

Introduction

In October 2002, *Partido dos Trabalhadores* (PT the Workers' Party) with Luiz Inácio 'Lula' da Silva in front won the presidential elections in Brazil; the new Administration took office on 1 January 2003. With the election of a PT government, Brazil entered a new area turning *left* which inspired most of the Latin American countries. Lula emerged as a 'man of the people' and represented a 'new way' for Brazil (The Economist 2002a). PT had managed to gather considerable organizational strength and popular support which partly was based on Lula's commitment to improve welfare. Although PT represented the largest left-wing party of Brazil, the aim of their politics was far from revolution. PT stood for moderate change, for consolidating an efficient capitalist economy in Brazil while trying to tackle unacceptable inequalities and injustices (The Economist 2002b).

Brazil's economy grew, and many people fought their way out of poverty into the widening middle classes. The Government began to implement various social policies as an attempt to reduce inequality and minimize poverty; this was mainly done through conditional cash transfer programs (CCTs), e.g. *Bolsa Familia*, but also through public healthcare and education. In 2006, Lula and the PT won re-elections as the party managed to maintain a steady appeal among the Brazilian people. In 2010, the PT won the presidential elections convincingly again, this time with Dilma Rousseff in front. Supported by Lula she became Brazil's first female president and continued in his political footsteps. Overall, there has been a fall in poverty in Brazil since PT came to power, and it is estimated that 36 million people have been helped out of extreme poverty since 2002 (Watts 2013).

Furthermore, Brazil has been experiencing economic growth, increased foreign investments, regional- and international recognition the last decades. Nonetheless, a problem with the economic boom has been that it has enabled the Government to postpone reforms and regulations. The prosperous economic situation in Brazil is changing, and the country is facing some profound challenges and structural problems (Wharton 2015). Despite the Government's efforts to increase social spending and minimize inequality, recent events in Brazil suggest that the population is dissatisfied with Brazilian welfare provision. The Brazilians' collective sense of injustice of the system has been fuelling the rise of collective action in the country the last years (Christensen 2013). In 2013, some of the biggest demonstrations Brazil has ever seen took place throughout the country. The whole population, and especially students, gathered to

claim more equality, security, and justice. The main reasons behind the demonstrations were problems with income distribution and public welfare (Schwartzman 2005: 23).

Nonetheless, on 26 October 2014, Dilma and the PT won yet another re-election ahead of opposition leader Aécio Neves, after the closest campaign for decades. Dilma emphasized PT's social programs and the ability to reduce poverty throughout the last 12 years which assured many votes (Boadle 2014). The enhanced attention on welfare and poverty reduction has affected the whole population in Brazil and guaranteed Dilma yet another term. To better understand the progress and challenges within social welfare provision in Brazil and how these affect the population I ask:

What characterizes the social welfare policies in Brazil, with emphasis on Bolsa Familia, the healthcare system, the educational system and the childcare system? And to what extent do they relate to classical models of welfare systems?

How may the characteristics of these policies influence attitudes to Brazilian welfare provisions?

My research question will be answered in eight chapters. In chapter 1, I will take a closer look at the historical background of Brazil and outline the context in which the Brazilian social welfare policies arose. In chapter 2, I elaborate on the methodology used for my research. I explain which theory will be used in the analysis and the approach for gathering data and information. In chapter 3, theory on classical welfare models is outlined which I will use to conduct the analysis. In chapter 4, the chosen welfare policies, *Bolsa Família*, healthcare, education, and childcare are examined. These welfare areas affect the Brazilian population as a whole, and are basic pillars in a welfare state. In chapter 5 and 6 I will analyze these aforementioned social welfare areas in Brazil based on the theory and on the empirical background and examine how these social welfare policies are conducted and how they affect the population. Furthermore, I will examine to what extent social welfare in Brazil can be related to the classical welfare models. In chapter 7, I will look at the Dilma administration's current challenges. Finally, in chapter 8 I summarize my research results.

Chapter 1. The emerge of social welfare in Brazil

Even though the Brazilian welfare state only began to take form in the 1920s, social welfare policies have gained great influence in Brazil, especially since the late 1990s. To understand the current socio-political challenges that the PT Government faces today, it is relevant to examine from which historical context the social welfare policies in Brazil emerged.

Brazil abolished slavery only in 1888. Former slaves were denied access to land and thus the chance for self-sufficiency. The relationships based on personal dependencies between the slaves and their “masters” shaped the political scene in the country. Social policy in Brazil began under these circumstances, and voluntary welfare provisions from slave owners and big landowners or religious organizations became part of the society. Apart from the fragmented construction of a public school system, there was practically no state-run social policy, let alone social rights, until the 1920s (Leubolt 2014: 2)

The origin of the social welfare conceived today appeared in 1923 with the Eloy Chaves Law¹ which was the foundation of the Retirement and Pension Fund for the railroad company that covered all its employees. With the establishment of this Law on social protection, the workers were able to count on an institution that offered pension, retirement, medical assistance, and pharmaceutical aid (Lula da Silva 2009: 7). In the 1930s, social welfare expanded in line with the industrialization processes and covered more employees from various areas. Furthermore, the relation between the State and the working class was established through the interconnection of three systems namely: the Unions, Labor Justice, and social welfare policies. Social welfare coverage increased immensely the coming decades. Various laws and plans were implemented, and new institutions were created. E.g. *Legião Brasileira de Assistência* (the Brazilian Legion of Assistance) in the 1940s whose main function was the protection of maternity and childhood, aid to the elderly and disabled, and medical assistance to people in need. Furthermore, *Instituto Nacional de Previdência Social* (INPS the National Institute of Social Welfare) was created in 1966 (Ibid 8-9).

¹The Eloy Chaves Law is generally known as the beginning of the Brazilian social protection system. This law arose as Eloy de Miranda Chaves achieved to establish the Retirement and Pensions of the Railroad Workers Fund (Lula da Silva 2009: 7).

From 1964-1985, Brazil was ruled by a military regime and went no less than 21 years without democracy (Goes 2013: 87). Despite economic progress with an economic growth rate around 10% up until the mid-1970s, the gap between rich and poor widened. The government's incentive to continue investing in development and industrialisation resulted in a growing foreign debt alongside an increasing inflation rate. The foreign debt culminated in 1982 to be the largest debt in the world of 87 USD billion (Williamson 2009: 429-431). During the dictatorship, two of today's strongest parties were founded, the PT, and *Partido do Movimento Democrático Brasileiro* (PMDB² the Brazilian Democratic Movement Party) (Goes 2013: 89). The charged political atmosphere culminated in 1984 when the masses went to the streets to show their frustration with the system, and in 1985 the military lost the elections to PMDB and their candidate, Tancredo Neves³. This inaugurated the transition back to democracy, and the demand for fair wages, better working conditions, and social reforms increased (Williamson 2009: 431-432).

Through the 1980s and 90s, different economic plans and projects affected Brazil and other countries in Latin America. Actors from abroad, mainly from the U.S., were behind some of these well-known and widely discussed economic plans, e.g. the *Washington Consensus* of 1989 (Bresser-Pereira 2006: 5). On October 5 1988, a new democratic Constitution was implemented. The new Constitution would guarantee individual rights and restrict the state's ability to limit freedom. The economic model during this period was based on the substitution of imports and strong state intervention in productive activities. It became exceedingly difficult to meet social welfare demands, and the inflation rate kept rising until 1989 where hyperinflation reigned with more than a 1000% annually. PMDB was defeated in presidential elections in 1990 against Collor de Mello that introduced a 'shock' programme to rein in the galloping inflation (Williamson 2009: 433-435). His plans to reorder society, however, did not succeed.

In the 1990s, a new economic environment began to take form with neoliberal development strategies and globalisation in Latin America. In February 1994, the government made a new stabilisation program, the *Plano Real* (The Real Plan) that secured Cardoso the presidential victory in 1995. A new currency, the Real, was introduced in July the same year (Considera

² PMDB operated against the dictatorship under the name *Movimento Democrático Brasileiro* (MDB) but changed to PMDB in 1985 (Kuschick 1998: 266-267).

³ Neves died before entering office.

and Corrêa 2001: 18). Furthermore, the Ministry of Social Welfare and Assistance went through a structural alteration, and the current *Instituto Nacional de Seguro Social* (INSS National Institute of Social Security) was consolidated (Lula da Silva 2009: 11).

When Cardoso came to power in 1995, the privatisation process expanded fast. He was behind the implementation of the *Programa de Ação Imediata* (PAI the Program for Immediate Action) in 1994 that was to minimize the inflation, cut back on government expenses, and form agreements on the foreign debt. After some years, the *Plano Real* was announced the most successful stabilisation plan of the last 31 years in Brazil. The inflation rates went down from levels close to 50% in June 1994 to less than 4,5% a year at the beginning of 1998 (Considera and Corrêa 2001: 19-21). Investment rates went up, and the purchasing power and consumption of especially the poorer part of the population rose due to the inflation decrease (Amann 2000: 1807). In spite of the economic growth, the neoliberal reforms did not resolve the problems with distribution of income and social inequality in Brazil (Amann and Baer 2002: 9-11). The economic growth did not continue under Cardoso however. He was re-elected in 1998 and began his second term with rising trade deficits and problems with implementing fiscal reforms. The *Plano Real* had failed. Despite Cardoso's attempt to implement more social policies in Brazil, the political scene in the country was changing (Amann 2000: 1813-1815). Non-Governmental Organizations (NGOs), especially religious ones, began to play an important role in the 1990s, particularly in the area of social assistance and social responsibility tended to shift from the State towards families, communities, or the market (Leubolt 2014: 10).

In October 2002, PT with Lula in front won the presidential elections, and Brazil entered a new area turning *left* which inspired most of the Latin American countries.

Chapter 2. Methodology

This chapter will look at the methodological considerations behind this research project. In order to have a clear methodological approach throughout the project, I mainly use Alan Bryman's work, *Social Research Methods* (2012). In the first section, I will briefly outline the purpose of social research methods and the relationship between theory and research before looking at the theory used in this particular project. In the second section, I look at quantitative and qualitative methods as well as on the research approach of critical realism. In the last part of this chapter, I elaborate on my use of content analysis as well as on the creation of my survey for this project. Lastly, the reliability and validity of this research is discussed, and furthermore the methodological problems encountered are revised.

2.1 Social research methods

According to Bryman, an understanding of social research methods is important for especially two reasons. First, a clear method is useful when creating a larger research project to make sure that there is coherence between the research methods, the research questions, and the topics. Second, since much literature and research will be used when writing a Master's Thesis, an understanding of the research process can provide one with a critical view when reading and using the research of others (Bryman 2012: 5). This is important when reflecting on the actual topic of the research project, in this case: social welfare in Brazil. When writing a research project, the background and personal values of the researcher cannot be ignored. These aspects form a component in the research question, in the research area, and in the way the method is carried out (Ibid 7). The methodology can provide awareness about these personal values and make one reflect upon methodological problems or strengths.

This research design is based on a *deductive* process of approaching knowledge. Namely by starting with the theory from which the research question is deduced. Deductive theory is the most common view of the relationship between theory and social research. It is a way of 'structuring' a research process and making sure there is coherence between the research question, the theory, the data collection, and the analysis (Ibid 25). In this project, theories on social welfare models are the basis for conducting the research and for forming the survey.

2.2 Applying theory

This project will begin with a historical outline of the emergence of social welfare in Brazil to better understand the country's development. Throughout the last few years, dissatisfaction with public spending on welfare has risen in Brazil, or it has become more visible through social media and mass demonstrations. To better understand the Government strategy towards welfare policies and poverty reduction, I find it important to examine the Brazilian welfare system. By using welfare theory as a basis for this research, I hope to understand how the Brazilian model has affected its population and the country's development. Much literature concerning comparative social policy examines the classification of welfare states and types of welfare provision. The classification of welfare states can be a powerful tool to make comparisons within social policies as this reduces the complexity by dividing countries with the same tendencies into categories. When welfare models are characterized in groups, the identification of the factors responsible for the development and the shape of a given welfare state becomes clearer (Bonoli 1997: 351).

The theoretical outline in this project is based on the welfare state models outlined by Esping-Andersen in *The Three Worlds of Welfare Capitalism* from 1990. Esping-Andersen has created path-breaking work concerning welfare typologies and is still one of the most influential writers on welfare state models today. Researchers still refer to and build upon his work, and many are attracted by the simplicity of his models and believe that they are still relevant when debating and categorizing welfare state models today (e.g. Bambra 2007, Bonoli 1997 and Sainsbury 1994). Nonetheless, some scholars claim that Esping-Andersen's *clusters* are becoming outdated in some aspects, also because they believe that the composition of welfare state regimes is not static (Bambra 2007: 1101). Critics claim that Esping-Andersen's models lack further considerations on the division and range of countries involved, on the differences that exist in the way welfare is delivered and on gender aspects. Because of this, Esping-Andersen's models have provided the ground for an ongoing debate about the identification and classification of welfare states. This process has led to the development of alternative typologies, many of which are intended to reflect aspects that were not examined in Esping-Andersen's original typology.

Even though the empirical foundation of Esping-Andersen's work does not include developing countries, I believe his classical models, including the added aspects from critics, can be valuable when looking at welfare policies in Brazil. It will probably not be possible to

categorize Brazil in one single category (the *liberal*, the *conservative and corporatist* and the *social democratic welfare state*) as these are made for OECD countries with a great deal in common, but it will be useful when looking at tendencies in welfare provision in Brazil. Furthermore, as there has not been made any empirical work on general welfare states models that include Latin American countries, I will use the classical models to analyze the Brazilian model.

Moreover, I cannot deny the fact that I have been raised within the Danish welfare model and thus been affected by it and compare the rest of the world to it. However, the fact that I have lived in Brazil for more than a year has also affected my viewpoint. Though I will try to maintain an objective view and include various aspects within my research, I can only approach this project from my point of departure. This is why I recognize that this project will mainly be influenced by the approach of *critical realism* which is something I will debate further below.

2.3 Research strategy – quantitative and qualitative research

According to Bryman, a distinction between quantitative and qualitative research is useful when classifying different social research methods. Quantitative research can be explained as a strategy that emphasizes quantification in the collection of data and in the analysis of it. Quantitative research has incorporated the norms and ways of the natural science model and views the social reality as external and an objective reality (Bryman 2012: 36). Qualitative research, on the other hand, can be explained as a strategy that emphasizes words, images or other types of data. Furthermore, the social reality is viewed as constantly shifting (Ibid 36). Nonetheless, the distinction between quantitative and qualitative research methods is not completely clear. This has formed the term *mixed methods research* that is more and more used and refers to research that combines methods associated with both quantitative and qualitative research (Ibid 37)

2.3.1 Mixed methods research

This research project will use both quantitative and qualitative research. I will mainly use content analysis by analyzing documents, but I will also create a survey for this research. From a traditional epistemological point of view, it would not be possible to mix quantitative and qualitative research as this approach sees the two ways of research as incompatible. However, many researchers argue that a mixed method can be important and even strengthen the data collection and data analysis. As I believe it would be too fragile to base the analysis of this

research exclusively on my collected survey data, I find it suitable to use mixed method research as the arguments in this project can be strengthened by being based on both documents and the survey results. This research will thus use multiple sources, also known as *triangulation*. Triangulation can operate within and across research strategies and refers to the use of more than one method or source of data in a study. When combining more than one method in the development of measures in a research, the findings can seem more reliable. Triangulation can thus be used to cross-check the findings from both quantitative and qualitative research (Bryman 2012: 392, 634).

2.4 Epistemological and ontological considerations - critical realism

Epistemology and *ontology* are connected with the perception of reality and science. Epistemology is concerned with the ways of knowing and learning about the world. It is a branch of philosophy that investigates the origin, nature and limits of human knowledge, and it questions what knowledge is, and how it can be acquired (Ritchie et al. 2014: 5). Ontology is concerned with the nature of reality and what there is to know about the world. The central question here is whether social entities can and should be regarded as objective entities that have an isolated reality to social actors, or if they should be considered social constructions which are built from the perceptions and actions of social actors (Ibid 4). It is important to acknowledge the different approaches when writing a research project as the different positions affect the way the research question is formulated, and how the research itself is carried out.

