution of education over time. SDG 4 is a standalone goal on education and seeks to improve quality education for all. Education is also recognised in the goal on employment as an important factor in improving opportunities. Education has also been singled out as one of the key factors driving the decline in income inequality in Brazil and elsewhere in Latin America.

Table 3.12 reports on a number of summary measures of the distribution of education in 2002 and 2013. It suggests a clear decline in the vertical inequalities in education.

Table 3.12

Vertical Inequality	Years of Education	
	2002	2013
Gini Index	0.485	<b>0.423</b>
Generalized Entropy 2	0.368	<b>0.276</b>

We explore this decline in greater depth by using a number of indicators of education drawn from the SDGs and disaggregating for different groups. These include the percentage of children in pre-school (SDG 4.2.1 refers to the percentage of children under 5 years of age who are on track for learning), the participation rate in formal education of children at 6 (SDG 4.2.2 ) and percentage of the population of primary school age (age 6 to 10) achieving literacy (SDG 4.6.1).

Figure 3.15 shows these indicators disaggregated by household income for 2002 and 2013. It is immediately evident that there has been significant overall improvement. The income gradients have declined for all the indicators, most noticeably for the enrolment of 6 years olds but also of under-5 in pre-school. The effect on the literacy performance of primary school children is also evident, with improvements of nearly 20 percent in the prevalence of literate children (among the poorest), bridging the income-led gap in education achievement.

Figure 3.14

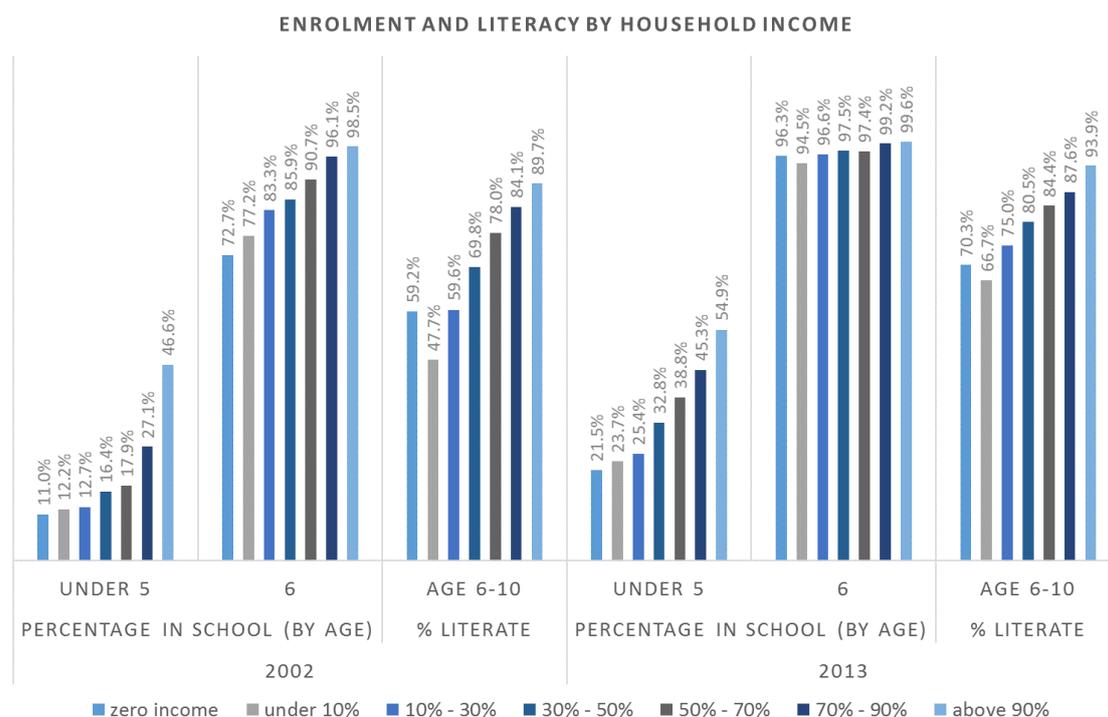


Figure 3.15

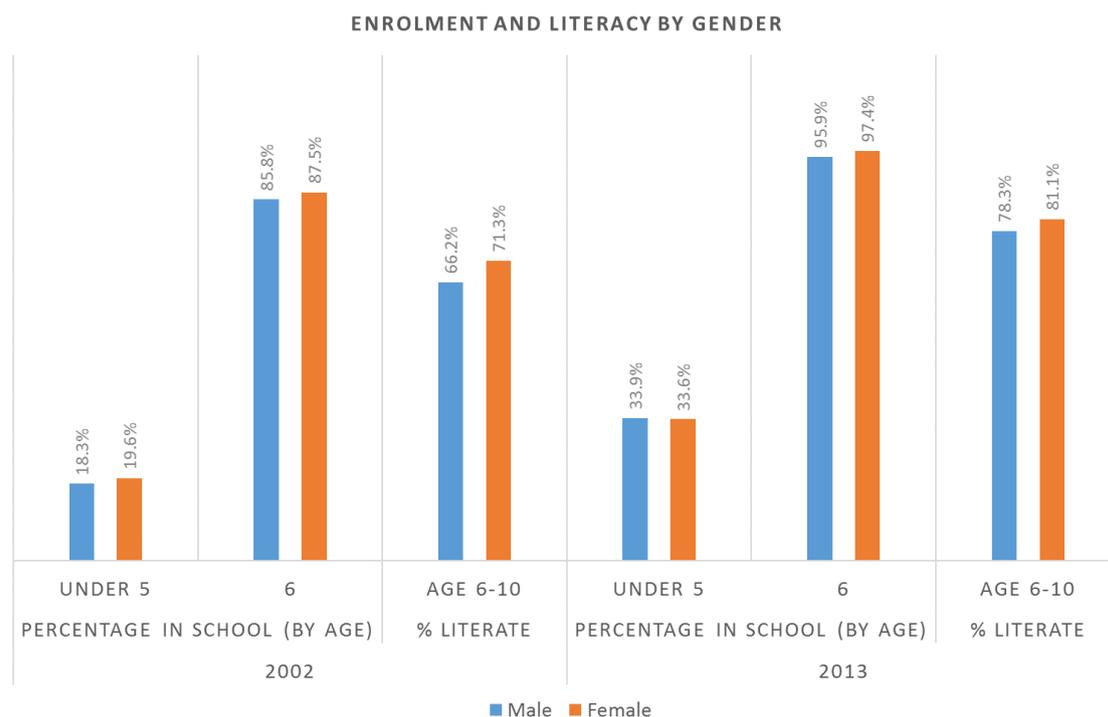


Figure 3.16 shows gender equality in under-5 outcomes for both 2002 and 2013, a small advantage for girls in 6 year olds enrolled in school for both years and somewhat larger advantage for girls in literacy performance in 2002 which persisted in reduced form in 2013.

Figure 3.16 suggests that regional inequalities persist. While there appears to be an increase in all three indicators of educational progress, the North region was lagging in both years of the study. The consistent under-performance and lack of significant improvement in the North region leads to an actual increase in the gap between the enrolment in pre-school and primary school and in the prevalence of literacy among primary school age children in relation to the best-off regions of the South and South east.

