

Brazil's Inequality: 1% of Richest Have as Much as 50% of Poorest

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The 1.7 million wealthiest Brazilians, which correspond to 1% of the country's population, have a family income equivalent to the sum of the income of the approximately 86.9 million poorest citizens in the country (50% of the population).

This is what demonstrates the Social Radar research, released Wednesday, June 1st, by the Institute of Applied Economic Research (IPEA), based on 2003 data.

This income concentration is only greater in Serra Leoa. Of a total of 130 evaluated countries, Brazil is only behind this African country.

The research used the Gini index to measure income distribution, which varies from zero to one, being 'one' the maximum level of inequality.

Brazil scored 0.60, and Serra Leoa, the worst country in this aspect, scored 0.62. The Brazilian index is 2.5 times worse than that verified in some developed nations, like Austria (0.23), and Sweden (0.25).

According to the research, the northern state of Alagoas is the one with greatest concentration of poor people (62.3% of the population), while the southern state of Santa Catarina is the one with less poor people (12.1%).

The inhabitants that live in the Southeast and South regions of Brazil have the highest incomes, especially those in São Paulo, whose average per capita family income is US\$ 208.48 (501.20 reais).

The states in the Northeast of the country have the lowest incomes. Maranhão, for example, has an average per capita income of US\$ 70.32 (169 reais).

The study also shows that the largest number of poor people in the country live in urban areas: 38.7 million Brazilians, against 15.3 million in rural areas.

The proportion of poor people in the rural sector (57.1%), however, is more than double of that in the urban area (27%).

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