Critical realism is based on the work of British philosopher Roy Bhaskar from 1989. Critical realism is a specific form of realism that aims at identifying structures so that inequalities and injustices can be dealt with. These structures can only be identified through practical and theoretical work of social science (Bryman 2012: 28-30). Critical realism combines the philosophy of science with the philosophy of social science to describe the relationship between the natural and social worlds. Critical realism is thus both an epistemology and an ontology. In order for science to be possible, and its activities clear, Bhaskar states that the world must be structured in a way that entails a relationship between the *empirical*, the *actual*, and the *real*. Critical realists distinguish between what they call the *transitive* (the changing knowledge of things) and the *intransitive* (the relatively unchanging things which we attempt to know). This means that critical realism argues that reality exists independently of the human mind but cannot be completely or certainly known, thus this approach denies the possibility that knowledge has

absolute foundations. Which means that we can never be sure whether our knowledge is *the truth* because we can only speak of the way in which we understand or arrange the *real world*, by examining forms of thought, models, habits or customs, or language (Jackson and Hogg 2010: 3). This is why Bhaskar argues that different ideas and perceptions can be equally true, depending upon one's frame of reference because the ideas are created by human beings and the way we judge ideas to be true changes over time. Thus, Bhaskar states that no theory can be known with absolute certainty to be true. Social structures are objective, however, they cannot exist in the absence of conscious human activity (Bhaskar in Jackson and Hogg 2010: 4-8).

2.4.1 Critical realism and case studies

Critical realism is often used when making a case study research. Case research can be defined as a research method that involves investigating one or a small number of social entities or situations by using multiple sources of data and developing a holistic description through the research process (Easton 2009: 119). In a case study, organizations and relationships which can be difficult to access and structure are often examined. This means that former case analyses and reports made on a subject are used to form the a study because they can offer insight to the specific area of research. However, it is not possible to know that what is written in a case analysis or report e.g. by the UN or OECD represents the absolute truth, just as the research outcome of this thesis does not necessarily represent a one-sided truth (Ibid 118). The way the Brazilian government understands their internal situation regarding poverty might not be the same way that the UN understands it. One example of this is the limit of extreme poverty: UN has set the worldwide poverty limit to 2 USD a day, while the extreme poverty limit outline by the Brazilian Government is just under 1 USD a day. This shows that the same problems or situations can be analyzed and defined differently. However, by being aware of these differences and by using various sources, both from outside and from inside Brazil, and by using them in a critical way, I hope to provide a reliable data collection in this research project.

This research project will mainly be based on the approach of critical realism as this fits with the way I believe a research study about Brazilian welfare should be understood and conducted. I believe that there are external *facts* that are independent of the human perception, e.g. the historical context in Brazil (colonization, dictatorships) and the many people living in poverty. However, the perception of *facts* can differ depending on the researcher and on the data used in

the research. This is why critical realism states that one must have a critical approach when collecting data and using documents as sources.

2.5 Content analysis and use of documents

This project will, as mentioned above, use a mixed research method. However, my research will mainly be based on content analysis in the form of interpretations of documents to examine the Brazilian welfare policies and the country's challenges. I will use documents in English, Danish and Portuguese. Because aspects of this research project are mainly dealt with within Brazil, it is an advantage to be able to read government documents and articles in Portuguese. All non-English quotes will be translated by the author.

The literature used in the introduction and in chapter 1, 2, 3 and partly chapter 4, namely theory, methodology and the background knowledge of welfare policies and the historical context in Brazil, will be listed in the bibliography. These sources will be used as a tool to provide a thorough review of the chosen topic and for composing relevant aspects of theory and methodology in relation to my research.

In chapter 4, I will focus on the enhanced attention to welfare policies and poverty reduction since the PT came to power in 2003. General aspects of the Brazilian welfare system will be outlined, leading up to four specific social welfare areas that I will examine closer, namely *Bolsa Familia*, healthcare, education, and childcare. These areas affect the Brazilian population as a whole and are basic pillars in a welfare state. Furthermore, these four areas are important aspects when determining a country's welfare strategy. I will write about social welfare under PT in a separate chapter, before analyzing the four chosen welfare areas further, as I believe this will provide a clearer and more objective outline of the Brazilian welfare system. Some of the documents used in chapter 4 will also be used in the analysis.

The analysis (chapters 5, 6 and 7) entails data which will be used to analyze the aforementioned four welfare areas closer to see how these affect the population and the development of the country. I will use my survey results in these chapters and the selected documents that are listed in appendix 1. I have listed all documents used as empirical data in this appendix in order to provide a clear and accessible overview of the empirical basis for my analysis. There are certain principles which apply for my data selection. Because there is not one coherent official Government policy on each of the four chosen policy areas, I will use various relevant

Government documents and information from the ministry's webpages to understand and analyze the four welfare areas. Furthermore, I have elected several reports and newspaper articles (see appendix 1) which are relevant for making a thorough analysis on the chosen welfare policies and their impact on the Brazilian society. The empirical field of data will thus be quite broad to cover the analysis sufficiently. Nonetheless, I will use documents that are published from 2002 until today (except one text that is from 1996. As research on childcare in Brazil is quite limited, this is still one of the most comprehensive studies on the field). I limit the sources to 2002 and forward because this was the year that Lula and the PT first won the elections, and the discourse focusing on poverty reduction through social welfare was enhanced.

In chapter 5, I will analyze the intentions and consequences of *Bolsa Familia*, healthcare, education, and childcare. Since Brazil has been regionally and internationally recognized for its social and economic development, over the last years there has become more focus on public institutions in Brazil. I have limited the data in the analysis to contain sources that are relevant for the four welfare areas. In chapter 6, I will examine if it is possible to categorize a *Brazilian welfare model* based on the findings in chapter 4 and 5 and see if/how such a model relates to the welfare state models categorized by Esping-Andersen and critics. In chapter 7, I will examine the challenges and perspectives of the current Dilma administration, hence pointing towards future challenges and further perspectives for the Brazilian welfare state.

2.6 The use of a self-completion questionnaire

Because the topic of this project is very contemporary, I find it interesting to hear the opinion of the Brazilian people regarding welfare provision. Through my survey, I will especially ask questions concerning childcare possibilities in Brazil. As the economic development and changing demographic patterns in Brazil have led to substantial changes in the family life, the provision of childcare has become more differentiated. The childcare system in Brazil is quite complicated and difficult to structure and because literature on the matter is limited, I find it appropriate and interesting to gather additional information through a survey.

Due to time and economic constraints, it was not possible to do interviews in Brazil. Therefore, I have found it appropriate to use a self-completion questionnaire which also provides some advantages. Through SurveyXact I can create a survey with no expenses that via an online link

can be sent directly to those Brazilians whom I am able to reach. Furthermore, I can create a 'comfortable' environment for the respondent who can respond when they want, at their own pace and be completely anonymous while participating. The self-completion questionnaire also ensures that everybody receives the exact same questions, in the same order (Bryman 2012: 234). A downside of this approach is that I am not able to answer or deepen any questions a given participant may have, which could have been done in an interview situation.

Before sending out the survey, I structured a combination of questions (see survey in appendix 2). Moreover, it was important to formulate the questions clearly to maximize their functionality and improve the credibility of the findings. As I have recently worked in Brazil, I have been reading the news and following the current challenges. My experiences in Brazil made me wonder about different aspects of Brazilian welfare provision. In the beginning of this semester, I began to read about social welfare theories and further about welfare in Brazil, and this, combined with my experiences in Brazil, makes the basis for the choice of research topic, theory, and the creation of the survey.

In the beginning of the process, I had a broad range of questions, but after the focus of the research had been determined, and the theory elected, I narrowed the survey down. The number of questions in the survey depends on the participants' particular reply as various *activation*⁴ rules are used in the survey that guide the participant on dependent on previous answers. I decided to keep the survey short and simple to increase the likelihood of many returns, also from beyond high-educated respondents, therefore the survey is based on closed questions and just one open. With closed questions, the respondents are presented with a set of fixed possibilities or questions from which they can choose. In an open question, on the other hand, the respondents can freely reply what he or she wants, by writing (Ibid 246). The open question has been useful for gathering new information and getting the respondents' *own* opinion of e.g. challenges within welfare provision in Brazil, without me influencing them with limited answer possibilities. The closed questions have been useful in categorizing the participants and comparing the research results with other sources, e.g. level of education, occupation, etc. I tried to form the questions so they could apply to every Brazilian from different areas, ages and

⁴ Activation rules are used to control whether or not an element is displayed. An activation rule contains one or more expressions that are either true or false. If the rule evaluates to true, the particular element which the activation controls is displayed (SurveyXact User Manual 2008: 124).

educational backgrounds. However, as I have used an online link to distribute the survey, and as I have first invited the Brazilians whom I know, to participate, the segment of participants may possibly mainly be students or people with a higher education from urban areas in Brazil, with internet access.

I used social media to distribute the survey. On March 9, I created an event on *Facebook* where I invited 85 Brazilians whom I have come to know due to my prior study and work experiences in Latin America. I asked them to take part in the survey and to ask other Brazilians to join the group and participate. This method is also known as snowball sampling. In snowball sampling the researcher makes initial contact to a group of people who are relevant in the research, in this case Brazilians, and then use these contacts to establish contact with others. However, a problem with snowball sampling is that it is unlikely that the sample will represent the Brazilian population as a whole (Bryman 2012: 200-202). On the *Facebook* event, I linked to the online survey where one could anonymously participate. The survey was active for five weeks, and I achieved 143 ‘completed’ responses and 19 ‘partially’ completed responses. I will only include the 143 completed responses in this research. However, I also experienced some limitations in how I approached the research, which I will discuss below.

2.7 Methodological discussion

While I will be using mixed methods research in form of my survey in combination with document analysis, the research is mainly qualitative in nature. The most common tendency in qualitative based research is that this way of conducting research focuses more on an interpretation of reality than on hard numbers and statistics. This method thus examines the relationship between theory and reality, where the main emphasis is on an understanding of the social world. Therefore it is necessary to take into account that qualitative based research is largely subjective in nature and that it is difficult to generalize findings to the population (Bryman 2012: 284-285). Furthermore, it is important to discuss how far the survey results comply with scientific requirements concerning validity, reliability, and the ability to generalize the findings from the survey to the rest of the Brazilian population.

Through the triangulation, I have tried to increase the reliability and validity of the research findings. Reliability is concerned with the consistency in doing research, while validity is concerned with whether a research is accurately measuring the concepts it wants to measure (Bryman 2012: 71-73). This was a complication in conducting the survey. Due to the given

time frame, the questionnaire should be sent out quite quickly to have sufficient time to analyze the responses. While I have a great deal of background knowledge about Brazil and was careful in formulating the questions, the survey may have been formed differently had it been sent out later in the process.

The 143 responses exceeded my expectations, but despite the survey's success concerning the number of participants, I have to consider how far the results can be generalized to the broader part of the Brazilian population. The manner of selecting respondents through snowball sampling cannot be regarded as a generalizable one. However, I have tried to minimize the weakness, e.g. by creating the survey in Portuguese. By doing so, I did not exclude the many Brazilians who cannot read or write English. Furthermore, by asking general question that could be relevant to the whole of Brazil and its populations, I did not on purpose try to target the survey to a specific group of people. However, most of my acquaintances have a higher education and are from urban areas like Florianopolis, São Paulo and Brasilia where I have lived myself. Nonetheless, I hope the findings prove to be interesting and maybe even provide new information about the relationship between Brazilian social welfare and the population's attitudes towards welfare policies in Brazil.

Chapter 3. Theoretical outline

The first section in this chapter focuses on classical types of welfare state models. Emphasis will be on the three welfare models categorized by Esping-Andersen, namely the *liberal welfare state*, the *conservative and corporatist welfare state*, and the *social democratic welfare state*. The second part of this chapter will review these three welfare models and include additional aspects that are relevant when debating and classifying welfare models today.

3.1. Defining the welfare state

The welfare state was developed in Western Europe in the second half of the twentieth century. Never before “*has democratic politics been so effectively used to promote civil liberty, economic growth, social solidarity and public well-being*” (Giddens, Diamond and Liddle 2006: 110). To define how a country’s social policy functions, it is necessary to see how the different areas of the state interact, and how the policies influence the population. There are various definitions of social policy, but in some way they are all built around three objectives. Firstly, social policy has an aim of providing welfare for citizens. Secondly, the policy includes both economic objectives e.g. minimum wages and non-economic objectives, e.g. increased health among the population. Thirdly, social policy includes some sort of redistribution of resources from rich to poor (Titmuss 1974: 29). Although social policies stem from the same overall principles, they function very differently in different national and historical contexts.

3.1.2 Classical welfare models

Welfare models have been categorized and labeled in various ways throughout the years. However, the evolving nature of welfare states often makes them difficult to categorize. Many welfare states can even have components from various typologies, making them difficult to generalize. Nonetheless, some main differences can be drawn to set up categories, which can be helpful in determining the model a given state primarily follows.

British social researcher Richard Titmuss provided some of the early contributions within social policies. He divided welfare policies into three contrasting models: 1: *The Residual Welfare Model of Social Policy*, which states that a person’s needs can be properly met through the private market and the family. Only when none of those factors can provide help, should the social welfare institution come into consideration and only for a limited period of time. Here the true aim of the state is really to teach its people how to live without the welfare state. 2: *The*

Industrial Achievement-Performance Model of Social Policy that states that social needs should be met on the basis of merit, work performance and productivity. This model is driven by an effort/reward relation within the society and a formation of class and group loyalties. 3: Lastly *The Institutional Redistributive Model of Social Policy*. In this model, the state provides universal service outside the market, based on the principle of need. It also takes into consideration the effects of social change and the economic system as an influence on social equality. Therefore, the model incorporates a system of redistribution of resources (Titmuss 1974: 31). Although the models are very broad, these approximations can still indicate the major differences between welfare systems and help clarify some kind of order in areas of the social and economic life within a country.

3.2 Three worlds of welfare

Danish sociologist Gøsta Esping-Andersen studies the welfare state and its place in capitalist economies. According to Esping-Andersen, the Titmuss approach has paved the way for a variety of new developments in comparative welfare-state research. Titmuss addresses, unlike earlier models, entire populations and extends welfare commitments to all areas of distribution vital for social welfare. Inspired by the work of Titmuss, Esping-Andersen categorizes welfare models with a slightly different approach. He believes that it is necessary to take into account how state activities are linked with the market's and the family's role in social conditions (Esping-Andersen 1990: 20-22).

According to Esping-Andersen, welfare states are based upon three principles, namely: 1. *de-commodification*, which is the extent to which an individual's welfare is dependent upon the market, especially in terms of pensions, unemployment benefit, and sickness insurance. Thus, the degree to which individuals or families can uphold a socially acceptable standard of living independently of market participation. 2. *Social stratification*, which is the role of welfare states in maintaining or breaking down social hierarchical structures of class in the society. And lastly, 3 the *Private-public mix* which refers to the relative roles of the state, the family, the voluntary sector and the market in welfare provision (Esping-Andersen in Bambra 2007: 1098). These three principles lead to the division of welfare states into three regime types which Esping-Andersen in his work "*The three worlds of welfare capitalism*" calls clusters. The first cluster is described as *the liberal welfare state*, the second, as a *conservative and corporatist welfare state* and the third as a *social democratic welfare state*. It is important to note that these

categories are related to general political theory and refers to the traditional examples of the three types of welfare states, e.g. the United States (liberal), Germany (corporatist-statist) and Denmark (social democratic). Below, I will expand on how each of these models are conceptualized by Esping-Andersen.