Figure 3.16

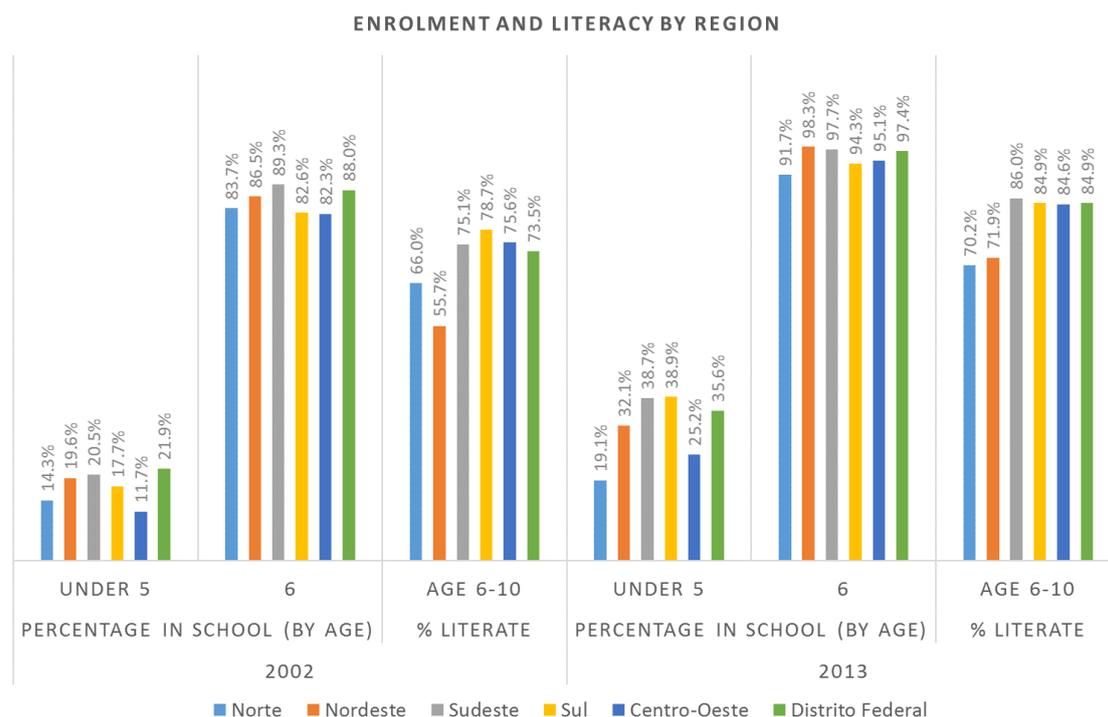


Figure 3.17 examines educational inequalities by ethno-racial groups. There is an overall improvement for all three indicators across the three groups. This seems to have been accompanied by a reduction in the educational gap between yellow/white and black/mixed groups but children from indigenous groups were not only worst off in 2002 but the size of the gap seems to have persisted in 2013 with some convergence only observed in relation to children aged 6 who were enrolled in school.

Table 3.13 allows us to explore how intersecting inequalities have fared over our study period. It shows clear signs of improvement in both pre-school and primary school enrolment with some convergence towards the levels prevailing among boys from the richest and most privileged ethno-racial group. At the same time, children from indigenous groups continue to perform worse than others, with indigenous boys at some disadvantage among 6 year olds enrolled for school and indigenous girls at a particular disadvantage in terms of literacy achievements among 6-10 year olds.

Figure 3.17

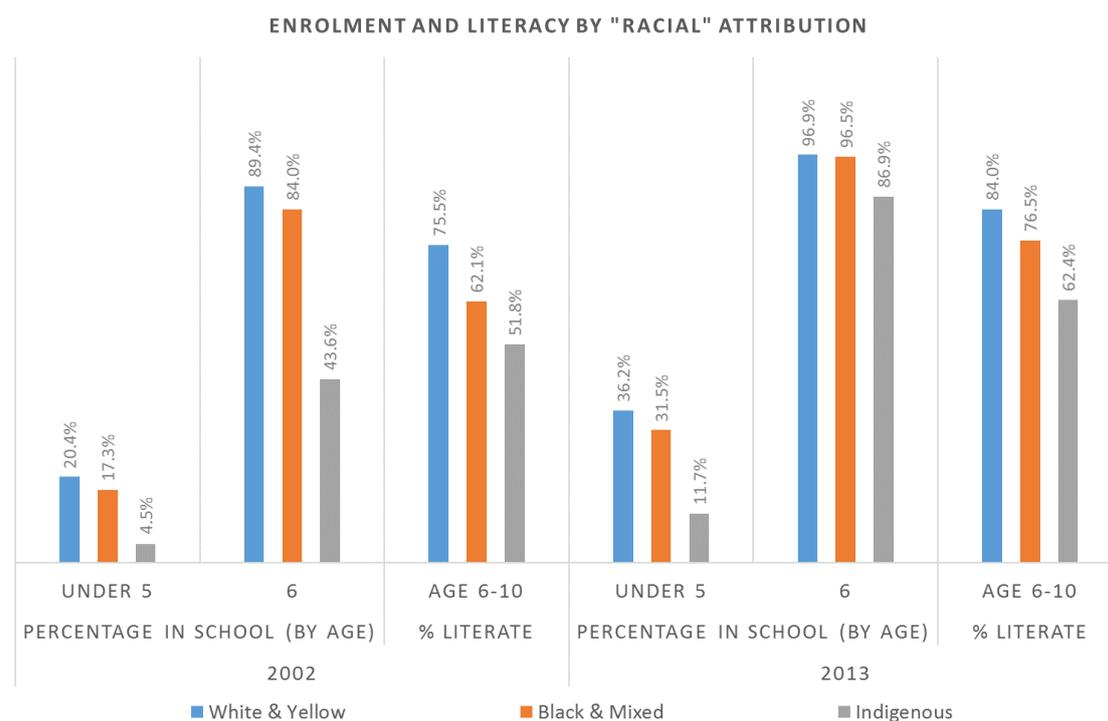


Table 3.13

Ratios	Percentage in school (by age)				% Literate	
	Under 5		Age 6		Age 6-10	
	2002	2013	2002	2013	2002	2013
Household Income Percentile						
Bottom 40% / Top 10%	0.27	<b>0.46</b>	0.85	<b>0.97</b>	0.66	<b>0.80</b>
Gender						
Female / Male	1.07	<b>0.99</b>	1.02	<b>1.02</b>	1.08	1.04
Region/Sul						
Norte	0.81	<b>0.49</b>	1.01	<b>0.97</b>	0.84	<b>0.83</b>
Nordeste	1.11	<b>0.83</b>	1.05	<b>1.04</b>	0.71	<b>0.85</b>
Sudeste	1.16	<b>0.99</b>	1.08	<b>1.04</b>	0.95	1.01
Centro-Oeste	0.66	<b>0.65</b>	1.00	<b>1.01</b>	0.96	<b>1.00</b>
Distrito Federal	1.24	<b>0.92</b>	1.07	<b>1.03</b>	0.93	<b>1.00</b>
Ethnic Group/"White & Yellow"						
Black & Mixed	0.85	<b>0.87</b>	0.94	<b>1.00</b>	0.82	<b>0.91</b>
Indigenous	0.22	<b>0.32</b>	0.49	<b>0.90</b>	0.69	<b>0.74</b>
Intersecting inequalities: ratio of girls and boys from ethno-racial groups in 10%-30% of income distribution to boys from white/yellow group in the top 10% of income distribution						
White/yellow boys	0.24	<b>0.70</b>	0.82	<b>0.90</b>	0.72	<b>0.74</b>
White/yellow girls	0.28	<b>0.77</b>	0.86	<b>0.83</b>	0.75	<b>0.72</b>
Black/mixed boys	0.28	<b>0.74</b>	0.84	<b>0.89</b>	0.60	<b>0.61</b>
Black/mixed girls	0.28	<b>0.80</b>	0.85	<b>0.89</b>	0.69	<b>0.67</b>
Indigenous boys	0.51	<b>0.86</b>	..	0.71	1.14	<b>1.11</b>
Indigenous girls	0.00	<b>0.73</b>	0.00	<b>0.87</b>	0.91	<b>0.43</b>

