

Brazilian Expatriates Are a Main Reason for Less Poverty in Brazil

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Despite some progress over the past two years, poverty in Latinamerica and the Caribbean - steady since 1990 - still is extensive to 213 million people, equivalent to 40,6% of the region's population according to a United Nations report released Friday in Chile.

The 2005 Social Review from the UN Economic Commission for Latinamerica and the Caribbean, Cepal, states that 13 million people managed to climb out of poverty in the region between 2003/05.

"Poverty projections for 2005 are the lowest since the early 1980s. That's the good news" said Cepal's Director General Jose Luis Machinea, "but poverty remains too high" in spite of improved economic conditions.

"A two years improvement won't solve the problem. The region must be capable of increasing social policies efficiency and improving fairness. If that was the case we would have better news about poverty levels", underlined Mr. Machinea.

Of Latin America and the Caribbean 213 million poor, 88 million, 16,8% are described as indigent, according to the report.

The poverty steady increase tendency which has prevailed in the region since 1990, in the last two years has reversed because of overall improved economic conditions, higher overseas remittances plus greater social expenditure.

Latin America and the Caribbean are some of the leading areas for remittances from expatriates. In 2004, immigrants from these areas have send home US\$ 45 billion, about the same as foreign direct investment. Households in Brazil, Mexico and Colombia received half of those funds, according to the UN.

In 2002, poverty and indigence was 44% and 19,4% of the region's population. The report indicates that social expenditure as a percentage of GDP rose from an average 12,8% in 1990/91 to 15,1% in 2002-2003.

Uruguay, Costa Rica and Chile are the countries with the lowest percentage of poverty and also rank first in satisfaction of basic needs of population.

At the other extreme are Bolivia, Guatemala, Honduras, Nicaragua and Paraguay.

Countries with the best performance in diminishing poverty in urban areas are El Salvador, Ecuador, Guatemala, Mexico, Nicaragua and Dominican Republic.

According to CEPAL, Brazil, along with Argentina, Cuba, Costa Rica and Uruguay, spends more than 18 percent of its GDP in social programs, while Ecuador, El Salvador, Guatemala and the Dominican Republic use less than 7.5 percent of its GDP for improving peoples lives.

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