The liberal Welfare state

In the liberal welfare state, there are not many universal transfers, and simple social-insurance plans are predominant. The people who receive benefits are mainly belonging to a low-income group, usually to a state-dependent working-class. In this model, the social reforms have been much affected by the traditional, liberal work-ethic norms. Welfare benefits are modest and often stigmatized because they mainly are offered to people who cannot work and care for themselves and their family. The state encourages the market forces to regulate income levels, either by offering the very minimum in benefits and aid or by promoting private welfare schemes (Esping-Andersen 1990: 26). The consequences of this means that the liberal welfare state minimizes de-commodification-effects and contains the realm of social rights and: “*erects an order of stratification that is a blend of a relative equality of poverty among state-welfare recipients, market-differentiated welfare among the majorities, and a class-political dualism between the two*” (Ibid 27).

The conservative and corporatist welfare state

The conservative and corporatist welfare state was created to support the new post-industrial class structure, according to Esping-Andersen. In these welfare states, a liberal market efficiency and commodification was not dominant nor was the granting of social rights a seriously debated issue. In this model, what predominated was the preservation of status and differences in rights that was related to class and status. The state would rather displace the market as a provider of welfare through private insurance. The state, on the other hand, has emphasis on upholding status differences, which means that its redistributive impact is minimal (Esping-Andersen 1990: 27). The corporatist states are often under influence of the Christian Church, which is committed to preserve the traditional family-model. The social insurance often excludes non-working wives and the family benefits encourage the mother or other family members to care for the children at home. “*Day care, and similar family services are conspicuously underdeveloped; the principle of ‘subsidiarity’ serves to emphasize that the state will only interfere when the family’s capacity to service its members is exhausted*” (Ibid 27).

The social democratic welfare state

This model is composed of the countries that extend principles of universalism and de-commodification of social rights also to the new middle classes. It can be called the 'social democratic' type model because social democracy was the dominant force behind social reforms. The social democratic welfare state model pursues a state that will promote equality of a very high standard and not only of basic needs. This means that all workers have full participation in the quality of rights that often before were reserved to the better-off. In this model, the workers are the key ingredient and all can be part of the universal insurance system although benefits are graduated according to earnings. In this model: "*All benefit; all are dependent, and all will presumably feel obliged to pay*" (Esping-Andersen 1990: 28).

The social democratic model addresses both the market and the traditional family. The state does not wait until the family cannot care for the members, but instead create institutions that can fulfil this task. The ideal is not to maximize dependency on the family, but to increase individual independence. In this way, the social democratic model is a fusion between liberalism and socialism. In this model, the state takes direct responsibility for childcare and for supporting elderly people and so on. This is not done only to service family needs, but also to enable women to choose to work outside rather than inside the household. The state encourages all to work and the system depends on this to continue; maintaining this kind of social welfare system depends on most people working and fewest people living on social transfers (Ibid 28).

Although every society is different, Esping-Andersen has divided the examined countries into three categories that can illustrate how different states follow certain tendencies. Esping-Andersen argues that the emergence of different types of welfare regimes is the product of different outcomes in terms of what he calls *class mobilization*. According to Esping-Andersen the balance of power between different classes in society and the political alliances can structure systems of welfare. This structuring of power relationships between classes in modern societies is a political and policy-making process that makes it possible to distinguish between different types of welfare regimes. Furthermore, Esping-Andersen states that the class-mobilization theory assumes that a given welfare state does more than just improve the current problems in the society; it strives to reevaluate and criticize the current model to improve it, and it welcomes civic participation and strengthens labor movements (Ibid 16).

According to Christian Albrekt Larsen, the attitude towards social policy is very much affected by the norms and values that the populations are trying to fulfill in a society. Culture has been a major player in how the welfare state was created, and on how the populations embrace it: “*it is not the regime that influences welfare attitudes, but rather the culture in which the regime is embedded*” (Albrekt Larsen 2006: 18). Studies show that the support for welfare policy is highest in the social democratic regimes, lowest in the liberal regimes and that the conservative regimes are placed in-between these two. Esping-Andersen’s welfare models are still some of the most influential today, however critics have tried to deepen his study by debating, altering, and adding aspects to his work. Some of these aspects will be outlined below.

3.3 Reviewing Esping-Andersen’s welfare models

“*The three worlds of welfare capitalism*” has provided the ground for an ongoing debate about the identification and classification of welfare states. This process has led to the development of alternative typologies, many of which are intended to reflect aspects that were not examined in Esping-Andersen’s original typology from 1990.

3.3.1 The range of countries and the division of states

Since Esping-Andersen’s division of welfare states, the categories have been altered back and forth and called slightly different names, however all schemes revolve basically around the same 14-18 countries. None of these welfare state models, neither Esping-Andersen’s nor the models outlined after his, have been deduced on an empirical background that includes developing countries⁵. Various scholars criticize Esping-Andersen’s models for being too narrow and state that the range of countries included in the analysis of welfare states should be extended. In Esping-Andersen’s analysis, he examines 18 OECD⁶ countries and divides them in three clusters. Liberal countries: *Australia, Canada, Ireland, New Zealand, UK and the US*. Conservative countries: *Finland, France, Germany, Japan, Italy and Switzerland*. Social democratic countries: *Austria, Belgium, The Netherlands, Denmark, Norway and Sweden*. Some scholars like Ferrera and Bonoli states that a fourth category should be added to analyze the “southern” welfare model. This category should according to them include the Latin countries of the EU e.g. Greece, Italy, Portugal, and Spain and could be referred to as the ‘*Southern*’ or ‘*Mediterranean*’ model (Bambra 2007: 1100). The Southern welfare states are

⁵ See different welfare divisions and the countries they entail in Bambra (2007) “*Going beyond The three worlds of welfare capitalism: regime theory and public health research*” page 1199.

⁶ The Organization for Economic Co-operation and Development

often described as ‘rudimentary’ because they are characterized by their fragmented system of welfare provision, which consists of diverse income maintenance schemes, ranging from quite insufficient to very generous, and a healthcare system that provides only limited and partial coverage. The dependency on family and voluntary work is also an important feature in this model (Bambra 2007: 1100).

In 1997, Bonoli made a slightly different division of welfare models. He changed Esping-Andersens categories to a scheme containing a British (*Ireland and UK*), Continental (*Belgium, France, Germany, Luxembourg and the Netherlands*), Nordic (*Denmark, Norway, Sweden and Finland*) and Southern (*Greece, Italy, Portugal, Spain and Switzerland*) model. Especially the categorization of the Nordic model has gained impact and is often used because these four countries are alike in many ways and represent the most extensive welfare schemes. Unlike the *Southern model*, the governments in the *Nordic model* are much involved in the funding and planning of the social care system which has affected the availability of the workforce as a whole (Giddens 2006: 180). The *Nordic welfare model* practices a combination of a very flexible labor market and high job mobility, a high level of social security, for example, unemployment benefits and social aid and an active educational policy (Bredgaard et al. 2008: 309-310). The construction of this model has also affected the personal autonomy of women. A big investment in public services, e.g. education, healthcare, employment services, and childcare have made women able to take on a paid job outside the household and made the employment rates for women in the Nordic countries very high (Anttonen and Sipilä 1996: 90). It actually shows that there are no differences in the participation on the labor market between women with children and those without children in the Nordic countries (Giddens 2006: 180).

3.3.2 The ‘how much’ and the ‘how’ factor - two dimensions of welfare

According to Bonoli, the problem with most welfare state classifications is that they are built on a single dimension of social policy. Most literature is built on the ‘quantity’ of welfare provision in a state (the ‘how much’ dimension), while only a few scholars are more occupied with analyzing and defining the different models of welfare provision (the ‘how’ dimension). However, the two dimensions rarely interact in scholarly attention.

Esping-Andersen’s welfare models are, as mentioned above, based on the de-commodification factor and is one of the few models that actually combine elements of both dimensions. Esping-Andersen includes the ‘how much’ dimension, e.g. by examining the level of benefits and the

range of needs covered, but he also includes the ‘how’ dimension, namely the way in which welfare provision is delivered, e.g. by studying conditions for receiving benefits. This means, that both dimensions of welfare provision are taken into account in Esping-Andersen’s approach, but only in relation with the de-commodifying impact of social policy (Bonoli 1997: 354). According to Bonoli, this means that Esping-Andersen still ends up with a classification based on the quantity of welfare provided by individual welfare states. Bonoli argues that the *Three worlds of welfare capitalism* approach fails to reflect the significant differences that exist in the way welfare is delivered. The fundamental problem in the de-commodification approach is, according to Bonoli, that it cannot adequately distinguish between different models of social protection, e.g. social insurance versus state provision, namely between the *Bismarckian*⁷ and *Beveridgean*⁸ models (Ibid 354). This means that e.g. the redistributive impact of social security, taxation policies or cash transfers (the how factor), which are important when comparing inequality and poverty indicators, might be overlooked (Forster and Whiteford 2009: 34).

Few scholars e.g. Ferrera aims to break with the quantification approach and concentrate on the aspect of how welfare is delivered. Welfare coverage can be *universal* when the entire population is covered by a single scheme, or *occupational* when different groups in society are covered by different schemes (Ferrera in Bonoli 1997: 355). Ferrera’s classification is based on the coverage model, and he argues that it is better suited to identify (potential) winners and losers in the different models, because it focuses on the recipients of social protection. This classification is therefore centered on the ‘how’ dimension, because it makes a distinction between who receives welfare provision and how much welfare is delivered. In this respect, Ferrera’s classification, unlike Esping-Andersen’s, is able to account for differences in the way welfare is delivered by the state. However, according to Bonoli, its weakness is the fact that it fails to take into account the quantitative dimension of state welfare (Bonoli 1997: 356).

Bonoli states that a classification should ideally include both dimensions because both dimensions are most relevant, not only for historical analysis but also when understanding

⁷ In Bismarckian model social programs are based on social insurance principles, with earnings-related benefits, entitlement based on contribution records and funding through employer and employee social security contributions (Forster and Whiteford 2009: 35).

⁸ In the Beveridgean model policies are generally characterized by universal provision, with entitlement based on residence and in some cases need, and with benefits that are financed through general taxation (Forster and Whiteford 2009: 35).

current changes. However, also the two-dimension approach fails to capture much of the complexity involved in comparative social policy. This is why much research on welfare today entails and combines various aspects and expands the foundation made by Esping-Andersen, e.g. by including aspects of redistribution or gender in combination with the ‘how much’ and ‘how’ dimension to create different types of classifications (Bonoli 1997: 32).

3.3.3 The gender aspect

Another criticism of Esping-Andersen’s approach has come from the feminist perspective. Scholars like Clare Bambra and Diane Sainsbury find it necessary to consider the gender aspects in welfare models further. In fact, they argue that Esping-Andersen’s analysis of welfare states is ‘gender blind’ (Bambra 2007: 1099). According to these scholars, it is useful to put a gender perspective on the welfare state theories because it will provide an improved comprehension of the variations in how different states peruse and implement social policies. According to Sainsbury, a focus on the gender dimension of social policies will give a better picture of Esping-Andersen’s identification of welfare regimes and of the relation between market, state, and family. Theories on welfare states have evolved alongside theories of feminism but the two fields only began to interact in the mid-1990s (Ibid 1099).

Esping-Andersen’s typology of welfare states is, as mentioned above, based on three concepts, namely the state-market relations, stratification, and de-commodification. According to critics, Esping-Andersen’s typology fails to undertake the role of women and the family in the provision of welfare, and the importance of gender. The problem is that the market dependency of wage-earners is often emphasized and economic dependence of housewives on their breadwinner/husband tends to be neglected (Sainsbury 1994: 24). Sainsbury states that the approach taken by Esping-Andersen is biased in the analysis of the extent to which states (the public) compared to the markets (the private) provide welfare, and therefore she believes that the role of the families (especially women) is neglected. She also emphasizes that stratification is mainly used when defining terms of social inequalities that relate to class structures in democratic capitalist societies, and tends to undervalue the importance of other inequalities. Stratification should not only refer to the degree of inequality of workers, but also to the way in which the relationships between men and women as well as racial and ethnic groups are stratified (Ibid 25).

Furthermore, Sainsbury questions the aspect of de-commodification. This is an important concept when it comes to understanding the development of social rights and wage labor (e.g. quality of social security schemes), but it is less clear when it comes to rights based on needs (e.g. social assistance) or on gender (e.g. marriage or motherhood). The theory of de-commodification is not adequate when examining a transition from private dependency to state dependency. This is why Sainsbury considers that the de-commodification factor is too concentrated on the impact of wage labor and neglects the role of unpaid caring work (Sainsbury 1994: 13).

The above mentioned considerations have led to the construction of alternative welfare state typologies in which gender has been a more explicit and centralized part of the analysis (e.g. the *Nordic model*). One of the focus points of gender in relation to welfare is the gender dimension of social citizenship. In Sainsbury's work, *Gendering Welfare States*, it is stated that not only class but also gender must be seen as an element in the construction of citizenship. The traditional notion of social citizenship has for some time been extended to include gender dimensions and incorporate the family as a relevant aspect for understanding the development of welfare in a state. Full citizenship implies equal rights, equal social participation, and equal access to decision-making (Ibid 13-15). However, Sainsbury extends this understanding of citizenship to include relations between the family, the market, and the state. She takes into account the fact that citizenship is not only based on obligations in the private or public domain, but also in the private sphere of the family and with the tasks of care. This has raised questions about whether care, mainly in the private domain, tends to exclude people (women) from social citizenship (Ibid 13-17).

The Nordic countries have been called 'gender-neutral' or 'women-friendly' states, and the system is generally based on a *dual earner/dual career model* which promotes men and women's equal responsibility of care for the children and paid work. Whereas women are often much more bound to the household and dependent on a spouse in the southern countries. For that reason, Sainsbury finds it important to analyze independence as changing patterns within work and care, rights and needs, the state, the family, and the market (Ibid 25).

Unpaid care work is an important element, not just because such work can promote exclusion from social citizenship, but also because it can be viewed as an activity that is useful and valuable to society. Because of the increasing participation of women in the labor market in all

welfare state regimes, care possibilities need to be reviewed. Sainsbury believes that there are two solutions. Either to create more welfare facilities (such as childcare) or to implement a redistribution of paid and unpaid work among men and women. Nonetheless, while women begin to 'look more like' men in the way they increasingly enter the labor market, men do not often seem to 'look more like' women, since they do not participate in care and house work to the same extent as women (Sainsbury 1994: 25).

Chapter 4. Social welfare in Brazil

This chapter will outline the political change from 2002 when PT came to power and focus on how government policies changed to be more welfare oriented. The theoretical framework outlined in chapter 3 and the Brazilian social policies in this chapter will then in chapter 5 be used to analyze four specific social welfare areas in Brazil namely, *Bolsa Familia*, healthcare, education, and childcare.

4.1 The era of PT, Lula, and Dilma

Social development in Brazil has been much affected by the country's historical context. However, during Lula's election campaign in 2001, he promised to emphasize improvement of public institutions and poverty reduction. This made him able to attract many voters, especially among the workers and poorer segments (Leubolt 2014: 11). After the Lula administration took office, the Government began to combine active state interventionism in economic and social policies with comprehensive CCTs (Ibid: 4).

Before Lula's election, national and international investors were quite skeptic about which economic policy the former communist and union leader would follow. However, even before he was elected, Lula proclaimed that he would implement responsible economic policies. Soon after his election, strict finance policies were implemented and furthermore, he focused on paying off on the country's foreign debt. Later Dilma took over and continued in the same direction. The consistent economic policy and increased international and especially regional collaboration created an economic boom within the country and provided international recognition for Brazil, making the country the 7th largest economy in the world (Nielsen and Sørensen 2012: 66).

Lula was re-elected as president in 2006 with a convincing majority of votes. The votes came mainly from the poorer, rural parts of Brazil. However, the stable economy and progress, during his first four years as president contributed further to his success also among the middle classes (Panizza 2009: 218). PT governed under slogans such as '*Brazil for all*'. Between 2004 and 2008, the gross domestic product grew comparably fast, from 3.16% in 2005 to 6.09% in 2007. The main beneficiaries of economic success were the poorer part of the population which led to the expansion of the (lower) middle classes (Leubolt 2014: 17).