Tables 3.14 and 3.15 draw attention to changing trends in education among the working-age population 15 – 49. A comparison of the younger age groups in the two years allows us to see how different groups who will have benefited from efforts to increase education by the Lula government since 2002 have fared. This becomes particularly apparent in the 20-29 age bracket, the first cohort where most of the members have already completed their education. The tables suggest that years of education (excluding tertiary education) and the proportion of individuals with tertiary education increased for all age groups in Brazil, and for all social groups, including groups at intersection of different inequalities. The evolution along gender lines is worth noting: while the first indicator suggest that men’s years of education increased more than women’s, particularly within the black/mixed ethno-racial group, the increase of women’s progression to tertiary education exceeded that of men in almost all groups, except for Indigenous people in the 20-29 age bracket. Women already had more years of education than men and, while the gap may have reduced, among those without tertiary education (particularly relevant here is the 15-19 bracket, below tertiary education age), it translated in 2013 into an increase in the gender gap in tertiary education. Members of the black/mixed and indigenous ethno-racial groups still lag behind those from the white/yellow groups but only for the first group did the gaps go down. It is important to note that here as well, indigenous women lag behind men from their groups as well as women from other ethno-racial groups, with the gaps increasing between 2002-2013.

**Table 3.14**

	Brazil		Male		Female		Indigenous		White & Yellow		Black & Mixed	
	2002	2013	2002	2013	2002	2013	2002	2013	2002	2013	2002	2013
Years of school, population without tertiary education												
Age 15-19	7.2	8.3	6.8	8.0	7.5	8.6	6.1	6.5	7.9	8.8	6.5	7.9
Age 20-29	7.6	9.4	7.3	9.1	8.0	9.8	6.3	8.1	8.5	10.1	6.8	9.0
Age 30-39	6.5	8.1	6.3	7.8	6.7	8.4	6.2	7.3	7.3	8.9	5.7	7.6
Age 40-49	5.7	7.1	5.7	6.9	5.8	7.4	4.9	5.8	6.6	7.9	4.8	6.5
% with Tertiary Education												
Age 20-29	4.6%	10.0%	3.8%	8.2%	5.4%	11.8%	2.2%	7.0%	7.5%	15.5%	1.5%	5.6%
Age 30-39	8.0%	14.3%	7.0%	12.2%	8.9%	16.3%	3.1%	7.6%	11.8%	22.0%	3.3%	7.8%
Age 40-49	8.9%	13.1%	8.6%	11.0%	9.2%	15.1%	1.3%	8.9%	13.2%	19.0%	3.3%	7.7%

Table 3.15

	Indigenous				White & Yellow				Black & Mixed			
	Male		Female		Male		Female		Male		Female	
	2002	2013	2002	2013	2002	2013	2002	2013	2002	2013	2002	2013
Years of school, population without tertiary education												
Age 15-19	5.5	6.0	6.5	7.0	7.7	8.5	8.2	9.0	6.1	7.6	6.9	8.3
Age 20-29	5.5	7.8	6.9	8.4	8.2	9.8	8.7	10.3	6.4	8.6	7.2	9.3
Age 30-39	5.9	7.1	6.5	7.4	7.1	8.6	7.5	9.1	5.4	7.3	5.9	7.9
Age 40-49	4.4	6.3	5.3	5.3	6.6	7.7	6.5	8.1	4.7	6.2	4.9	6.8
% with Tertiary Education												
Age 20-29	0.0%	5.9%	3.8%	7.9%	6.4%	13.1%	8.5%	17.8%	1.1%	4.5%	1.8%	6.7%
Age 30-39	2.4%	5.6%	3.6%	9.3%	10.6%	19.5%	13.0%	24.2%	2.7%	6.3%	3.9%	9.3%
Age 40-49	2.8%	5.4%	0.0%	12.5%	13.0%	16.4%	13.3%	21.3%	2.9%	6.3%	3.6%	9.1%

## Section 4: Explaining the Decline in Intersecting Inequalities

The decline in income inequality in Brazil in the early 2000s, even more so than the decline in poverty, has attracted a great deal of attention within the international development community because it occurred in a country with historically high levels of income inequality during a period that has been characterised by dramatically rising income inequalities in the rest of the world. Our analysis of national household data suggests that the decline in income inequality has benefited historically disadvantaged groups, men and women at the intersection of class, race and gender inequalities although indigenous groups continue to lag behind the rest. The explanations put forward to explain Brazil's break with its long history of inequalities encompass both policies and politics. In this section, we attempt to pull together some of these explanations in order to draw out what they tell us about the decline in intersecting inequalities, an aspect of social change that has attracted somewhat less attention in this literature.

### 4.1 From 'conservative modernization' to 'liberal neo-developmentalism'

While a number of researchers have pointed to the commodity boom of the early 2000s and the strong growth rates that characterised much of that decade as the main explanation for the decline in economic inequalities, Amman and Barrientos (2014) point out earlier periods of growth had not had the same impact: 'For example, during the so-called 'miracle years' under military rule between 1967-73, Brazil's growth record, though very impressive by historical standards, could not overshadow the fact that income inequalities were widening and very little progress was being made in tackling entrenched poverty .... This is in sharp contrast to conditions since 2003 in which strong growth has gone hand in hand with a historic reversal of inequality trends' (p. 1).

Instead, Amman and Barrientos as well as a number of other authors suggest that the policies adopted by Brazil in the wake of its democratic transition added up to a new development approach, one which combined elements of neo-liberal orthodoxy with interventionist measures associated with its previous state-led 'developmentalist' tradition to produce what has been termed a 'liberal neo-developmental' policy regime (Cornell, 2012; Grinberg, 2016). It was this willingness to move away from the policy orthodoxy that was associated with rising inequalities in much of the rest of the world that allowed Brazil to buck the trend.

The early 1990s was a period marked by hyperinflation and continued low rates of growth. It began with the widespread dismantling of various barriers to trade, marking the end of the ISI strategy and opening up the Brazilian economic to foreign competition. Financial markets were also liberalized, leading to a surge in portfolio investment and the appreciation of BRL exchange rates at a time when domestic companies had lost the protections of the ISI period and suffered from high interest rates. Imports grew at a pace much faster than exports. The adoption of the *Plano Real* (Real Plan) in 1993-94 by President Cardoso upheld strong adherence to price stability using the orthodox methods of central bank independence and inflation targeting.

While the 1988 Constitution had extended a range of labour rights and protections and encouraged greater attention to redistribution, with a particular focus on the worst off groups and regions, the adverse economic conditions in the years that followed ruled out the possibility of much progress on this. Instead, various reforms were undertaken to make labour markets more flexible, increasing informality and doubling unemployment. In addition, the decision to end the indexing of wages to inflation rates and to limit increases in the minimum wage led to a decline in average real wages in the second half of the 1990s (Berg, 2010).

The left-wing Workers Party that took power in 2001 appeared committed to promoting Brazil's ability to compete in the global economy and retained the core elements of the Real Plan. The continuity of macroeconomic policy not only served to contain inflation but also in providing a predictable platform for both domestic and foreign investors.

At the same time, the government deviated from classic neoliberal prescriptions in a number of important ways. One was interventionist economic policy. The Lula government came to power at a time when more competitive exchange rates and a global commodities boom had given rise to a more favourable macroeconomic environment but it took steps to shape the pattern of subsequent growth. It adopted a 'growth acceleration program' which expanded aggregate demand in the economy through state investment in infrastructure, increased supply of credit by state banks and expanded investment by state-owned enterprises (Barbosa and Souza, 2010). The state supported public enterprises to compete in the open economy and to diversify the domestic productive base.

A second deviation from orthodox prescriptions related to labour market policies. The economic recovery generated a large number of new jobs, both in the export sector and the import-competing manufacturing sector. Additional policies were put in place to encourage greater formalization of the economy, including reducing the costs of registering small business and simplifying their tax obligations as well as incentivizing labour inspectors to ensure conformity to labour regulations (Berg, 2010). As a result around 20 million new jobs were created after 2003, most of which were in the formal economy.

Of particular significance in the formalization process was the extension by the 1988 Constitution of the right of domestic workers to organize. While their precarious conditions meant union membership remains low, the existing unions had been able to use the law and the labour courts to drive the registration of domestic workers so that during the 1990s when formal employment was falling, formalization among domestic workers was on the rise and continued to rise in the 2000s.

The third aspect of the policy regime which deviated from the neo-liberal orthodoxy was the pursuit of active redistributive policies. Some important social measures reaching out to poorer sections had already been in place in the 1990s: the Unified Health System (1990); the Rural Social Insurance (1993) which aimed at including rural informal workers within the existing Social Insurance Fund; the Family Health Programme (1994) which sought to extend health provision to lower income groups; the FUNDEF programme (1994) to upgrade basic education; a non-contributory pension (1996) to provide transfers to poorer older people and people with disabilities; and the Bolsa Escola and PETI programmes (1995), offering conditional cash transfers to poor families to reduce child labour and promote children's health and education. The Lula administrations (2003-11) consolidated all federal guaranteed income programmes into *Bolsa Família* while at the same time expanding the target population to 13 million households. By the end of the 2000s they reached a quarter of the population, lifted 20 million people out of abject poverty and nearly halved the proportion of people living below the total poverty line.

A particularly important redistributive measure was the policy of increasing the minimum wage above the inflation rate which was adopted by Lula and continued by Rousseff. In Brazil, minimum wages provide a floor for labour earnings in formal employment and a benchmark for wage settlements of informal workers (the lighthouse effect). In addition, minimum social insurance pensions and non-contributory pensions were indexed to the minimum wage. The real value of the minimum wage was increased several times, with the bottom quintile of the labour force seeing its incomes rise by 38 per cent between 2003 and 2008.

Despite a highly regressive tax system in which the poor paid more taxes than the rich because of reliance on indirect taxes, the expansion of social expenditures could be financed because of the introduction of two new taxes in 1997 which shifted the financing of social policy from reliance on social security contributions and general tax revenues to a more diversified funding mix (Amman and Barrientos, 2014). The increasing rates of economic growth in the 2000s not only increased the value and quantity of social insurance

contributions, but also the amounts collected from earmarked taxes. These conditions enabled a rapid increase in social expenditure, in absolute and relative terms.

Certain features of this policy regime added further to its inclusive nature. One was that the mix of economic and social policies worked to reinforce each other (Amman and Barrientos, 2014; Berg, 2010). The strong focus on health and education of target groups, particularly the most disadvantaged, not only served to reduce large disparities across states, municipalities and socioeconomic groups but also fed directly in to the skills and productivity of the labour force. In addition, as Berg points out, it reduced the number of youth entering the labour market every year in search of jobs. The combined effects of growth and social policy explain why the rate of income growth was around 19-11% per annum in the lower income deciles compared to around 7-8% in the higher. Studies suggest that income growth among the lower quintiles was driven by a combination of improvements in employment, the rise in minimum wage and income transfers.

The other important feature was that the growth in social expenditure in Brazil and its impact on the incomes of disadvantaged groups led to multiplier effects through their impact on domestic demand. For instance, the IPEA estimated that the GDP multiplier of social expenditure taken as a whole was of the order of 1.37 in the mid-2000s, while the social expenditure multiplier in household income growth rates was higher at 1.85 (cited in Amman and Barrientos, p. 13).

#### 4.2 The politics of social change

While the preceding analysis outlines the combination of policy measures that helped to bring about a decline in the country's long-standing inequalities, it poses an interesting question: how did these policies come to be adopted in a country that had enjoyed many periods of growth in the past without seeking to address its high levels of poverty and inequality? Instead, as Skidmore (2004) pointed out, government policies on taxes and expenditures had in the past consistently favoured the 5-10% of the population who controlled most of the country's wealth as well as the main levers of its government: 'In practice, federal government acts as a powerful channel for redistributing income from those on the bottom to those at the top' (p. 46).

In their discussion of the emergence of a new development policy regime in Brazil, Amman and Barrientos refer to the 'forging of a broad consensus across the political spectrum, key actors in business, the labour movement and civil society' (p. 6) and to the 'depth of the "buy-in" (across the political spectrum' (p. 3) that underpinned these policies. They explain this in terms of collective acknowledgement of the exhaustion of the previous economic model 'which had effectively "locked in" hyperinflation', the clever combination of orthodox and heterodox measures that made up the new policy regime and the 'politically adept, consultative and inclusive approaches' (p. 3) of the administrations that began this process after the transition to democracy. But others suggest that the ability to undertake the ambitious redistributive agenda, associated in particular with the Lula regime, rested on

favourable political conditions which had been engendered by long term political processes that began before the transition to democracy.

A recent ODI report on countries which had achieved a degree of success in addressing intersecting inequalities highlight a number of facilitating factors: social movements that build the case for, and mobilize around, the policy and politics necessary to address intersecting inequalities; enabling processes of constitutional change; left-wing orientation of parties in power; and efforts to deepen democracy beyond formal electoral politics (Paz Araudo et al, 2014). All of these factors have featured in the Brazilian context and indeed Brazil was one of the case studies in the report. We elaborate on how these factors have played out in Brazil.

### ***Social movements***

It is clear from a reading of the Brazilian literature that the movement for democracy began sometime in the 1970s, well before democracy was restored. Studies of this period stress both the broad-based nature of mobilization by civil society (Baiocchi et al., 2008) as well as the specificities of forms it took (Dagnino, 2007), both factors that had an important bearing on the nature of the transition to democracy and its aftermath.