In 2010, PT won the presidential elections again, this time with Dilma Rousseff in front. Supported by Lula, she became Brazil's first female president. Dilma focused on welfare and national development policies during her first election campaign and won the presidency convincingly, and a discourse of 'economic growth through redistribution' became even more central to the Brazilian political approach (Leubolt 2014: 15). Dilma was re-elected in October 2014.

4.2 Social security and welfare arrangements - a government strategy

Despite the fact that Brazil is still characterized by remarkable inequalities, recent developments have altered the Brazilian society (Leubolt 2014: 4). The PT has promoted increased social spending as a way of including new groups in the society (lower middle classes). A way of doing this is by promoting the existing public services and maintain or even improve them. According to the Government, service provision should be universalized and thereby create more solidarity among the society and possibly create a new culture of social rights (Ibid 18).

4.2.1 A society in five classes

According to the PT, they have deliberately used social welfare as a way to minimize inequality and poverty which means that they now, through CCTs are reaching thousands of unattended families (Yazbek 2011: 18). Between 1997 and 2011, inequality of disposable income fell with over 12%, and it is currently at its lowest level since 1960 when this data was first registered. These numbers are especially impressive when you take the Global Financial Crisis that broke out in 2007 into account (Arnold and Jalles 2014: 5). The reduction in inequalities is especially a result of income gains for the poorest part of the population. Poverty rates have fallen visibly, in particular since 2003. Using the extreme poverty definition of the United Nations⁹ (percentage of the population living below 2 USD per day (approximately 177BRL a month), the percentage of the population dropped from 23.2% to 5.9% between 2002 and 2012. This meant that Brazil reached the Millennium Development Goal of reducing extreme poverty by 2015 to one quarter of its 1990 level already in 2007 (Ibid 5).

⁹ The Brazilian government defines extreme poverty as a monthly income of 77BRL (179 DKK) per person (MDS b).

Figure 1: The economic classes in Brazil defined by total monthly household income:

Economic Classes	Lower Limit	Upper Limit
Class E	0	1254 BRL (2912 DKK)
Class D	1254 BRL (2912 DKK)	2004 BRL (4654 DKK)
Class C	2004 BRL (4654 DKK)	8640 BRL (20068 DKK)
Class B	8640 BRL (20068 DKK)	11261 BRL (26156 DKK)
Class A	11261 BRL (26156 DKK)	0

These numbers are from January 2014: Source IPEA Brazil, the Institute of Applied Economic Research

The lower middle class in Brazil was a little over a decade ago defined as the E and D class. However, changes within the middle classes have resulted in the emergence of a “new” middle class, the C-class. Households of the new C-class are now enjoying consumption possibilities, and they have given a substantial boost to collective consumption growth. The number of people belonging to the C-class has increased from 66 million to 115 million since 2003, while the lower middle D- and E-classes have declined. However, at the same time, movements from the middle to the upper class have been significantly slower than from the lower to the middle classes (Arnold and Jalles 2014: 7).

OECD studies show that also people from rural areas, ethnic minorities and people with low education or informal jobs have joined the middle classes. Changes on the labor market have allowed individuals to earn higher labor incomes, and a strong rise in minimum wages has benefited the incomes of low-income employees. Over the last decade, the real value of the minimum wage has almost doubled (Ibid 8-14).

On the other hand, the higher end of the A-class, containing the extremely wealthy parts of the Brazilian population, has also increased. According to an analysis from *Forbes* (Flannery 2013), Brazil had 46 billionaires in 2013. This number increased with 25% between 2012 and 2013 which means that Brazil has as many billionaires as Spain and France put together. This highlights that Brazil is still a country of contrasts.

4.2.2 The Brazilian tax system

According to Higgins and Pereira (2013: 8), Brazil’s tax system is regarded as an inefficient bureaucracy. This is caused by the fact that taxes are collected at the federal, state, and municipal level, and tax levels therefore differ from region to region which increases the complexity of the tax system. While there has been attempts to modernize the system, there are

still problems to be found concerning the varying tax rates, something that encourages tax evasion (Higgins and Pereira 2013: 5-6). The Brazilian tax system is in principle progressive, meaning that the lowest income groups pay the lowest taxes. In Brazil this means that the range between the lowest taxations and the highest is quite high, namely between 7,5 % and 27,5 % per month. The Lula-government regulated the income levels so it was allowed to earn more before higher tax rates should be paid. This has caused that many in the middle classes today pay a higher percentage of taxes per year, because of the many indirect taxes in Brazil such as VAT (Value Added Tax) and other customs. According to *Instituto de Pesquisa Econômica Aplicada* (IPEA Institute of Applied Economic Research), a person that earns less than 2 x minimum wage a month (approximately 582 USD) pays around 48% in total taxes while a person earning more than 30 x minimum wage a month (approximately 8750 USD) only pays around 26% in total taxes (Nielsen and Sørensen 2012: 109). This means that the middle classes often end up paying a higher total tax than the richest percentage of the population who benefits from e.g. various tax deductions. According to the OECD (2012), Brazil has one of the highest tax burdens in the world.

4.2.3 Social security and welfare in Brazil

The Brazilian government's main method for minimizing inequalities within the country has consisted in implementing various social policies and programs. The many different programs have made the area of social policies enormous. However, in 2004 *Ministério do Desenvolvimento Social e Combate à Fome* (MDS the Ministry of Social Development and Fight against Hunger) was created. This was an attempt towards unifying initiatives of social protection. The goal of the Ministry is to promote social inclusion, food and nutrition security, full social assistance and a minimum citizen income to families living in poverty. With the creation of MDs, the Government centralized the initiatives and began carrying out its strategies of social development in stronger and more visible ways and with bigger investments in public policies (MDS Brasil). MDS's actions are also carried out in partnership with the civil society, international organizations and financial institutions (Arnold and Jalles 2014: 11).

Social security in Brazil is made up of three systems, *the health system* that looks after the public and free healthcare system, *the social assistance system* that e.g. overlooks programs such as *Bolsa Família* and provides a basic income for the disabled and elderly, and *the pensions systems*. Each system has its respective ministry (Iol 2009). The *Regime Geral de Previdência Social* (RGPS General Social Security System) is the social security system

protecting most workers in Brazil. One of the main focal points of RGPS is the reduction of poverty in the Country. The social role of this system also involves income distribution, improvement, and economic development promotion, mainly in the rural areas. Social Security, of which RGPS is a part, is financed by the entire society by resources originating from the Federal Government, States, the Federal District, and the cities, and contribution to this system is obligatory (Lula et al. 2008: 30-33).

Today the social welfare system of Brazil consists of three main policies namely: the General Social Welfare Policy, the Public Servants' welfare policies, and the Complementary Welfare.

RGPS is managed by the INSS and is mandatory. It attends to the private sector and entails companies, domestic servants, paid employees, autonomous workers, and rural workers. All contribute to this system, and depending on their income, they pay from 12-20 % of their salary. The system's management is public (Lula et al. 2009: 11). The RGPS offers a number of benefits for the insured and their families, such as protection against salary losses due to illness, work related accidents, old age, maternity or death. One of the main social impacts of the RGPS is the reduction of poverty through social transfers in Brazil (Ibid29-31).

Public Servants' Welfare Policies is mandatory. Employees of public companies, political agents, and temporary workers are included in this category and normally contribute with 11-14% of their salary. The management of this system is public (Lula et al. 2009: 11).

Complementary Welfare is voluntary, and its management is private. The Complementary Welfare has a variety of arrangements, and the funds are sponsored by employers, companies, and the associated complementary welfare institutions. This system serves as a complement to the RGPS/INSS benefit. To encourage employees to save and invest in Complementary Welfare Systems, the Government offers a number of fiscal benefits (Lula et al. 2009: 12).

4.3 *Bolsa Familia*, healthcare, education, and childcare

Brazil has been a frontrunner concerning social security protection and promotion in Latin America over the past years. The country's social welfare projects are widely recognized for both their range and their innovation (ILO 2009). Because of the numerous welfare policies in Brazil, it will not be possible to cover the entire field in this project. This is why I will focus on four central areas which affect the Brazilian society as a whole, namely *Bolsa Familia*, healthcare, education, and childcare. Furthermore, these areas are relevant in relation to my

overall research topic of characterizing the Brazilian welfare model and understanding how these four social welfare policies have influenced the Brazilian society.

4.3.1 Bolsa Família

In 2001, the Cardoso government introduced the first CCT programs on a national level, namely *Bolsa Escola* and *Bolsa Alimentação*. These programs differed from the social grants introduced by the Constitution in regards to the coverage, because poor families (instead of only the elderly and disabled people) could be included (Fenwick 2009: 114). When Lula took office in 2003, he made clear that the main task of the government would be the elimination of hunger. The Lula administration unified these CCTs into *Bolsa Família* in 2003 and extended its coverage and the amounts transferred (Leubolt 2014: 11).

Bolsa Família is currently the largest and most successful CCT in Brazil. The program functions as income substitution or supplementation for poor families with variable amounts, depending on the number of children in a household and their income situation. By giving special attention to the relatively less developed areas of Brazil, like the Northeast, the program addresses the problem of regional inequality (OECD 2011). This also means that more than 50% of *Bolsa Família* transfers are paid out in the Northeast region (Arnold and Jalles 2014: 14). According to the Government, *Bolsa Família* paid allowances to 14.145.227 families, approximately 50 million people (almost 25 % of the population) with a monthly income under 77BRL (25 USD) per person (MDS b). The variable benefits are paid to families in extreme poverty or poverty depending on the individual situation of the family. If a family involves a number of pregnant women, nursing mothers or children under 15 years of age, the allowance is higher, varying from 77BRL (25 USD) to 336BRL (112 USD) per month for the poorest segment of the recipients (MDS c). It is important to take note of the ‘conditional’ element of a CCT like *Bolsa Família*. The recipients have to meet certain requirements to receive help. These requirements range from obligating parents to keep their children attending school, to sending their children to regular health inspections, and make sure that they receive basic vaccinations (Hunter and Power 2006: 18).

In 2011 the Dilma administration extended and incorporated the *Bolsa Família* program within a large social development scheme called *Plano Brasil Sem Miséria* (BSM the Brazil Without Misery Plan) with the intention to achieve an income guarantee for every Brazilian (BSM 2011: 6-7).

4.3.2 Public healthcare in Brazil

In 1988, the National Congress implemented a new constitution that addressed the demand for a solid healthcare system. This way, the *Sistema Único de Saúde* (SUS Unified Health System) abandoned the insurance based health care system based on occupational status, and health was established as a universal right for the people. The state was then appointed responsible for guaranteeing this right. (Elias and Cohn 2003: 44).

The Ministry of Health is in charge of SUS and formulates national health policies, and the policies are then realized by initiatives and projects that depend on its partners (states, municipalities, NGOs, foundations, companies, etc.). SUS is funded by state and municipal taxes that are obligatory for all Brazilian citizens and on social contributions (Arnold and Jalles 2014: 21). The Ministry of Health has the function of planning, constructing standards and evaluating the SUS health program (Entendendo o SUS 2006: 8). According to the Government, 30 % of the social security budget is planned to be allocated to health care and the SUS program. SUS is responsible for the health coverage of the whole population, approximately 200 million people; however, private insurance companies insure around 50 million people (Ruiz 2012).

4.3.3 Public education in Brazil

Escaping poverty has been highly connected with educational achievement. In the poor segment of Brazil, slightly over 20% of the poor household whose household head had less than primary education, left poverty between 2003 and 2011, while 50% of households whose head had completed primary education, left poverty (Arnold and Jalles 2014: 12-13). The educational system has expanded considerably the last decade in Brazil. In 2011 the compulsory education was altered so that every child should attend school from the age of 4 until the age of 17 (Before 2011 this was from 4-14). Even though the number of children that attend primary and secondary school has increased, it far from includes all children from 4-17. Nonetheless, among the two lowest income classes, enrolment rates of children from 6-14 now include 98%, while the 15-17 year olds attending school have more than doubled to 42% (Arnold and Jalles 2014: 11). The number of students who are enrolled in higher educational institutions has also increased significantly (Nielsen and Sørensen 2012: 105).

4.3.4 Public childcare in Brazil

During the last decades, Brazil has experienced considerable economic development and urbanization. The economic development and changing demographic patterns have led to

substantial changes in the family life of the Brazilians, especially for the women (Connelly, et al. 1996: 620). The industrial development in Brazil has separated the workplace and the home, and the need for childcare has increased. The traditional model of care in the family or by relatives has changed, since even relatives are less likely to be available due to increased years spent in school and on the labor market (Ibid 619). In the fight against poverty and inequality, childcare possibilities are an import factor because these affect the prospects of a family as a whole. In Brazil, a child's health and wellbeing is strongly influenced by the family's socio-economic status and by the education level of the family members (De Mello et al. 2006: 217). In Brazil states are not involved in the provision of early childcare services, but they are responsible for regulating and supervising if early childhood services exist where municipalities have not set up their own systems (UNESCO 2006: 15-17). Education for children under the age of 6 is a right in Brazil, and the responsibility for providing education for young children lies within the municipalities. The 1996 education law defined early childhood education as the first stage of basic education, including children between the age of 0-6. The law recognized daycare centers as services for 0 to 3 year-olds and pre-schools as provision for 4 to 6 year-olds (Ibid).

In the following chapter, I will examine the developments and challenges within *Bolsa Familia*, healthcare, education and childcare further to better understand how these welfare areas affect the Brazilian society and the population.

Chapter 5. How does *Bolsa Familia*, healthcare, education, and childcare affect the Brazilian society?

This chapter will take a closer look at *Bolsa Familia*, healthcare, education, and childcare in order to answer the second part of my research question, namely how these policies affect the Brazilian society. As mentioned in chapter 4, Brazil has been in front concerning various aspects of social welfare compared to other countries in the region. In spite of this, there are some fundamental challenges in Brazil concerning social welfare provision, coverage and quality.

5.1 *Bolsa Familia* – social welfare success or political tool?

Bolsa Familia has become one of the most important pillars of Brazil's social progress and the most dominant policy for poverty reduction. The changes in Brazil's social indicators over the past 10 years paint a picture of *Bolsa Familia*'s success. Besides lifting millions of people out of extreme poverty, the overall infant mortality rate has decreased 40% (Barnes 2013). Indications like these help to explain why Brazil has gained much recognition and why similar CCT's have been adopted in 18 Latin American countries and more outside the region. The World Bank estimates that 1 in 4 Latin Americans today is covered by some version of a CCT developed after the Brazilian model (Watts 2013). The Brazilian government implemented *Bolsa Familia* with the intention to achieve income guarantee for every Brazilian. Even though the program today pays allowances to approximately 50 million people, the minister of MDS, Tereza Campello, estimates that around 600,000 additional families qualify for the program and still need to be included (Barnes 2013). Though public expenses on *Bolsa Familia* have risen from about 5.8 BRL billion (1.94 USD billion) in 2003 to an estimated 32.9 BRL billion (10.98 USD billion) in 2013, the program costs less than 1% of the Brazilian GDP a year (Arnold and Jalles 2014: 14). Below, I discuss some of the major criticisms which have been made concerning *Bolsa Familia*, namely the dependency factor and the program's political impact.

5.1.2 *Bolsa familia* - change or dependence

In line with the expansion of *Bolsa Familia*, questions about its effect and future arise. What is the Government's intention with the program? Some say that *Bolsa Familia* came to stay, and that it politically would be impossible to go back because the program transformed the country

into a more middle-class society since 2003. Critics state that *Bolsa Família* has already completed what it set out to do, and that it is getting too large (Barnes 2013). The fact that the program has become crucial in Brazilian politics over the last 12 years, raises doubts about its inequality reducing impact.