The onset of military rule in Brazil in 1964 was followed soon after by the harsh repression of all opposition. The military's disregard for human rights and legality lost it the support of some of its traditional allies. Elite sectors of the establishment, including journalist, lawyers, the political opposition and the Catholic Church began to confront the military on its human rights record. As Hochstetler (1997) argues, by challenging the legitimacy of the military regime, these traditionally politically active sectors of the elite opened up a space for a grassroots opposition to emerge. Given efforts by the state to contain and de-politicize civil society organizations, neighbourhood associations and church groups became the only legitimate places for organizing around popular grievances, leading to a highly decentralized forms of protest at the grassroots level.

These different streams of opposition to military rule swelled into a growing demand for democracy but there were interesting divergences in what was being demanded. In their study of attitudes to democracy in the Brazilian population, Rochon and Mitchell (1989) distinguished between attitudes supporting the 'procedures of democracy' (removing the military from politics, reducing state control over unions and strengthening Congress) and those supporting the 'substance of democracy' in terms of universal suffrage (people are capable of voting wisely, the vote should be extended to illiterates). They found that most people surveyed in 1972 expressed weak support for either meaning of democracy. This had changed considerably by 1982. For instance, opposition to the military in politics rose from 21% in 1972 to 48% in 1982; support for direct elections went from 57% in 1972 to 82% in 1982 while support for extending the vote to illiterates went from 38 to 56%. What was striking was that while elite attitudes changed in favour of democratic procedures, those from poorer sections expressed greater support for equality of participation in the democratic process. As

the authors point out, the literacy qualification was still in place at that time, disenfranchising 25% of the population aged 15+.

The Catholic Church played a special role in mobilizing grassroots opposition to military rule through a strategy of setting up of Christian Base Communities within neighbourhoods (Cavendish, 1994). Although progressive sections of the clergy had been supporting associations of disenfranchised groups since the 1950s, it began to play a far more active role in the 1970s with the rise of liberation theology. The Church increased the safety of activists, helped to make strong connections among community members and nurtured the rise of new social movements. Its influence is evident in a great deal of the social movement literature. Alvarez (1989) pointed it out in relation to women's movements, Gondim (1989/90) in relation to neighbourhood movements, Bernadino-Costa in relation to domestic workers unions, Assies (1999) on urban neighbourhood associativism and Della Cava (1989) in relation to indigenous, neighbourhood, and landless movements. Citing Della Cava, Hochstetler points out that the Catholic Church could play this role because "...no other institution except for the military, enjoyed a nation-wide network of cadres, a system of communications (even if only door to door) that functioned despite censorship and, unlike the military, a world-wide organization on which it could draw for support and bank on for an international 'hearing'." (Della Cava 1989, p. 147)

There was another aspect of social movements during this period echoes some of the earlier literature on 'horizontal sociabilities' that appeared to distinguish relations between different ethno-racial groups at the lower end of the income distribution in Brazil. Dagnino (2007) points to the role of cultural politics in shaping the movement for democracy, extending it beyond the demand for the formal institutions of democracy to the demand for equality of participation that (as the study by Rochon and Mitchell had found) informed the understanding of democracy among poor and marginalized groups. She notes in particular how interpretations of citizenship became central elements in building this new inclusive cultural politics. Citizenship was defined, first and foremost, as 'the right to have rights', a definition that challenged previous definition that had been used by the state and dominant classes to exclude large sections of the population: 'Class, race, and gender differences constitute the main bases for the social classification that has historically pervaded our cultures and established different categories of people hierarchically disposed in their respective "places" in society' (p. 2474). To be poor in Brazil was not only to be materially deprived but also to be denied human dignity and political voice.

The concept of citizenship was mobilized to express both the general demand for equal rights embedded in the predominant conception of citizenship but also extended and specified in accordance with specific demands. Citizenship provided a common ground between those struggling redistributive demands, such as housing, land, wages and so on within their neighbourhoods and work places and those challenging cultural rules that denied them recognition, including ethnic minorities, women, sexual rights activists and human rights activists more generally. In many cases, this common ground served not only to extend rights to those who had been previously excluded but to give rise to new categories of rights which

sought to remedy injustices previously not acknowledged: the right to autonomy over one's own body, to sexual freedom, to racial justice.

It was this struggle over culture that appears to have been a particularly important hallmark of the Brazilian transition, given the significance of the intersection between economic deprivation and cultural devaluation which characterized its more enduring inequalities. In encompassing the cultural dimension of citizenship, these movements seemed to have effectively politicized the 'horizontal sociabilities' that had characterized social relations between different groups at the lower end of the income distribution: 'The struggle for citizenship was thus presented as a project for a new sociability: not only for the incorporation of broader citizenship into the political system in the strict sense, but for a more egalitarian format for social relations at all levels, new rules for living together in society (negotiation of conflicts, a new sense of a public order, public responsibility, and a new social contract)' (p. 2475).

### ***Democratic practice in formal politics***

While the social movements that became active around the struggle for democracy encompassed many different groups with various kinds of demands, labour organizations emerged as among the most influential. The New Union Movement had its origins in the wildcat strikes that broke out in the late 1970s and workers' increasing demands for greater shop floor democracy in direct challenge to the older, organized unions which had long been co-opted by the state. The membership of the new movement soon exceeded that of organized labour and became part of the proliferation of civil society organizations that spearheaded the opposition to the military regime. When the military moved to legalize the setting up of new parties, it founded the Partido dos Trabalhadores (PT), or Workers Party, under the leadership of 'Lula' da Silva with the objective of promoting an alternative form of politics to the clientelistic relations ('citizenship by concession') which had taken deep roots in the country's political culture.

The PT adopted the bottom-up participatory model of its allies in the progressive clergy which emphasised the need to build from the base up, the strategy of 'basismo'. This began with nuclei of small groups of people who were organized by neighbourhood, job category, work place or social movement (Keck, 1992) which met regularly to discuss issues of relevance to the party and the wider movement. The party avoided official ties with any single union or federation or with Catholic Church, the women's movements and so on but invited their representatives to join the party and influence its platform. As Guidry suggests, 'For both labour and popular leaders, *basismo* was a radical form of democracy that inverted the traditional top-down, hierarchical form of political relationships in Brazil, creating the space for the direct democracy and *conscientização* stressed in Freirian ideology' (p. 91). As Serbin points out, while the Church was the glue that had held together the progressive groups that opposed the military before 1985, after 1985 the glue became the Workers' Party.

Brazil had its first presidential election in over two decades when military stepped down in 1985. One of the first acts of the newly elected President was to remove the literacy requirement which had disenfranchised a sizeable proportion of the population so that the municipal elections later that year were the first to be based on universal suffrage in the country's history. The PT won a number of major cities in the 1988 municipal elections, including Porto Alegre and São Paulo, and went on to win further victories at the local level in later years. It was able use its control of municipal governments to try out various experiments in participatory democracy (Baiocchi, 2003). The best known of these was participatory budgeting pioneered by the party in Porto Alegre but adopted in a number of cities that the party governed. The Bolsa Escola program was first developed in the mid-1990s in municipalities governed by the PT and later became the basis of the national Bolsa Familia under Lula's regime.

Brazil also adopted a new constitution in 1988 which, as the ODI report pointed out, 'represented an explicit effort to break with historically-established patterns of inequality, based on intersections between poverty, race, ethnicity, gender and location, which characterised the region'. This was reflected in strong commitment to social and economic rights inscribed into the constitution. As Hevia-Pacheco and Vergara-Camus (2013) point out, this was a view of rights which was understood in universal terms, granted on the basis of citizenship, a departure from earlier views which linked had rights to an occupation or some other qualification. They also note that what distinguished this constitution from previous ones which had been a largely elite affair was that it was the culmination of 'an intense process of social mobilisation from organisations from the whole political spectrum, including from civil society organisations and social movements, which had historically been excluded from these proceedings'.

Although the economic conditions prevailing in the country at the time and the neo-liberal reforms adopted by the government in response made it difficult for it to live up to these commitments, the constitution nevertheless exercised a great deal of symbolic power. Some effort to promote policies designed to reach the poor and marginalized were put in place in the 1990s and while they achieved an extension of social security to rural areas and an expansion in education, they did little to stem rising inequalities associated with the attempts to implement neo-liberal austerity programmes. Mass mobilization against the reforms led to the election of the PT which had been active in campaigning for the new constitution and could invoke its authority to promote a redistributive programme when it took over the government.

The massive expansion in social programmes undertaken by Lula can thus be seen as an attempt to deliver on the promises of the 1988 constitution. The government took a number of measures which were explicitly targeted to previously excluded groups, including quotas for Afro-descendants in public universities, the Brasil Quilombola program, the National Integral health Policy for the Black Population, the national Policy for the Promotion of Racial Equality and National Plans for Policies for women. But as the ODI report points out, 'the major thrust of its strategy for addressing intersecting inequalities has been through more

general programmes for poverty reduction in keeping with the principle of universalism in access to social security enshrined in the constitution’.

Various mechanisms for collaboration with civil society were put into place when it came into power. Along with the promotion of participatory budgets, which has received international national attention, less-well known efforts include national state or local councils, which convene conferences as well as more regular council meetings to review policies in a sector or on a specific issue. Delegates to the national conferences were elected in state conferences and expected to represent the agreements reached at state level. In a process that lasts approximately a year prior to the national conferences, municipal and large city conferences are held to review local problems and needs pertaining to specific issues and to forward them to the delegates at the national level. These policy discussions and consultative bodies were mentioned in the 1988 Constitution, but have only been implemented by the PT government since 2003.

## Conclusion

We set out in this paper to explore how the decline in income inequalities observed in Brazil since the early 2000s had impacted on men and women who were located at the intersection between income inequality and marginalized group identities. Drawing on national data, we found very clear evidence that the lives and life chances of these groups improved during this period. We found that gender, ethno-racial and regional inequalities in income had all declined, that along with an overall decline in absolute poverty, there had been a decline in poverty among different groups, including those defined by intersecting inequalities, with a particularly large decline among indigenous people, who were the poorest section of the population. While there was some convergence in earnings across different occupational categories, the occupational structure remains stratified by class and gender although among poor men and women, the formalization of work status emerged as a major indicator of improvement in working conditions. There has also been increased formalization of land rights to the benefit of most groups with the exception of indigenous men and women.

Summing up our findings, we find that the overall decline in income inequalities in Brazil since 2000 has been accompanied by an overall decline in horizontal and intersecting inequalities in income and its largest component, wages, in labour market conditions, in rights to land, and, finally in education, a key driver of greater labour market mobility between 2002 and 2013. Progress has been slower for certain intersectional groups than others. Women from different marginalized ethno-racial groups remained clustered at the lower levels of the income distribution and poorer paid jobs. Indigenous men, and to an even greater extent, indigenous women are in greatest danger of being left behind. Our explorations of various indicators of inequality suggest that this group finds itself with lower incomes and wages than other ethno-racial groups, are lagging behind in education, are crowded into narrower range of occupations and work statuses and have possibly lost ground in the formalization of land rights.

What makes these achievements particularly remarkable was they occurred at a time when inequalities have been rising in much of the rest of the world. We pointed to the long history of social mobilization that allowed a party into power that had its roots in this history, whose leadership was drawn from the popular classes and who had shown imagination in fostering grassroots democratic practices both before and after it came into power.

There are also some important lessons to be learnt from Brazil's experiment with liberal neo-developmentalism. First of all, its achievements reflected the attempts of a government to carve out its own path between the macro-economic discipline enforced by the need to compete in the global economy and the need for strategic intervention to diversify the domestic economy so as to protect it from over-reliance on global markets. Secondly, by defying neo-liberal prescriptions with regard to dismantling welfare provision in the interests of labor market flexibility, the Brazilian model showed that it was possible to break with a long-standing history of inequality and to channel some of the fruits of growth to those whose class, gender and race had long positioned them at the bottom of intersecting economic, social and political hierarchies. Thirdly, and more practically, the Brazilian model demonstrated the synergies that could arise between redistributive policies that invested in the productivity of the labor force and economic policies that sought to develop domestic industrial capacity.

The period covered by our study ends before the political crisis that terminated the rule of the Workers Party rule and the led to the impeachment of its leader. The Brazilian political system is now mired in allegations of corruption that surround both leading figures of the Workers Party as well as of the Opposition that brought it down. Attention has also turned to the decline in the country's economic performance that had set in by the end of our study period. Observers point out that its pattern of growth had not, despite policy efforts, resulted in major productivity gains or an increase in the technology content of products made in Brazil (Costa et al. 2015). Instead, increased prosperity and rising levels of consumption led to massive import of consumer goods, encouraged by an overvalued exchange rate, and a boom in the service economy. Without deeper structural transformation of the economy, it is not clear that growth can be revived.

In addition, there are also limits to redistribution that could be achieved, given the balancing act attempted by the Workers' Party of leaving privilege untouched at the top while attempting to address disadvantage at the lower end. While there was a substantial increase in country's tax revenues over our study period, regressive indirect taxes continue to account for half of this revenue, the highest rate of income tax is 28% while the tax burden on capital and finance was described as 'mild'. According to one calculation, around 0.2 percent of the national population owned 47% of declared property and titles (Costa et al). The Workers Party did not show any inclination towards tax reform since it came to power. Redistribution therefore did not go far enough to empower those at the bottom to become a sufficiently strong political force to hold the Workers Party accountable to those who voted it into power, to prevent its slide into corruption and compromise and to counter the continued influence of powerful interests who have a stake in maintaining the status quo.

## References

- Alvarez, S. E. (1990). *Engendering Democracy in Brazil: Women's Movements in Transition Politics*. Princeton, NJ, Princeton University Press
- Amman, E. and A. Barrientos (2014) *Is there a Brazilian model of development? Are there lessons for countries in Africa?* WIDER Working Paper 2014/134. Helsinki: World Institute for Development Economics Research
- Assies, W. (1999) 'Theory, practice and 'external actors' in the making of new urban social movements in Brazil' *Bulletin of Latin American Research* Vol. 18 (2): 211-226
- Baiocchi, G. (ed) (2003) *Radicals in power: the Workers Party and experiments in urban democracy in Brazil* London: Zed Press
- Baiocchi, G., P. Heller and M.K. Silva (2008) 'Making space for civil society: institutional reforms and local democracy in Brazil' *Social Forces* Vol. 86 (3): 2-16
- Ban, C. (2012) 'Brazil's liberal neo-developmentalism: new paradigm or edited orthodoxy?' *Review of International Political Economy* iFirst :pp. 1-34
- Berg, J. (2010) *Laws or Luck? Understanding rising formality in Brazil in the 2000s* Working Paper No. 5. Brasilia: ILO Office
- Bernadino-Costa, J. (2011) 'Destablizing the National Hegemonies Narrative: The Decolonized Thought of Brazil's Domestic Workers' Unions', *Latin American Perspectives* 38(5): 33-45
- Birdsall, Nancy, and Richard H. Sabot, eds. 1996. *Opportunity Foregone: Education in Brazil*. Washington, DC: Inter-American Development Bank/ Johns Hopkins University Press
- Caldwell, K.L. (2007) *Negras in Brazil: re-envisioning black women, citizenship and the politics of identity* Piscataway, NJ: Rutgers University
- Carter, M. (2011) 'The landless rural workers' movement and democracy in Brazil' *Latin American Research Review*. pp. 186-217
- Cavendish, J.C. (1994) 'Christian Base Communities and the Building of Democracy: Brazil and Chile' *Sociology of Religion* Vol. 55(2): 179-195
- Costa, S., B. Friza and M. Sproll 'Dilma 2.0: From Economic Growth with Distribution to Stagnation and Increasing Inequalities? *LasaForum* Vol. XLVI (3): pp. 21-24