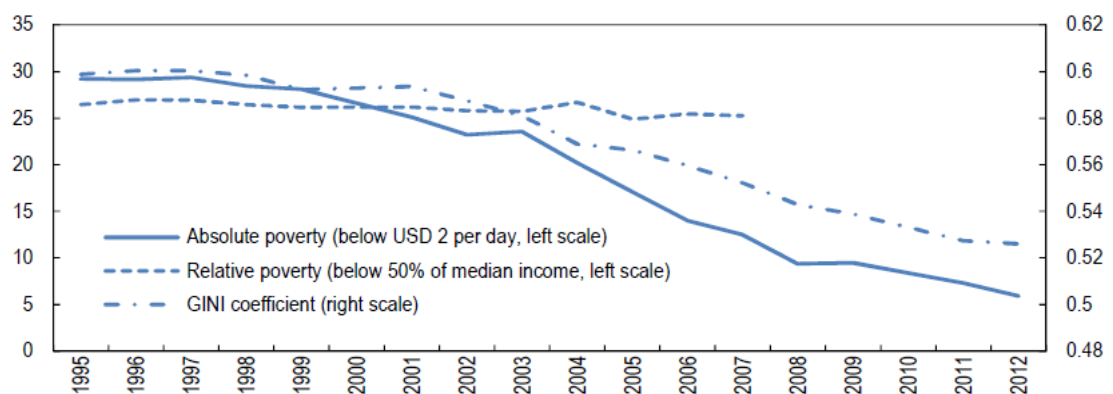
One aspect of criticism revolves around the *dependence* that the *Bolsa Família* program creates. Critics state that this CCT is creating a culture of dependence where the recipients become passive and rely on State-financed 'hand-outs'. Therefore, some claim that the payments actually preserves misery rather than bringing families out of poverty. However, the Government and Minister Campello assures that: "*The funds do not only benefit the participants of the Bolsa Família, but the whole economy (...) The poorest Brazilians work very hard. The participation rate of the adult beneficiaries on the labor market is in line with the national average*" (Portal Brasil a). Campello explains further that a main problem is the lack of education and qualification among the poorest segment of the population which makes it more difficult for them to enter the labor market, and when they do achieve a job, it is often quite unstable. Studies from ILO actually shows that recipients and former recipients of *Bolsa Família* participated more in the formal labor market between 2004 -2007 (Leubolt 2014: 12-13). Campello believes that Brazil is overcoming poverty because of improvements in *Bolsa Família* (Portal Brasil a). As the Dilma administration set the extreme poverty line at 70BRL (22 USD) a month, the *Bolsa Família* program can equal the end of misery for the people enrolled in the program because the lowest monthly amount paid within *Bolsa Família* is 77BRL (25 USD) (Portal Brasil a). However, it is not possible to live a decent life for 77BRL (25 USD) a month in a country like Brazil. The national minimum monthly wage is about 1020 BRL (340 USD), and the average Brazilian makes about 2700 BRL (900 USD) a month (Barnes 2013). According to IPEA, the monthly amount received from *Bolsa Família* means that participants can only escape poverty if they have income from other sources as well (Ferreira de Souza 2012: 14). This can make one question if the *Bolsa Família* program solely pulled millions of people out of extreme poverty, or if other factors play a role. An expert on *Bolsa Família*, Maria Ozanero da Silva, from the Federal University of Maranhão states:

"Overall, I think Bolsa Família is bad for Brazil. It maintains the status quo. It doesn't change the structural problems of concentrated prosperity. If, like me, you want a better society, then Bolsa Família is not the way forward. There may be

fewer hungry people, but there is no fundamental improvement." (da Silva in Watts 2013).

Nonetheless, the Government declares that *Bolsa Familia* helped 36 million people out of extreme poverty, but low unemployment rates, strong economic growth during the last decade, and the introduction of a minimum wage had a major impact as well (Leubolt 2014: 13). Though most of the reduction in inequality results from income gains among the country's poorest segments, Brazil still has one of the highest inequality levels in the world. Between 2002 and 2012, income rose 2.5% for the poorest 20 percent of Brazilians, while it rose 6.4% for the top 20 percent income earners in the country (Barnes 2013). Many Brazilians still lack access to essential services (Arnold and Jalles 2014: 16). Nonetheless, over the last decade inequality has been declining almost twice as fast as in the average of Latin America which is illustrated in the figure below.

Figure 2: Inequality and poverty over time in Brazil



How to read this chart: Absolute poverty refers to percent of the population with household income per capita below the extreme poverty line set out by the United Nations (2 UD per day). Relative poverty is the percent of the population with per capita income below 50% of the median income. The Gini coefficient measures the inequality of distribution on a scale between 0 and 1 with higher values representing more income inequality. (IPEA in Arnold and Jalles 2014: 5).

However, Campello states that people in the *Bolsa Familia* program would fall back into extreme poverty if the benefit disappeared (Portal Brasil a). This suggests that families within *Bolsa Familia* would not be able to uphold an acceptable standard of living depending on market participation which makes them dependent on *Bolsa Familia*. Nonetheless, the Brazilian government cannot ensure a sufficiently high income through social benefits which makes the

Bolsa Família recipients dependent on income from other sources (Ferreira de Souza 2012: 14). This implies that, what Esping-Andersen refers to as the *de-commodification factor*, is actually low in Brazil making an individual's welfare dependent upon the market (Esping-Andersen in Bambra 2007: 1098)

Another part of *Bolsa Família* is the 'conditional' element of school attendance and medical checks. According to the Government, an important aspect of the *Bolsa Família* program is centered on securing better conditions for future generations, by making families invest in their children. Instead of only alleviating poverty in the short run, *Bolsa Família* tries, according to the Government, to ensure socio-economic development on a long term basis (Hall 2006: 691). The Government claims that 95% of children from families receiving *Bolsa Família* stipends fulfill their school requirements of attending school from the age of 4 -17. However, it is also necessary to look at the quality of the public primary schools which the *Bolsa Família* children attend. The public schools are in need of improvements to ensure a better future for these children (Barnes 2013). I will return to this point in the section below.

5.1.3 *Bolsa Família* – a vote-buying mechanism?

Bolsa Família has been criticized for being a 'populist vote-buying mechanism' that has too much electoral impact (Barnes 2013). Some say that the Government's focus on CCTs underlines the determination of fighting poverty and inequality in Brazil. Others state that the implementation of *Bolsa Família* was as much a political strategy as an economic and social tool, and that it has been the most powerful campaign weapon since PT first came to power in 2002. According to some critics, the politicians are as much dependent on *Bolsa Família* as the poor (Watts 2013). However, while the PT has gained many votes among the poorer population, the middle classes are beginning to doubt if PT can assure growth and development in Brazil (Leubolt 2014: 12). In the survey, I asked the participants if they think that social welfare programs in Brazil are made in favor of the poorest part of the population. 69% answered *yes* while 27% said *no* and 5% *did not know*. This suggests that the Government's focus on social welfare through CCTs is dominant, which indicates *Bolsa Família*'s political and electoral impact especially among the poorer segments in Brazil.

The *Bolsa Família* program has definitely had a great impact on Brazil the last 12 years. However, it is doubtful that *Bolsa Família* exclusively pulled 36 million people out of poverty as IPEA declares that it is not possible to live on social transfers alone in Brazil. Fortunately,

the economic development and increased minimum wages have helped more people from the lower classes into the labor market which has improved their standard of living. Minister Campello states that recipients in the *Bolsa Familia* program would fall back into extreme poverty if the benefit disappeared, which suggests that the Government has made no plan to withdraw the program. This can be a questionable aspect in Brazilian welfare provision because to sustain a welfare state that extends principles of universalism, as the PT Government does, most people must work and fewest people must live on social transfers (Esping-Andersen 1992:28). Furthermore, what Bonoli refers to as the ‘*how much*’ and the ‘*how*’ dimensions (see 3.42) are both important aspects within *Bolsa Familia*. The aspect of ‘quantity’ within *Bolsa Familia* is important because by transferring 77 BRL a month, the Government can help a person out of extreme poverty, at least on paper, which can emphasize the electoral impact of *Bolsa Familia*. Furthermore the ‘*how*’ dimension that studies the way in which welfare provision is delivered, is interesting because *Bolsa Familia* includes a conditional aspect so that the program, according to the Government, can secure better conditions for future generations e.g. by investing in children through healthcare and education. However, public healthcare and education are facing fundamental challenges which I discuss below.

5.2 The healthcare system in Brazil

Brazil is the only country in the world with a population of more than 100 million people, which has a universal, public and free healthcare system. Principles of universality and equality became the foundation of SUS since the end of the 1990s. This has made Brazil an inspiration for many other countries, and the improvements and challenges of the SUS model are often debated internationally (Portal Brasil b). Since the implementation of SUS, various aspects of the Brazilian people’s health have improved. Life expectancy at birth, for both sexes, has risen from 67 years in 1990 to 73 years in 2008. Furthermore, regional inequalities have decreased. The difference in life expectancy at birth, e.g. between the wealthier south and the northeast was eight years in 1990; this was brought down to a five-year difference by 2007 (WHO 2010). Nonetheless, the comprehensive healthcare system faces many challenges, and the program is often accused of poor organization and lack of efficiency. This has made both the ‘*how much*’ and the ‘*how*’ dimensions interesting concerning public healthcare provision in Brazil. Thus the economic challenges within SUS have affected how healthcare is provided because even though SUS represents universal coverage, the entire population is not covered by this single scheme.

Below, I discuss some of the major challenges within public healthcare such as financing, the lack of personnel within SUS, and the increase in private insurances.

5.2.1 Financing SUS

One of the main challenges since the implementation of SUS has been the financing. In 1996, decentralization played a fundamental role in the Brazilian health-financing reform. The new legislation transferred part of the management and financing of healthcare to Brazil's 26 states and more than 5000 municipal governments. The federal government contributes to the financing through tax money. Municipal governments should in principle be the main provider and purchaser of health services through their municipal health funds. However, because most municipalities are small and have limited technical or financial capacity, many facilities and a large part of SUS finance remain in the hands of regional and central authorities. States are required to allocate a minimum of 12% of the total budget to health, while municipal governments must spend 15% of their budget (WHO 2010). However, more than half of the 26 states fail to meet the required 12% funding target. Furthermore, the way each state 'defines' how these 12% should be spent, varies, some states e.g. use the money for additional health insurance for civil servants and not for the public healthcare system. This is why a more precise definition of the health expenditure is needed according to the WHO. At the federal level, the main problem with financing healthcare is the lack of funds (Ibid). The fact that healthcare in Brazil is carried out through municipal, state and federal levels makes it less transparent. Many Brazilians cannot see how their tax money is used to improve public healthcare in Brazil. A survey respondent says: "*(...) Efficiency is still lacking a lot within the public programs. Public healthcare in Brazil is still very precarious. It is most difficult to depend on public hospitals*" (Appendix 2: 22).

According to a WHO report on world health statistics from 2010, the Brazilian government's per-capita health expenditure in 2007 was 755 BRL (252 USD) behind neighboring countries, with Argentina at 1000 BRL (336 USD) and Uruguay at 1290 BRL (431 USD). According to Dr. Gilson Carvalho, an adviser from the National Council of Municipal Health Secretaries, around 218 BRL billion (73 USD billion) of public funds are needed to sustain Brazil's comprehensive system of universal coverage. This suggests that the Government needs to spend more than 300 BRL (100 USD) extra per person a year than it currently does (WHO 2010). It even appears that the Brazilian government is spending less on healthcare today than it did 30

years ago, in spite of the enhanced focus on SUS during the PT administrations. Former health secretary in the state of Rio de Janeiro and in the Ministry of Health, José Noronha, explains:

“In the 1988 constitutional reform that set up the Unified Health System, 30% of the budget set aside for social security was to be allocated to health care. If 30% of the social security budget had really been committed to health care in the past 20 years of the Unified Health System, we would be heading in the direction of the kind of comprehensive public system that exists in Europe and Canada” (Noronha in WHO 2010).

This statement goes well in line with the general discontent among the Brazilians in the survey, regarding healthcare and the continuing problems with corruption: *“We pay very high taxes (...) but the public healthcare area is chaos, for everything we want of quality, we need to pay (for private alternatives)”*. Another participant states: *“Nothing works in this country, not education, not healthcare, not transport, not security. This is also because our taxes are diverted into the pockets of the politicians”* (Appendix 2: 22).

The Brazilian government promotes universalism within healthcare, and the taxes collected to sustain the public healthcare system resemble the level of those within the *social democratic welfare* model. However, mismanagement of funds and corruption has made SUS a rudimentary institution, and the Government has become dependent on additional welfare schemes to meet the demands for healthcare provision in Brazil. This has created a dual system in Brazil where the middle and high classes pay for private insurances. This suggests more of a resemblance with the *southern model* where the public healthcare system provides limited and partial coverage making the system fragmented and unequal.

5.2.2 Universal healthcare – for the poor

The Constitution guarantees the right to free, state-provided health care in Brazil. However, two-fifths of Brazilians are not covered by local primary care because there simply are no hospitals or clinics in their local community (The Economist 2013). As mentioned above, SUS suffers from chronic underfunding. Brazil’s public sector invests about 4% of GDP in health, compared to an average of 6.5% of GDP in OECD countries. As a result, medical infrastructure and the number of doctors and nurses are insufficient, with 1.8 doctors and 0.9 nurses per 1000 inhabitants in 2009, compared to OECD averages of 3.1 and 8.4, respectively. This shortage of medical staff leads to insufficient access to basic healthcare services (Arnold and Jalles 2014:

21). Furthermore, there is a big variety in healthcare throughout Brazil. The capacity of municipalities to deliver health services differs, and this has resulted in a situation where the wealthier South is being twice as well served as the rest of the country. As the poorer parts of the population cannot access the expensive, private health system, they suffer from a lower quality health service or none at all (Ibid). For example in the state of Ceará in the Northeast, 91% of the population, 7.6 million people, depend exclusively on the SUS program (Ruiz 2012). According to WHO, only around 270 of Brazil's more than 6,000 public and private hospitals (4%) have been accredited so far which means that most hospitals fail to meet the minimal standards (WHO 2010). The varying quality and accessibility has resulted in a division in healthcare in Brazil, meaning that public healthcare is almost exclusively used by the poorer E and D classes. Everyone who can afford it has a private health insurance, but the part of the population that is not part of the workforce has no possibility for a private health insurance because these are partly or completely paid by the employer (Leubolt 2014: 15). Not surprisingly, many Brazilians choose the private sector to avoid delays. Brazil therefore runs a dual system, offering businesses and individuals the possibility of purchasing healthcare through the Complementary Welfare. People who buy private insurance receive a tax reimbursement, but everybody still contributes to SUS through their income taxes. A respondent from the survey explains:

“The relation between supply and demand of the services provided by the Government in all its areas are not sufficient to attend the country's population this does not reflect the high taxes paid in the country. One must pay two times for these services: Because the Government does not meet the demands the citizens run to the private sector trying to supplement their needs” (Appendix 2: 23).

Today more than 25% of the Brazilians are covered by private insurances (The Economist 2013). Brazil has become dependent on what Esping-Andersen refers to as a *private-public mix* to fulfill the needs within healthcare which has created a division among the population regarding healthcare provision. The poorer segments of the population have to cope with the healthcare provided within SUS, and the middle and high classes pay for healthcare twice because they buy private health insurances. This indicates that healthcare in Brazil contributes in a division among the population and that what Esping-Andersen calls *social stratification*, namely social hierarchical structures within the different classes in Brazil, is being is

maintained, as lower classes cannot afford private care. This has created great dissatisfaction amongst the Brazilians, because everybody contributes to sustain, what the Governments claim is a universal healthcare program.

5.2.3 Improving SUS

One of the biggest challenges within SUS is the lack of doctors and nurses. Furthermore, it is crucial that doctors in the program are sufficiently educated and that they have new technology at their disposal which is not always the case. Brazil has proportionately fewer doctors compared to other countries. Moreover, most of the doctors in Brazil are located in big cities and often in the private practices. The lack of nurses is also a fundamental problem; there is only one nurse for every two doctors, while in other more efficient health-care systems, the proportion is three to one. Besides, the qualifications of the nurses in Brazil are used poorly, mainly because a law, proposed by the Doctors' Professional Associations, was passed in 2009 that forbid anyone but doctors to prescribe any type of drug (The Economist 2013).