- Dagnino, E. (2007) 'Dimensions of citizenship in contemporary Brazil' *Fordham Law Review* Vol. 75(5): 2469-2482
- Degler, Carl N. 1971. *Neither Black nor White: Slavery and Race Relations in Brazil and the United States*. New York: MacMillan
- Della Cava, R. (1989) 'The "People's Church", the Vatican, and *Abertura*' In A. Stepan (ed) *Democratizing Brazil* Oxford: Oxford University Press: 143-167.
- Freyre, G. (1933) *The Masters and the Slaves. A study in the development of Brazilian Civilizations* Berkeley: University of California Press
- González, M.T. (2008) 'Race, gender and ethnicity in contemporary Brazil' *Latin American Research Review*, Volume 43, Number 1, 2008, pp. 219-224
- Grinberg, N. (2016) 'From Populist Developmentalism to Liberal Neo-developmentalism: The Specificity and Historical Development of Brazilian Capital Accumulation' *Critical Historical Studies* Vol. 3 (1): 65-104
- Guidry, J.A. (2003) 'Not just another labour party: the Workers' Party in Brazil' *Labour Studies Journal* Vol. 28 (1): 83-108
- Hevia-Pacheco, Paula and Vergara-Camus, Leandro (2013) 'Addressing Intersecting Inequalities: Inclusive Political Regimes, Democratically-elected Left-wing Governments: The Cases of Brazil and Ecuador' Background Paper
- Hochstetler, K. (1997) *Democratizing pressures from below? Social movements in new Brazilian Democracy* Presentation to Latin American Studies Association XX International Congress, Guadalajara, Mexico, April 17<sup>th</sup> -19<sup>th</sup>
- Kabeer, N. (2010) *Can the MDGs provide a pathway to social justice? The challenge of intersecting inequalities*. Institute of Development Studies, Brighton/MDG Achievement Fund, New York
- Lipton, M. (1983) *Labour and Poverty* World Bank Staff Working Papers 616, Washington: World Bank
- Lovell, P.A. and C.H. Wood (1998) 'Skin colour, racial identity and life chances in Brazil' Source: *Latin American Perspectives*, Vol. 25, No. 3: pp. 90-109
- Lovell, P.A. (2000) 'Gender, race and the struggle for social justice in Brazil' *Latin American Perspectives* Vol. 27 (6): 85-102

- Lovell, Peggy A. 2000. "Race, Gender and Regional Labor Market Inequalities in Brazil." *Review of Social Economy* 43 (3): 277–93
- Marió, Estanislao Gacitúa and Michael Woolcock (2004) *Social exclusion and mobility in Brazil* Environmentally and Socially Sustainable Development, Latin American and Caribbean Region World Bank
- Marió, Estanislao Gacitúa and Michael Woolcock (2008) *Social exclusion and mobility in Brazil* Washington: World Bank
- Navarro, Z. (2000) 'Breaking new ground: Brazil's MST' NACLA Report on the Americas Vol. 33 (5): 36-39
- Paz Arauco, V., Gazdar, H., Hevia-Pacheco, P., Kabeer, N., Lenhardt, A., Masood, S.Q., Naqvi, H., Nayak, N., Norton, A., Sabharwal, N.S., Scalise, E., Shepherd, A., Thapa, D., Thorat, S., Hien Tran, D., Vergara-Camus, L., Woldehanna, T. and Mariotti, C. (2014) *Strengthening social justice to address intersecting inequalities post-2015*. ODI Report. London: Overseas Development Institute
- Rochon, T.R. and M.J. Mitchell (1989) 'Social bases of the transition to democracy in Brazil' *Comparative Politics* Vol. 21 (3): 307-322
- Rezende, Cláudia Barcellos and Márcia Lima (2004) Linking gender, class and race in Brazil , *Social Identities*, 10:6, 757-773
- Serbin, K.P. (1999) *The Catholic Church, Religious Pluralism and Democracy in Brazil* Working Paper No. 263. Helen Kellogg Institute for International Studies
- Skidmore, T.E. (1992) *Fact and myth: discovering a racial problem in Brazil* Working Paper 173. Helen Kellogg Institute for International Studies
- Skidmore, T.E. (2004) 'Brazil's persistent income inequality: lesson from history' *Latin American Politics and Society* Vol. 46 (2): pp. 133-150
- Stewart, F. (2002) "Horizontal Inequalities: A neglected dimension of development", Working Paper No. 81. Oxford: University of Oxford
- Telles, E.E. (2004) *Race in another America. The significance of skin color in Brazil* Princeton: Princeton University Press

Table 3.7

Class Pool Minimum in Black Agriculture Ratios	Public Administration		Other industrial activities		Other Activities		Educ., Health and Social Services		Trans., Storage and Communications		Manufacturing		Other collective, social and personal services		Trade and Repairs		Construction		Under-defined Activities		Accommodation and Food		Agriculture		Domestic Services	
	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13
Household Income Percentile																										
Bottom 40% / Top 10%	0.2	0.2	0.5	0.3	0.1	0.2	0.1	0.2	0.4	0.7	0.6	0.8	0.5	0.7	0.6	0.9	2.7	2.8	6.0	..	1.1	1.5	11.6	7.8	5.5	8.2
Gender																										
Female / Male	0.8	0.9	0.2	0.2	0.8	1.0	4.8	4.3	0.2	0.2	0.8	0.8	1.9	2.3	0.8	1.0	0.0	0.0	0.3	0.0	1.4	1.8	0.7	0.6	19.3	18.8
Rural / Urban																										
Rural / Urban	0.2	0.4	0.5	0.6	0.1	0.1	0.3	0.4	0.2	0.3	0.3	0.5	0.2	0.2	0.2	0.3	0.3	0.5	0.3	1.0	0.2	0.3	9.6	12.4	0.5	0.6
Ethnic Group/"White & Yellow"																										
Black & Mixed	1.2	0.9	0.8	1.0	1.8	0.6	1.4	0.7	1.2	0.9	1.4	0.8	1.1	0.9	1.2	0.9	0.7	1.6	1.0	1.0	1.0	1.1	0.6	1.7	0.6	1.6
Indigenous	1.0	0.7	1.0	0.8	1.0	0.5	1.0	0.9	1.0	0.4	1.0	0.7	1.0	0.9	1.0	0.6	1.0	1.3	1.0	0.0	1.0	0.7	1.0	3.0	1.0	1.6
Intersecting inequalities– Ratio of men and women from different ethno-racial groups and poorest households (10%-30% in income distribution) to 'white/yellow men from top 10% on income distribution																										
White & Yellow Male	0.2	0.2	0.5	0.5	0.1	0.2	0.1	0.1	0.5	0.7	0.6	0.8	0.3	0.6	0.7	1.0	2.7	3.2	10.0	2.0	0.8	1.0	9.9	6.1	4.5	5.5
White & Yellow Female	0.2	0.3	0.1	0.1	0.1	0.1	0.4	0.6	0.0	0.1	0.6	0.9	0.8	1.7	0.5	0.9	0.0	0.1	2.0	0.0	1.1	2.9	7.8	4.2	133.0	116.0
Black & Mixed Male	0.2	0.2	0.7	0.4	0.1	0.1	0.1	0.1	0.5	0.7	0.5	0.6	0.5	0.6	0.7	0.9	3.3	3.5	8.0	2.0	0.7	1.1	9.5	6.7	7.0	6.0
Black & Mixed Female	0.1	0.2	0.1	0.0	0.0	0.1	0.4	0.5	0.1	0.1	0.4	0.6	1.1	1.5	0.4	0.8	0.1	0.1	2.0	1.0	1.4	2.7	7.6	4.6	155.0	139.5
Indigenous Male	1.3	0.1	0.0	0.0	0.7	0.1	0.0	0.8	0.6	0.6	0.0	0.1	1.3	0.0	0.5	0.5	2.1	1.4	0.0	0.0	0.0	0.0	8.8	11.3	0.0	4.5
Indigenous Female	0.0	0.0	0.0	0.0	0.0	0.0	0.7	1.1	0.0	0.0	0.3	0.0	2.0	1.0	1.3	0.9	0.0	0.0	0.0	0.0	2.2	0.6	8.7	10.9	30.0	21.0

Table 3.9

Ratios	Employer		Statutory public worker		Military		Employee with work licence		Self employed		Employee without work licence		Domestic worker with work licence		Domestic worker without work licence		Non-remunerated		Own production worker		Own consumption worker	
	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13	02	13
Household Income Percentile																						
Bottom 40% / Top 10%	0.0	0.0	0.1	0.1	0.2	0.1	0.4	0.6	1.3	1.2	1.9	2.4	1.3	1.6	9.8	17.0	6.1	5.3	11.9	19.8	2.0	..
Gender																						
Female / Male	0.5	0.5	1.9	2.0	0.0	0.0	0.8	0.8	0.6	0.6	0.6	0.8	10.8	11.3	24.8	21.0	1.6	2.1	3.6	1.6	0.5	0.0
Rural /Urban																						
Rural / Urban	0.4	0.4	0.2	0.5	0.0	0.3	0.3	0.3	1.3	1.4	0.9	1.2	0.5	0.5	0.5	0.7	7.7	8.8	7.2	16.2	0.0	1.0
Ethnic Group/"White & Yellow"																						
Black & Mixed	0.4	0.4	0.7	0.8	1.0	1.3	0.7	0.8	1.1	1.1	1.3	1.3	1.1	1.4	1.7	1.7	1.3	1.2	1.5	2.0	2.0	1.0
Indigenous	0.3	0.3	0.7	0.7	0.0	0.7	0.7	0.5	1.2	1.4	1.0	1.1	1.4	1.6	1.7	1.7	1.3	1.6	2.6	5.5	3.0	3.0
Intersecting inequality: ratio of men and women from different ethno-racial groups and poorest households (10%-30% in income distribution) to 'white/yellow men from top 10% on income distribution																						
White & Yellow Male	0.0	1.3	0.1	..	0.0	18.3	0.5	0.8	1.5	0.1	2.3	0.1	3.0	7.2	5.0	4.0	9.3	2.9	10.5	0.0	2.0	..
White & Yellow Female	0.0	0.7	0.1	..	0.0	37.0	0.2	0.5	0.7	0.0	1.1	0.2	30.0	18.5	237.0	23.0	14.9	1.8	33.8	0.0	0.0	..
Black & Mixed Male	0.0	1.2	0.1	..	0.1	26.0	0.5	0.7	1.3	0.1	2.8	0.1	4.0	7.5	10.0	4.0	8.6	3.3	9.0	0.0	3.0	..
Black & Mixed Female	0.0	0.8	0.2	..	0.0	48.3	0.2	0.4	0.8	0.0	1.0	0.2	31.0	13.7	280.0	28.0	11.3	1.8	37.0	0.0	1.0	..
Indigenous Male	0.0	2.1	1.3	..	0.0	44.7	0.5	0.2	1.4	0.0	1.1	0.3	0.0	23.5	0.0	0.0	14.6	1.6	11.3	0.0	0.0	..
Indigenous Female	0.0	0.5	0.7	..	0.0	111.7	0.0	0.0	1.4	0.0	1.9	0.0	0.0	45.3	60.0	0.0	7.1	2.4	64.5	0.0	0.0	..

## Appendix

Explanation of indicators used.

A first indicator used here is the Group Weighted Coefficient of Variation (GWCOV):

$GWCOV = \frac{1}{\bar{y}} (\sum_{r=1}^R p_r ((\bar{y}_r - \bar{y})^2))^{1/2}$ , where  $\bar{y}_r = \frac{1}{n_r} \sum_{i=1}^{n_r} y_{ir}$  is group  $r$ 's mean value,  $R$  is the number of groups,  $p_r$  is group  $r$ 's population share and  $y_{ir}$  is the observed value of income or another variable of interest (e.g., years of education or hours of domestic work) of the  $i_{th}$  member of group  $r$ .

$GWGini = \frac{1}{2\bar{y}} \sum_{r=1}^R \sum_{s=1}^S p_r p_s |\bar{y}_r - \bar{y}_s|$  where  $r$  and  $s$  are, eventually overlapping, group index numbers,  $R=S$  are the total number of groups,  $\bar{y}_k = \frac{1}{n_k} \sum_{i=1}^{n_k} y_{ik}$  is  $k$ 's group averages with  $k=r,s$ ,  $p_k$  is group  $k$ 's population share,  $y_{ik}$  is the observed value of income or another variable of interest (e.g., years of education or hours of domestic work) of the  $i_{th}$  member of group  $k$ .

$GWTheil = \sum_{r=1}^R p_r \frac{\bar{y}_r}{\bar{y}} (\log \bar{y}_r - \log \bar{y}) = \sum_{r=1}^R p_r \frac{\bar{y}_r}{\bar{y}} \log \frac{\bar{y}_r}{\bar{y}}$ , where  $\bar{y}_r = \frac{1}{n_r} \sum_{i=1}^{n_r} y_{ir}$  is group  $r$ 's mean value,  $R$  is the number of groups,  $p_r$  is group  $r$ 's population share and  $y_{ir}$  is the observed value of income or another variable of interest (e.g., years of education or hours of domestic work) of the  $i_{th}$  member of group  $r$ .

<sup>1</sup> (<https://sustainabledevelopment.un.org/post2015/transformingourworld>).

<sup>2</sup> The datasets were sourced from the IBGE website, in the following page: <http://www.ibge.gov.br/home/estatistica/populacao/trabalhoerendimento/pnad2011/microdados.shtm>