After the massive demonstrations in Brazil in 2013, Dilma made a public appearance in May 2013, promising that the government would focus on improving public healthcare (Boadle 2013). In August 2013, the Dilma administration launched a new program within SUS called *Mais Médicos* (More Doctors). *Mais Médicos* is a CCT made to recruit thousands of foreign doctors to work in poor and remote areas in Brazil. Already at the end of August, the first doctors arrived from Argentina and Spain, but mainly from Cuba (Portal Brasil b). A three-year contract was made between Cuba and Brazil that would bring thousands of Cuban doctors to work in rural areas, where many Brazilian physicians prefer not to practice. The Cuban doctors have now been stationed in health centers in the *favelas* (poor areas in Brazil) and villages especially in Northeast (Boadle 2013). Like other countries, Brazil struggles to lure doctors to poor or remote areas, where they will have little chance to train further or to practice privately on the side. Most medical students in Brazil are from better-off families and have few links to the underdeveloped and poor communities. This is why the deal with Cuba could be a solution to many of SUS' problems. The size of the planned contract with Cuba is worth around 450 BRL million (150 USD million) a year, which makes this exchange valuable for Cuba as well, especially because the Cuban government keeps about two-thirds of the salaries of its doctors working abroad (The Economist 2013). However, not everybody finds this deal a success. Brazil's Doctors' Associations want to block the import of foreign doctors. They argue that the Cuban doctors' inability to choose where to work is something not far from slavery. The

Association also stated that since the foreigners' degrees were not revalidated, they would be practicing illegally, which is why all foreign doctors today must pass a revalidation test to practice medicine in Brazil. However, the Ministry of Education suspects that the tests have been made unnecessarily difficult in order to keep foreigners out; less than 10% pass it (The economist 2013).

Nonetheless, international collaboration and knowledge exchange is important in order for the Brazilian public healthcare system to improve. According to the Minister of Health, Arthur Chioro, Brazil is currently involved in around 108 international projects concerning healthcare, e.g. international cooperation in medical education, strengthening of public policies, and service and research development (Portal Brasil b). However, the OECD states, the recent attempts to recruit foreign doctors are unlikely to make any noticeable difference. Of the estimated 388,000 doctors in Brazil, about 0.6% of them are foreign-trained non-Brazilians. To catch up with the OECD average, it would require a 70% increase in the number of doctors, and an even larger increase in the number of nurses to keep up with demand this suggest that the Brazilian government would have to increase spending on healthcare even further to obtain universal coverage. However, a new proposal within the Brazilian government is to obligate new medical graduates to serve in the SUS program for two years before their degree becomes officially valid. This could be a way to overcome some of the above-mentioned challenges within SUS, and a way to ensure a boost in the number of doctors available to the public system in the short term. However, experiences from OECD countries suggest that increasing overall supply of doctors does not necessarily help to resolve geographic imbalances (Arnold and Jalles 2014: 21).

In spite of the Government's discourse of universal and free healthcare in Brazil, the SUS program is facing various challenges. The fact that healthcare in Brazil is carried out at a municipal, state and federal level has resulted in mismanagement and inefficiency within public healthcare which has made many Brazilians turn to private insurances. Nonetheless, the Government keeps investing in SUS and tries to compose solutions for the comprehensive public healthcare system, as healthcare is an important ingredient for further development in Brazil.

5.3 The educational system in Brazil

Historically, Brazil has been dealing with overall low levels of educational attainment and a very unequal distribution of educational opportunities. During the last decades, the Government has allocated more resources to free public education as there has been a growing need for a smarter and more skilled labor force (Machado 2014). However, there is much to be done to improve an educational structure that has been building up for years (Ferreira de Souza 2012: 8). In the 1990s, Brazilian higher education doubled its size, going from 1.5 million to more than 3 million students in the period. Yet, this expansion was mostly due to the growth of private educational institutions, which, in 2002, accounted for 70% of the students (Schwartzman 2004: 175). Below some of the main challenges within the educational system will be discussed, namely funding, accessibility, and the dilemma between public and private education in Brazil.

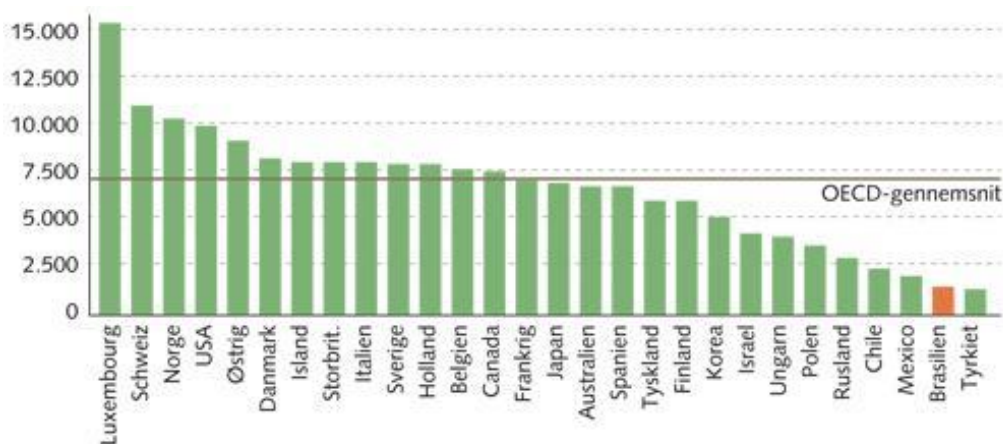
5.3.1 Educational enrolment and funding

A main problem within the educational system in Brazil has been accessibility especially in the more rural areas. Greater focus on this problem from the PT Governments has resulted in thousands of new schools, also in the poorer Northeast and in *favelas*. Between 2005 and 2012, enrolment rates for young adults increased, reaching 78% for 15-19 year-olds and 22% for 20-29 year-olds (OECD 2014). However compared to OECD average levels, enrolment rates in Brazil remain low and Brazilian students perform worse than their peers from other countries in OECD PISA¹⁰ tests (Arnold and Jalles 2014: 17). This suggests that the main problem within the educational system is no longer access, but rather quality.

In 2011, the compulsory education was altered so that every child should attend school from the age of 4 until 17. Furthermore, the Dilma administration increased focus on education even further. Brazil's public educational expenditure rose from 3.5% of GDP in 2000 to 6.1% in 2011. This puts Brazil in front of the OECD average of 5.6%, as well as above the average of other Latin American countries such as Chile (4.5%) and Mexico (5.2%). However, when calculated per student, annual public expenditure on institutions for all levels of education combined is considerably below the OECD average (OECD 2014).

¹⁰ ProgramDilm for International Student Assessment

Figure 3: Annual expenditure on education per student in US dollars



Source: (OECD 2011 in Nielsen and Sørensen 2012:106)

A reason for this is that the Brazilian public educational institutions spend four times more per tertiary student than per primary or secondary student (which is the highest differential among all OECD and partner countries with available data). Even though the spending per student in primary and secondary education has increased since 2002, the expenses per tertiary student still correspond to 93% of the public spending on education (OECD 2014). This has contributed to the continuing inequality in the educational system in Brazil. Because the Government uses almost all their means on higher education, the quality of public primary and secondary education is very poor, while the public universities are quite attractive.

Though the Government has enhanced focus on public education the last decade and focus on universal and obligatory education for all children between 4-17 years this has not solved the challenges within education in Brazil. The fact that the Government uses 93% of public spending on education within tertiary education suggest that the importance of public primary and secondary schooling is undervalued. This indicates that it is not only important to examine the ‘quantity’ of means used on education, but also to analyze how the money is spent. It seems that the Government sustains an imbalance within the educational system which will be discussed further below.

5.3.2 Public and private education in Brazil

The majority of public primary and secondary schools in Brazil are in need of improved infrastructure and additional investment in classrooms, libraries, science labs, and computer facilities. More and better teaching is also necessary. Many public schools operate in several

shifts a day which means that most secondary students receive only around 4 hours of education per day (the average in OECD countries is 7 hours). Only 5.8% of students in public schools, up to the age of 14, receive full-day schooling (Arnold and Jalles 2014: 18). Moreover, there are often too many students in a class. In secondary public institutions, there are seven more students per teacher than in private institutions (OECD 2014). As the government fails to provide basic education of high standard the middle and higher classes invest in their children's futures by paying for primary and secondary school (Machado 2014). This has created great dissatisfaction among many Brazilians. A respondent from the survey says: "*Public education in Brazil is scrapped. The teachers receive a miserable salary and they work in very bad conditions in schools without maintenance and even run the risk of violence by students or parents of students*" (Appendix 2: 23).

In general, public schools in Brazil are experiencing a high number of drop-outs and low engagement in the class-rooms. Many young people drop out of school to get a job to help provide for the family. Almost 10% of the students leave secondary school before graduating (OECD 2014). The non-graduated students often come from disadvantaged backgrounds and have often been exposed to social problems such as family instability, gang or drug involvement, teen pregnancy etc. If these adolescences simply drop out of schools, future earning opportunities are reduced even further. Tertiary-educated adults in Brazil face the lowest rate of unemployment, at 2.9% and much higher wages (Arnold and Jalles 2014: 19). Some decades ago, a worker with a minimal level of schooling was able to find a place in the labor force even with few or no qualifications but this is no longer the case in Brazil. From 2000 and onwards, almost 85% of created jobs in Brazil have been intended for workers with at least a secondary education, which is a significant increase since the 1990s when such openings accounted for around 68% of the created jobs (Machado 2014).

However, the low quality of the public primary and secondary education makes it almost impossible to pass the tests to enter public universities. The public universities select students through difficult entrance examinations. The competition is very high and there are often forty or more applicants per place. This is quite different in private institutions where the requirements are often to have a secondary education and pay the fees. This has caused a somewhat odd development in the Brazilian education system where the middle and higher classes strive to enter public universities, while the poorer segments have almost no chance of entering public tertiary education (Schwartzman 2004: 175-178). In the survey, 32% of the

participants are students, and out of these 76% attend a public university while 24% are enrolled in a private institution (Appendix 2: 13). Universities in Brazil are for the privileged, and students in public universities are still both whiter and richer than the average population (The Economist 2012). This means that in 2014, only around 13% of the population of ‘working-age’ had a degree. The few graduates with a tertiary degree benefit from this with high wages. Brazilian workers experience one of the largest differences in earnings according to the level of education. On average, tertiary-educated adults earn 2.5 times more than those with upper secondary education (the OECD average is about 1.6), and they earn five times as much as those who did not finish secondary school (OECD 2014). The division of public and private education has become a massive problem in Brazil. The fact that it is almost impossible to enter a public university if a student has studied in a public primary and secondary school suggest that *social stratification* within the public educational system is maintained. This makes it even harder for students from the lower classes to complete an education and break the social heritage.

Furthermore the status of public universities is also changing and there has been an enormous growth in new, better and more expensive private universities offering attractive alternatives for the ones who can afford it (The economist 2012). Public universities have during the last years been experiencing increased dissatisfaction among the students and frequent strikes among the teachers. Some semesters, the students attending state or federal universities do not even have classes, because the teachers are on month-long strikes defending free education of quality. In March and April 2015, massive demonstrations took place because Brazil’s public school teachers are much under-paid. According to the OECD, the national average salary for a public school educator in Brazil is 31,000 BRL (10,375 USD) a year, while the average for OECD nations is 88,000 BRL (29,411 USD) (Rapoza 2015).

Though the Government has increased funding on public education substantially since the 2000s the means have almost exclusively been used on tertiary education which has resulted in undeveloped primary and secondary education. Thus even public universities have become for the privileged which suggest that *social stratification* is actually maintained through the educational system in Brazil. As students in public schools receive few hours of education in crowded classrooms, private alternatives in all levels of education have become crucial for covering the demands of high quality.

5.3.3 The Government's attempt to improve the educational system

Education is a crucial focal point on the way to eliminate poverty and inequality. The Government is continuously implementing various programs in hope of improving the educational system and making it more accessible for all. The Government has recognized that there is a growing demand for entering public universities, but there is simply not enough places or means to enroll all the applicants. As a way to solve this problem the Government offers private universities tax breaks in return for around a tenth of their places for free or at discounts to students from lower income groups. This has affected more than one million students since 2005. Furthermore, new types of low-interest loans have become available for students (around 300,000 students got such a loan in 2012). By implementing these schemes, the Government hopes to raise standards (because beneficiaries must reach minimum entry requirements) and cut dropout rates (The Economist 2012). However, these initiatives do not focus on strengthening the quality of public education.

Furthermore, in 2011, the Dilma administration introduced a new program in universities called *Ciencia Sem Fronteira* (Science Without Borders). This program can be compared with the European Erasmus program where the purpose is to promote international exchange of students. Brazil has very few foreign students in their universities with only 0.5% of the total tertiary enrolments (this is the lowest of all OECD and partner countries with available data). Of the foreign students, 27% come from countries with Portuguese as official language; the main reason for this is that Brazil offers nearly no programs in English at the tertiary level (OECD 2014). The Government expects that around 70,000 Brazilians will participate in this exchange every year, and in this way partly receive their education in good universities abroad. Brazilian students and researchers then get exposed to an *environment of high competitiveness and entrepreneurship* (Ciencia Sem Fronteira 2015). Furthermore, the Government expects that many foreign students will come to Brazil and in this way an exchange of knowledge should be enhanced.

In August 2012, Dilma signed a law that gives federal universities until 2016 to reserve half of their places for students from state schools. Of those places, half must go to very poor, black, mixed-race or native Brazilian students (Arnold and Jalles 2014: 17). This implies that the Government is trying to address the way racial and ethnic groups in Brazil are stratified (Sainsbury 1994: 25). However, according to an education expert from OECD, quotas like these tend to benefit the fortunate and best prepared in the quota group, not the disadvantaged. In

2012, more than half of the students in higher education drop out before completing their courses. Extending quotas to all 59 federal universities in Brazil, and even assigning half of all places to these segments, will mean admitting more less-prepared students who may struggle (especially given the fact that these students did not attend private primary and secondary education) (The Economist 2012). Furthermore, this can provide an extra challenge for the federal universities that not only have to integrate the quota students but also make sure to keep the educational level attractive for students from the middle and higher classes. The universities will have to spend more money on technology and educators if they are to improve quality and attract more students (Ibid).

After the demonstrations in Brazil in 2013, Dilma promised to allocate even more money to education; in fact she said that all oil royalties would be channeled towards the educational system (Quinn 2013). Furthermore, the Government launched a national plan in June 2014 for educational reforms designed to eradicate illiteracy, universalize schooling, reduce inequality in education, and improve the quality of teaching (Machado 2014). An example of this plan is *Programa Universidade para Todos* (ProUni - the University for All Program). This program is targeted to students with a public or private secondary degree and no university degree. The program manages scholarships to these fulltime or part-time students in private tertiary educational institutions, meaning that the Government pays scholarships to enable these students to complete a higher education from a private university. To be able to compete for a full scholarship, the applicant must inform the monthly household income of the family that is maximum 1.5 x minimum wage per person a month (Portal Brasil c).

Recent policies and laws introduced by the Dilma administration suggests that focus is not on improving universal, public education it seems that the Government has become dependent on the private institutions to fulfill the demand on high education, even at the university level. However, allocating public funds to private universities and thereby enrolling quota-students with a public primary and secondary degree does not take on the profound problems within public primary and secondary education which means that the enhanced focus on education in Brazil will not necessary minimize inequality further.

5.4 The childcare system in Brazil

The economic development and increased participation of women in the formal labor market has affected the traditional family model in Brazil. In the 1950s, the percentage of women above

10 years of age who were economically active in Brazil was 13.2% - by 1985 this number had reached 37.6% in urban areas. Furthermore, the average family size has declined the last decades which does not only reflect lower fertility rates but also the presence of fewer 'extended' family members (grandparents, siblings, cousins etc.) living within the household. In 2007, the female labor force participation reached 64%, which is just below the OECD average of 65%. In comparison, only 44% of women in Mexico and Chile participated in the labor force. However, women in Brazil are still facing challenges on the labor market. Gender wage gaps remain high, and Brazil has one of the largest earning differentials; women with tertiary education earn 63% of what similarly educated men earn (in comparison, the OECD average is 73%) (OECD 2014: 2). Furthermore, unemployment rates are generally higher for women than for men, 22% of women aged 15-24 were unemployed in 2011, compared to 13% of men (Paes de Barros et al. 2011: 1). However, with the increased number of women in the labor force, a growing demand for non-parental childcare has emerged (Connelly et al. 1996: 619-621). Below some of the challenges within childcare in Brazil will be discussed, with focus on relations between the family, state, and market, and the dilemma of public and private care.

5.4.1 New relations between the family, the market, and the State

As women's participation on the labor market increased, the Government began to face a range of economic and structural challenges. Furthermore, new relations between the family, the State, and the market had to be formed. The Brazilians had mostly relied on childcare within the family or by relatives, and the Government had never faced the necessity to establish a comprehensive public childcare system. The last decades, policy makers in Brazil have started to respond to the increased demand for childcare, not only because of the rise in the number of active women on the labor market, but also because access to childcare for children from 0-6 years has become a constitutional right (the 1996 education law) (Connelly et al. 1996: 623). Even though municipal governments are responsible for ensuring access to daycare and pre-school to all children under 6 years old, programs are run by diverse governmental organizations at federal, state, and municipal levels. Because municipalities act autonomously, any municipality can set up, manage and supervise its own early childhood (and primary) education system, or choose to follow the state system (UNESCO 2006: 15-17). Furthermore, childcare centers often receive funding from several public organizations as well as from private NGOs, and they can collect a fee from the parents. This indicates that NGOs still play an important role in Brazilian welfare, especially regarding childcare, as they did under president

Cardoso, which links Brazilian childcare to the arrangements practiced in the *Southern* model. The current Government is far from able to provide services to guarantee the constitutional rights of childcare which means that private initiatives are expanding, making Brazil dependent on a *private-public mix* within childcare. This has resulted in an increasing political pressure, especially from low-income families (Paes de Barros et al. 2011: 2). According to Sainsbury, the gender aspect within social welfare is important as especially women are affected by how the state arranges relations between the market and family. The extent to which the Brazilian state (the public institutions) provide childcare compared to the market (the private institutions) influence the role of the family and affect the personal autonomy of women (Sainsbury 1994: 25). This is also an important aspect in Brazilian welfare provision, as millions of families are dependent on public childcare.

Through Brazil's General Social Security System, women are entitled to a paid maternity leave during a 120 day period; after this period a working mother must count on some form of non-parental care in order to return to the labor market. This has resulted in a booming range of childcare possibilities the last decades. Families can choose between various types of formal (paid) care and informal care (Connelly et al. 1996: 623). Early childhood education in Brazil, like in most other countries, divided in two groups, namely daycare for small children from 0-3 and pre-schools for children from 4-6. Within these two groups it is possible to choose between private, public or religious initiatives (Portal Brazil d). However, this variety in childcare possibilities is not available in every part of the country, especially not in more remote and poor areas of Brazil. The many possibilities within childcare have created a very differentiated and unequal system with a high variety in quality and availability.

The many possibilities within formal and informal, public and private childcare have created a less transparent system in Brazil. Furthermore, the divided responsibility within the three levels of government has made the public system fragmented and unpredictable which will be discussed further below.

5.4.2 Childcare 0-3 years

According to the Brazilian government, it is a right for every child to have the possibility to be in daycare from birth. This should not be seen as social assistance or support for working mothers, but as an 'educational journey' that can prepare a child for another formal education through interaction and play and pedagogical guidance. Like in the *social democratic* welfare

model the Brazilian Government encourages mothers to seek employment, increase their earnings, and thereby improve their own well-being and the well-being of their households. However, public daycare educators are not compelled to undergo formal training in Brazil, and there are no specific rules on how to run a public *crèche* (public daycare institution 0-3 years). The law says that registration is compulsory only for children from four years; enrolment in a daycare center is a family's choice and an opportunity guaranteed by the State (Portal Brasil d). This has created a big difference in public daycare institutions and made it difficult for the family to rely on e.g. quality and opening hours. However, in 2011, the National Council of Education implemented new opening hours in public daycare and even made sure that they cannot close during holidays. Furthermore, the Ministry of Education developed some guidelines that should guarantee and protect the children's rights: "*Children have the right to play, to individual attention in a warm, safe and stimulating environment, contact with nature, hygiene and health, healthy food, etc. Furthermore, children are entitled to special attention in the period of adaptation to daycare*" (Portal Brasil d).

Nonetheless, the public daycare system is not equipped to provide care for all applicants. This has, in some states, resulted in lotteries. Rio de Janeiro for example, implemented a program that expands access to free public provided childcare to families living in low-income neighborhoods. In 2007, the city government carried out a lottery that selected 10,000 children between the ages of 0-4 out of approximately 24,000 applicants. The families who got a spot in a daycare facility were randomly picked, and the excluded families were placed on a waiting list (Paes de Barros et al. 2011: 4). The fact that a city government uses lotteries to divide childcare among families underlines the massive lack in childcare provision especially among the poorer segments in Brazil. This creates an uncertainty for families as their chances for enrolment in daycare rely on luck. The traditional welfare state models do not entail aspects like this. Childcare within the *conservative and corporatist welfare state* and *southern model* might be limited or partial, but they encourage mothers and family members to care for the children at home. In Brazil, the Government encourages women to enter the labor market which inspires to abandon the traditional family model. Nonetheless, the Government has not implemented enough structural reforms and regulations to fulfill their promise of universal childcare provision which makes them dependent on the private sector or on unusual selection models like lotteries. One third of the families on the mentioned waiting list in Rio de Janeiro placed their children in low-cost private facilities. However, families that did not have the

means had to find some other arrangement. Families then rely on the availability of relatives or friends willing to provide low-cost or no-cost care, or they leave small children to elder siblings. As a last resort is that mothers simply must stay at home which then affect these women's possibilities to enter the labor market. According to Connelly et al., mother-only families and families in which the mother is employed have been found to be much more likely to rely on non-parental informal care in Brazil (1996: 622-624). This affirms the lack of public childcare possibilities in Brazil.

The underdeveloped childcare system can affect further development in Brazil but also the gender equality. In the survey, I asked the participants if men and women in Brazil have the same opportunities on the labor market; 81% answered *no* while only 14% said *yes*, and 5% *did not know* (appendix 2: 21). One of the main aspects of this could be the general lack of high quality public daycare. Public childcare institutions in Brazil are mainly seen as an alternative aimed at the poorest part of the population who do not have another option. Even though many Brazilian women have entered the labor force, they are still reluctant towards early childhood care. For years, it has been a custom to provide for the children within the family, or a status symbol to be able to hire a fulltime nanny. Thus, 82% of the participants in the survey were either taken care of at home by their mom or dad, by relatives or by a nanny, when they were between 0-3 years of age. Only 7 out of the 143 participants were cared for in a public daycare facility (appendix 2: 15). One would think that this picture has changed in 20-30 years, but when I asked the participants with children where their children are/were cared for, 82% of the participants with children answered that their children between 0-3 is/was taken care of at home, by a nanny or by relatives. 19% has/had their children in daycare, and out of these only 1 participant had a child in public care (Ibid 18). This indicates that most Brazilians with a higher education from the cities (the main segment who participated in my survey) still prefer to have children between 0-3 years at home or with relatives. This point to the lack of quality in public daycare that could influence families with higher education to keep their children at home.

The Brazilian Government claims that the opportunity for enrolment in a daycare center for children between 0-3 is guaranteed by the State. However, the country is facing enormous structural challenges to fulfill this mission. The fact that the Government encourages all to participate in the labor market has created an unbalance between the state, the market, and the family as the Government cannot guarantee public daycare. Furthermore, the existing public childcare system in Brazil is fragmented and decentralized which can affect women's

possibilities to enter the labor market making women (especially from the poorer segments, who cannot afford private care) more dependent on the breadwinner/husband.

5.4.3 Childcare 4-6 years

Brazil has experienced an increase in early childhood education for children from 4-6 years of age. Between 2005 and 2012, the enrolment rate of 4-year-olds increased from 37% to 61%, and that of 5-year-olds from 63% to 83%. For comparison, OECD average enrolment rates in 2012 were 84% for 4-year-olds and 94% for 5-year-olds (OECD 2014). This increase however, is mainly due to the vast growth in private early childhood education. Private institutions also differ in quality and costs, but most of the teachers here are educated. There are even some private elite schools for young children, which meet the expectations of high-income customers (Gois 2007).

In the survey, 43% of the participants were either taken care of at home with their mom or dad, by relatives or by a nanny at home when they were between the age of 3-6 years. 27% were in a pre-school (of those 29% were in public care while 71% were in private care) and 29% were in a kindergarten (of those 27% were in public care and 73% in private care) (Appendix 2: 16). Furthermore, of the participants who have children between 3-6 years of age, 28% is/were cared for at home by the mom or dad or by relatives, while 63% is/were in daycare, but all of them in a private institution (Ibid 18). Even though it is impossible to generalize the data from my survey, these numbers go well in line with the development in Brazil where more children between 3-6 attend early childhood education. Nonetheless, the percentage of children enrolled in early childhood education programs in Brazil is still below the OECD average. A lack of funding and structure is one of the reasons for low enrolment rates in public institutions (Arnold and Jalles 2014: 19).

The increase in daycare attendance of children between the age of 4-6 has mainly been a result of the growing private alternatives in Brazil. Even though education for children under the age of 6 is a right in Brazil, public daycare has not been a priority for the Government and municipalities. However, during the last couple of years, there has been more political attention to the childcare area, and the Government has allocated more funds to childcare centers and pre-schools. I will discuss this further below.

5.4.4 Increased political focus on public childcare

Studies show that early childhood education has important short and long-term effects on cognitive development, social behavior and children's ability to succeed in the education system and on the labor market later on. Children from disadvantaged family backgrounds that are at risk of receiving less attention than others during their early childhood years, can benefit particularly from early childhood education enrolment. For this reason, childhood education can also be an important factor when improving equal opportunities in Brazil (Arnold and Jalles 2014: 19). In recent years, the Brazilian government has focused more on early childhood education, and Dilma herself has acknowledged the importance of childcare, stating: "*Anyone who is mother knows that daycare is essential, especially for young children. It is necessary that children receive stimuli and attention needed to develop their full potential. A daycare institution can change the life of a child*" (Dilma in Portal Brasil e)

In 2007, the Ministry of Education implemented a new national program called *Proinfância* (Pro childhood). The main purpose of *Proinfância* is to relocate finances from the Federal District (Brasilia) to the municipalities to guarantee children access to public daycare and pre-schools. From 2007-2011, the *Proinfância* program invested in the construction of 2,543 schools according to the Government. Furthermore, in 2011, 3,135 daycare centers received extra economic help (Proinfância 2015).

The Government has an ambitious objective of achieving universal enrolment in daycare and pre-schools by 2016. However, according to an OECD study, Brazil was in 2014 still placed in the bottom quarter of countries regarding expenditure on early childhood education relative to GDP (Arnold and Jalles 2014: 19) which underlines the challenges of achieving universal enrolment. While the Government is focusing on widening access to early childhood education programs, particularly in disadvantaged areas, the quality is lacking behind. The fact that early childhood educators do not need an official education, can raise questions to the quality and credibility, which might affect families' (especially from the middle and higher classes) willingness to use public childcare. In many European countries, a sizeable proportion of childhood educators are required to have specialized training (Ibid). Despite the fast pace with which Brazilian women have entered the labor market in the past decades, many are still constrained by the lack of access to proper childcare (Paes de Barros et al. 2011: 15). Those who live in low-income areas of the country depend on the often over crowded daycare centers,

and many end up on waiting-lists. However, as more women complete tertiary-education, families are more likely to rely on daycare possibilities in the future.

In the survey, I asked those participants who still do not have children, where they ideally would want their children to be cared for. Regarding children from 0-3, 72% of the participants would still prefer to have their children at home or with a relative, while 22% would place them in daycare. Regarding children from 3-6 the picture has changed. Here, only 20% of the participants would prefer to have their children at home or looked after by relatives, while 76% of the participants would place their children in daycare (20% in public care and 80% in private care) (Appendix 2: 20). This reflects the changing tendency in the population as both men and women are more educated and dependent on the labor market.

The Government's ambitious goal of achieving universal enrolment by 2016 seems impossible to reach, but the focus on expansion suggests that the Dilma administration is taking the growing need for childcare among the population into consideration. As more women get tertiary education and enter the labor market, the request to have more daycare possibilities of better quality is growing. The expansion and improvement of early childhood education has recently begun in Brazil but enhanced focus on childcare could improve the foundation for later educational success, especially for children from disadvantaged backgrounds. Thus improving early public childhood education might be one of the ways for Brazil to gradually build up a more efficient and less unequal public educational system.

Common for all four welfare areas, *Bolsa Familia*, healthcare, education and childcare is a lack of funding and mismanagement of means. In the survey, I asked the participants if they believe that the taxes they pay are reflected in their quality of life. 92% answered *no* while only 5% said *yes* and 3% *did not know* (Ibid 21). The Brazilians experience some of the highest tax burdens in the world, however, the tax system is regarded as inefficient and bureaucratic. Mismanagement of public means has resulted in a *private-public mix* within social welfare provision; furthermore this could be a reason for the continuing inequality and a reason for the growing discontent among the population. In the following chapter, I will discuss the characteristics of the Brazilian welfare state further.

Chapter 6. Brazilian welfare – a mixed model

To answer the first part of my research question this chapter looks at the characteristics of social welfare policies in Brazil. Furthermore, it will examine to what extent welfare provision in Brazil can be related to the classical welfare models outlined in the theoretical chapter. As this research project focuses on *Bolsa Familia*, healthcare, education and childcare, I will base my analysis of the *Brazilian model* on these four aspects.

The development of the Brazilian social protection system was very different from that observed in European countries. In the case of Brazil, workers were for many years responsible for their own survival, and access to social goods and services was characterized as uneven and fragmented (Yazbek 2011: 11). This means that there was no comprehensive nationwide policies for addressing poverty in Brazil until the *Bolsa Familia* program was implemented in 2003 (Watts 2013). To define how Brazilian social welfare policies function, it is necessary to see how different areas of the state interact, and how the policies influence the population (Titmuss 1974: 29).

As mentioned in the theoretical outline, the characteristics of a welfare state stems from the same overall principles. Firstly, social policies have an aim of providing welfare for citizens. Secondly, the policies include both economic objectives and non-economic objectives. Thirdly, social policies include some sort of redistribution of resources from rich to poor (Ibid). All of these principles are part of social welfare provision in Brazil. Brazil undertakes principles of universalism by implementing rights regarding public healthcare, education and childcare in the Constitution. Furthermore, the Brazilian government has implemented economic objectives such as minimum wages and non-economic objectives in form of increased health, school attendance and poverty reduction. Lastly, social welfare in Brazil entails a redistribution from rich to poor e.g. through taxes from the General Social Welfare Policy program to *Bolsa Familia*. According to these principles, Brazil can be characterized as a welfare state.

What also characterizes the models of welfare outlined by Titmuss, Esping-Aandersen and others, is that they address the entire population in various areas of social welfare. In Brazil, the entire population is affected by the country's way of ensuring welfare. Brazil has managed to establish a wide range of public institutions, but as the previous chapter shows, there are some fundamental challenges within welfare provision in Brazil. After examining Brazilian welfare

in relation to welfare models the factors responsible for the development and shape of the Brazilian welfare model has become clearer (Bonoli 1997: 351).

6.1 The Brazilian model

The *Brazilian welfare model* includes various aspects from the classical welfare models as well as aspects from Esping-Andersen's critics. Since 2003, PT has been promoting equality and universal rights through poverty reducing policies and universal healthcare, education, and childcare. This relates Brazil to the overall principles in the *social democratic welfare state* model that extends principles of universalism and social rights to all. In the *social democratic welfare state* model, the state promotes equality for all and a high standard of welfare provision; "All benefit; all are dependent, and all will presumably feel obligated to pay" (Esping-Andersen 1990: 28). Based on the analysis of Brazilian welfare provision, the *Brazilian model* indicates that, some benefit, some are dependent and everybody pays. The poorest segments benefit most from public welfare in Brazil e.g. through *Bolsa Familia*, but also because a system of public healthcare, education, and childcare exist. The higher classes benefit by using public universities. However only the lower classes are dependent on public social welfare in Brazil as people with higher income can buy private welfare. Finally, everybody in Brazil pays to the public welfare system through taxes and welfare benefits are graduated according to earnings like in the *social democratic welfare state*.

Like in the *liberal welfare state* model, most people who receive benefits in Brazil mainly belong to a lower income group. However, in Brazil benefits are not only offered to people who *cannot* work and care for their family, it is often a supplementary aid. This means that the principles for the *liberal welfare state* are not completely met. Today the Brazilian government supports almost a quarter of the population through *Bolsa Familia*. Even though the Government states that the recipients would fall back into extreme poverty if they were not receiving benefits, *Bolsa Familia* benefits cannot solely change the lives of the beneficiaries. Which, like in the *liberal welfare state*, therefore promotes an order of stratification: "that is a blend of a relative equality of poverty among state-welfare recipients and market-differentiated welfare among the majorities" (Ibid 27).

While trying to promote universalism and equality, the Government also promotes private welfare schemes as they simply cannot meet the demand of the whole population. This is e.g. done through tax reimbursements for the part of the population that do not use SUS or by

allocating students from the lower classes to private universities via state funds. Brazil has become dependent on a *private-public mix* which has caused an unequal access welfare. This relates the *Brazilian model* to aspects in the *conservative and corporatist welfare states*. What is important within these states is the preservation of status and differences in rights within different classes. Even though the Brazilian government focuses universalism and equality, the redistributive impact is very low compared to the high level of taxes paid in the country. The way welfare is carried out can even sustain inequality. Critics of *Bolsa Familia* e.g. think that this CCT can create an unnecessary dependency that keeps the recipients in poverty. Furthermore, the Brazilians do not have the same access to healthcare, education and childcare because this is dependent on their income and geographic location in the country. Thus, the Government has to rely on the market to regulate welfare for a big part of the population.

The Brazilian government encourages women/mothers to seek employment outside the household to increase income and improve the well-being of the family, which is a crucial aspects in the *social democratic welfare state* and *Nordic* model. Additionally, the Constitution states that every child has the right to be in daycare from birth, which suggest more gender equality on the labor market and individual independence. However, the childcare system in Brazil is most underdeveloped which means that the importance of family and relatives or informal care is still a necessity for the families who cannot afford private care. Though the Government might not want to preserve the traditional family model, with women caring for their children at home, which is often the case in *conservative and corporatist welfare states*, this is the only solution for many families. This also implies that Brazil in some ways resembles the *southern welfare model* as childcare in Brazil is fragmented and often relies on family members, voluntary organizations or informal care. Nonetheless, the Brazilian state encourages all to work as the system depends on this to improve the social welfare state. To maintain a comprehensive welfare state like in the *social democratic welfare states* most people must work and fewest people must live on social transfers (Esping-Andersen 1992:28). However, this conflicts with the Governments strategy of maintaining and even expanding *Bolsa Familia*.

The *Brazilian model* thus entails various aspects from the classical welfare state models. After examining the four welfare areas further it shows that Brazilian welfare provision is contrasting which makes it impossible to categorize the *Brazilian model* in *one* of the three classical models. Nonetheless, classical welfare theories constitute a useful tool for analyzing and decoding welfare provision in Brazil. Furthermore, Bonoli's concept of *two dimensions of welfare* has

been important for understanding not only *how much* welfare is provided in Brazil but also *how* welfare is delivered and how these two dimensions affect the population and the country's development. It is not adequate only to examine the 'quantity' of welfare in the four examined areas, as this does not grasp the complexity within Brazilian welfare provision. It is also necessary to examine the 'how' dimension as this can help to identify 'winners and losers' in the Brazilian model as this makes a distinction between who receives welfare and how much welfare is delivered (Ferrera in Bonoli 1997: 355).

Despite a discourse of universalism and equality from the Government, there is still a strong tradition for relying on the family concerning care, like in the *conservative* and *southern* models. Historically there are colonial ties to the southern countries of Europe especially to Portugal and Italia, which have influenced the Brazilian culture. The ties to Europe have affected Brazilian customs, religion and democratic values, which relates Brazil to many Western countries and makes Brazil comparable to developments and tendencies in many OECD countries. However, Brazil faces massive struggles concerning cultural diversity, inequality and poverty that the 18 OECD countries within Esping-Andersens models do not comprehend furthermore, the immense size of Brazil has affected the development of the country as well.

Furthermore, critics of Esping-Andersens models claim that his categories are becoming outdated regarding some aspects because the composition of a welfare state is not static (Bambra 2007: 1101). All the welfare states within *the three worlds of welfare capitalism* have changed since the 1990s when these models were outlined. The economic and political challenges that these countries face today are not the same as 25 years ago. Perhaps new models could be made to include the challenges that countries are facing today, or maybe a model based on tendencies in Latin American countries could be defined on the basis of their common history and socio-political culture. The fact that 1 in 4 Latin Americans is covered by a version of a CCT inspired after *Bolsa Familia* suggest that various countries in the region face similar challenges as Brazil.

Like the previous chapter shows much remains to be done concerning public welfare in Brazil. Nonetheless the economic growth in the country the last decades has had a positive effect on the whole population and on minimizing poverty. A problem with the economic boom however, has been that it has enabled the Government to postpone fundamental reforms and regulations.

The prosperous economic situation in Brazil is changing, and the Dilma administration is facing some fundamental challenges, which will be examined further in the next chapter.

Chapter 7. ‘The giant awoke’ – challenges within the Dilma administration

This chapter will examine the present political climate in Brazil and look at some of the challenges that the Government is currently facing to answer the last part of my research question, namely how social welfare policies may influence attitudes to Brazilian welfare provision.

In 2013, some of the biggest demonstrations Brazil has ever seen took place throughout the country. ‘*O gigante acordou*’ (The giant awoke) became the predominant slogan among the masses. The whole population, especially students, gathered to claim more social welfare, security and justice. The distribution of wealth and the high tax burdens were big issues; the population wanted better healthcare and schools for their money (The Economist 2013). After weeks of demonstrations, Dilma addressed the population on national television insisting that her Government was listening to the protesters demands. She admitted that there are many things that the Government could do quicker and better. “*We need to oxygenate our political system (...) and make it more transparent,*” Dilma said (Quinn 2013). After the Demonstrations, Dilma made a statement that she and her government would focus on five key issues: fiscal responsibility and controlling inflation, political reform, healthcare, public transport, and education (Ibid).

In spite of increased public spending in Brazil the last 12 years, the country is still struggling to overcome poverty and inequality which can be related to a culture of mismanagement and corruption. In 2001, Lula emerged as a ‘man of the people’; he represented more justice and equality, but in 2005-2006 one of the most debated cases of corruption occurred under his Administration, namely the *Escândalo do Mensalão*¹¹ (The big monthly payment scandal) (Panizza 2009: 211-216). To improve the image of PT, Dilma adopted a strong stance against governmental corruption and mismanagement during her election campaign in 2010. After a turbulent first term, Dilma won reelection in October 2014 after the closest presidential election since the 1980s. The majority of the votes came from people whose quality of life improved

¹¹ In the *Mensalão* scandal, the government systematically bought votes of deputies with public money, which had been illegally transferred to the PT. As a result, PT lost much of its support within the middle classes, while it gained new supporters among the poor and marginalized and maintained its support among the organized working class (Leubolt 2014: 17).

over the last 12 years and who trust that the PT can improve and develop Brazil further (Leubolt 2014: 17).

However, just a few months after Dilma won her second term in October 2014, she is fighting for her political survival as she became involved in probably the biggest corruption scandal in Brazil's history (Romero 2015). Brazil's state-run oil company, Petrobras, has become not only the largest but also one of the most internationally recognized firms in Latin America. It has discovered enormous deep-water oil reserves which could turn Brazil into a top energy player. Petrobras accounts for more than 10% of Brazil's investment and its annual income equals about 8% of gross domestic product in Brazil (Blount 2015). In 2014, a number of Petrobras directors were accused of taking bribes from construction companies and channeling funds to political parties. It is assumed that Petrobras has been involved in corruption for at least 15 years. Dilma herself chaired the Petrobras board of directors from 2003 to 2010 but she denies knowledge of any illegal behavior and states that her Government supports the investigation within the company (Costas 2014). It is assumed that there has been swindled for more than 11,5 BRL billion (3,8 USD Billion) which has had some crucial consequences in Brazil. It is estimated that this corruption scandal has affected the unemployment rate with an incensement of around 2% in 2015 and analytics fear that Brazil will experience an enormous economic setback. *“As the scandal has deepened in recent months, key infrastructure projects have been suspended or scrapped, some suppliers have sought bankruptcy protection and job losses are mounting by the tens of thousands”* (Blount 2015). Furthermore, the scandal will delay oil and natural gas output and therefore postpone the royalties that Dilma promised to allocate to education and healthcare. This has damaged her reputation and credibility even further among the population (Ibid).

As mentioned in the theoretical outline, Albrekt Larsen states that attitudes towards social policies are affected by the norms and values within a society. Corruption and mismanagement of public funds have been fundamental problem in Brazil for decades. However, recent events in Brazil suggest that a new culture towards politics and social policies is emerging. The Petrobras corruption scandal has led to further disappointment and anger among the population. This culminated in a huge anti-Government protest on March 15 this year in São Paulo. Overall, the police estimated that around 2.2 million people took the streets in various cities across all 27 states (The Economist 2015). Most of the protesters are tired of corruption and economic mismanagement a new slogan has even emerged among the masses *“Fora Dilma e leve o PT*

junto” (Out Dilma! And take the PT with you). Many participants in the survey also emphasize the issue of corruption and mismanagement of public means within Brazil. One respondent writes:

“Corruption in Brazil is endemic and at all levels. If all money raised through taxes were used in a serious and responsible way the social programs would not even be necessary. The inequality would be minimized, education would be better and everyone would have more chances to participate in the labor market on equal terms” (Appendix 2: 24).

The Brazilian government undertakes elements of equality, universalism regarding social rights, in line with the *social democratic model*. According to the Government, welfare provision should be universalized and thereby create more solidarity among the society and possibly create a new culture of social rights (Leubolt 2014: 18). Maybe because the Government *cannot* provide universal welfare of quality, a new culture of demanding social rights is emerging among the population. Recent events in Brazil suggest that what Esping-Andersen refers to as *class-mobilization* has been increasing within the society as common frustrations with the system have culminated in massive demonstrations from 2013 until present day. The population is tired of the lack of availability and quality in public welfare. Many Brazilians do not feel that they are receiving what the Government ‘promised’. The redistributive means in Brazil are massive but much of this potential gets lost in bad management and corruption. The fact that welfare provision in Brazil is divided between federal, state and municipal levels makes it less transparent and inefficient (Arnold and Jalles 2014: 6). Furthermore, given how much Brazil has actually changed and developed over the last decades, policymakers cannot take for granted that what has worked well in the past will be a success in the future (OECD 2014).

Dilma’s approval ratings fell to a new low of 13% in March 2015 (Winter 2015). Many Brazilians even want Dilma to be impeached because of her possible involvement in the Petrobras scandal. Nonetheless, Opposition leaders have said impeachment is unlikely since Dilma has not been personally accused of wrongdoing in the scandal (Romero 2015). Furthermore, the approval ratings showed that Dilma’s popularity had fallen in all income groups (Winter 2015). This suggest that PT can no longer rely on their social welfare policies for gathering votes. A respondent said:

“Even when we are paying taxes, we have to adopt private institutions as health care, private school for children and adolescents, we have to buy cars, because public transport does not work right. If the taxes were really reverted to the population's welfare, the public services would be working better” (Appendix 2: 22)

As the demonstrations against Dilma and the Government are still going on it is difficult to foresee the political future of the current PT administration. However, on top of the struggles within welfare and corruption, Brazil is also facing rising inflation and higher unemployment rates. Furthermore, the Brazilian currency, the Real, has undergone a sharp devaluation, falling more than 30% against the dollar since Dilma won the first round of presidential elections in October.

Chapter 8. Conclusion

The Brazilian government's focus on social welfare during the last decades has resulted in poverty minimizing policies and general improvements among the poorest segments in Brazil. A combination of Government policies and economic development has lifted many Brazilians into the middle classes. However, recent demonstrations and attitudes towards the Government suggest that something is mistaken concerning welfare provision in Brazil. This is why I wanted to examine what characterizes *Bolsa Familia*, healthcare, education and childcare and to what extent these policies relate to classical models of welfare systems. Furthermore, I wanted to examine how the characteristics of these policies influence attitudes to Brazilian welfare provisions.

The *Bolsa Familia* program has definitely had a great impact on Brazil the last 12 years. *Bolsa Familia* has become massive, supporting almost a quarter of the population, but the transfers are minimal which makes it impossible to live on social transfers alone. Nonetheless, the Government states that more than 36 million people were helped out of extreme poverty. However, because the extreme poverty limit within Brazil is very low, only 70 BRL per month (22 USD), the real effect of the program can be difficult to determine. On the other side, economic development and increased minimum wages have helped millions of people from the lower classes into the labor market thus improving their standard of living.

After analyzing healthcare, education and childcare in Brazil, it shows that these welfare areas have various characteristics in common. The Brazilian government is promoting public, universal healthcare, education and childcare services for all. Education has even become mandatory for all children between 4-17 years. In spite of improvements in all three welfare areas, these public institutions are characterized as rudimentary and in need of more funding. The Government has therefore become dependent on additional private welfare schemes to meet the people's demands for welfare provision which has created a dual system of a *private-public mix*, and today more than 25% of the Brazilians are covered by private insurances. The dual system especially affects the poorer segments in Brazil as this part of the population cannot afford private institutions. Thus welfare provision in Brazil has created great dissatisfaction among the population, especially because everybody contributes to social welfare through high taxes. Furthermore, it appears that this dual system is actually maintaining a division in social classes in Brazil as the people who can afford private institutions get much better service.

The contrasting nature of the *Brazilian model* makes it impossible to categorize in *one* of Esping-Andersen's models. It appears that the *Brazilian model* contains aspects from each of the classic models, but it also encompasses challenges that the traditional models cannot grasp. Brazil's historical context is different from the context of the countries observed by Esping-Andersen. Furthermore, the cultural diversity and fundamental problems with inequality and poverty have resulted in enormous challenges within welfare provision in Brazil, which cannot be transferred to Esping-Andersen's models. Nonetheless, Brazil also resembles the countries from Esping-Andersen's models in various aspects. Brazil is a consolidated democracy and a developed welfare state compared to many other countries in the region, furthermore Brazil is connected to the Western countries concerning customs, religion, and values which can be related to the colonial ties to Europe. The classical theories on welfare used in this research project have been a useful tool for analyzing the Brazilian welfare model and for examining *how* and *how much* welfare is actually delivered in Brazil. At a first glance, the Brazilian government promotes equality through universal welfare provision which appears unique in Latin America. However, after further examining the characteristics of social welfare policies in Brazil, it shows that the Government is struggling to meet the demands of the population and this has affected the Brazilians' attitudes towards welfare provision. The Government's lack of ability to guarantee equality and universalism regarding social rights has enhanced the Brazilians' collective sense of injustice of the system. The growing dissatisfaction with the Government and with the way mismanagement of funds and corruption has infiltrated the Brazilian system for years has been fuelling massive demonstrations since 2013.

Dilma's approval rates are currently at a historical low, and the demonstrations against her and the Government are still ongoing. The Government is continuously trying to improve public welfare and minimize poverty by implementing new policies which until now has assured PT the presidency for more than 12 years. Because of developments in education and in the access to knowledge, the younger generation in Brazil is much better educated and more aware of their rights. The massive demonstrations in Brazil indicate that the population will no longer accept the status quo.