

INEQUALITIES AND US

OXFAM BRASIL/DATAFOLHA SURVEY
PERCEPTIONS OF INEQUALITIES IN BRAZIL



OXFAM
Brasil

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APRIL 2019



TECHNICAL INFORMATION

This Information Paper, prepared by **Rafael Georges**, shares the main findings of a survey carried out by the Datafolha Institute for Oxfam Brasil to identify how Brazilians perceive inequalities. It includes analyses and interpretations by Oxfam Brasil

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CONTENTS

PREFACE	6
METHODOLOGY	7
SUMMARY OF THE RESULTS	8
DETAILED RESULTS	10
1. PERCEPTIONS OF INEQUALITIES AND SOCIAL MOBILITY	11
1.1. WITHOUT REDUCING INEQUALITIES, THERE WILL BE NO PROGRESS	11
1.2. MISPERCEPTIONS OF THE POVERTY LINE	12
1.3. RICH? NOT ME.	14
1.4. INDIVIDUAL OPTIMISM, SOCIAL SCEPTICISM	15
1.5. MERIT DOESN'T HELP	18
1.6. FAITH, EDUCATION AND HEALTH FOR A BETTER LIFE	19
2. PERCEPTIONS OF GENDER AND RACE	20
2.1. FOR A GROWING MAJORITY, GENDER AND RACE INFLUENCE INCOME	20
2.2. SKIN COLOUR MATTERS	22
2.3. THE WOMAN'S PLACE	24
3. PERCEPTIONS OF TAXATION AND SOCIAL POLICIES	26
3.1. MORE SUPPORT FOR TAXES, BOTH OVERALL AND ON THE RICH	26
3.2. AN ACTIVE STATE AND UNIVERSAL POLICIES	30
4. INEQUALITIES AND US: WAYS TO REDUCE THEM	32
REFERENCES	35

PREFACE

This paper presents the results of Oxfam Brasil's second public opinion survey carried out with the Datafolha Institute. This contribution to discussions on reducing Brazil's inequalities examines the population's perceptions.

Brazil is still one of the world's most unequal countries and faces profound challenges. Our inequalities go beyond income or economic and fiscal crises. We have built a society that takes for granted the presence of first- and second-class citizens, some with rights and others without. A country where living in urban peripheries or being black pre-defines your category.

We must confront this sad reality with inclusive social policies by ensuring social rights, respecting the broad spectrum of human rights and deepening democracy.

It is important to hear what the population has to say about all this. Despite significant misperceptions in the public's understanding of income distribution, at least 8 out of 10 Brazilians believe that no progress is possible without reducing inequalities. Moreover, the majority of the population places confidence in the state's responsibility for dealing with inequalities.

There is support for fair taxation, with a greater burden on the top of the pyramid. There is a desire for universal public policies and for the correction of social and regional inequalities. The role of skin colour in defining people's income and how they are hired by companies, stopped by police or handled by the courts is extremely clear to people. Gender discrimination is still present as well, in the perception of Brazilian men and women. Since 2017, when we did our first survey with the Datafolha Institute, the perception of racism and male chauvinism has grown in society, although this may not constitute a trend.

The country needs to discuss a variety of policies and changes. We will only move forward, however, once the issues of racism, gender discrimination, respect for diversity, discrimination based on where one lives and the murders of youth in the periphery are given the same priority as economic and fiscal issues. For economic and fiscal solutions as well, a democratic process is fundamental, to ensure they are discussed with society.

We hope this survey will enable discussions on the importance of the state's role in dealing with inequalities. We also hope that our society's perceptions will give rise to greater dialog on the urgency of building a more humane Brazil, with justice and solidarity.

Inequalities and us: let's get into the numbers!

Katia Maia

Executive Director

Oded Grajew

President of the Board

METHODOLOGY

This poll was conducted by the Datafolha Institute, through personal contacts in areas where crowds circulate.¹ It used a structured questionnaire, produced jointly with Oxfam Brasil, which was applied in areas with a sizeable number of people walking by.

The nationwide sample of 2,086 people allowed for a regional breakdown (South, Southeast, Centre-West, North and Northeast). The interviews were conducted in 130 small, medium and large municipalities, including metropolitan regions and cities in the interior.

The interviews were done from February 12-18, 2019. The global margin of error for the sample is plus or minus 2%, with a 95% confidence interval.

For this survey of a sample population, carried out in locations with large crowd flows, Datafolha defined a basic sample to reflect the profile of the entire Brazilian society, as measured by the most recent national census.

The questionnaire used in the interviews had 17 questions, including open-ended questions, blocks of agree/disagree assertions and closed questions (except for identification questions). The questionnaire and information on the sample used by the Institute are available (in Portuguese) on **Oxfam Brasil's homepage**, along with Datafolha's own general presentation and the microdata.

Finally, the results for the sex, race and income groupings chosen for this report were calculated by the Datafolha Institute, which tabulated the microdata from the survey.

SUMMARY OF THE RESULTS

UNLESS INEQUALITIES ARE REDUCED, THERE WILL BE NO PROGRESS



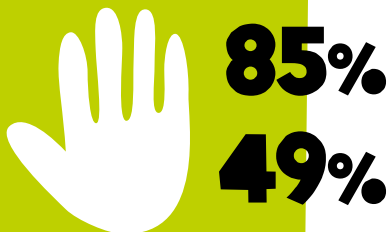
believe that progress in Brazil depends on reducing inequality between the poor and the rich

MISPERCEPTIONS OF THE POVERTY LINE



believe that the poverty line is between R\$ 701 and R\$ 1,000

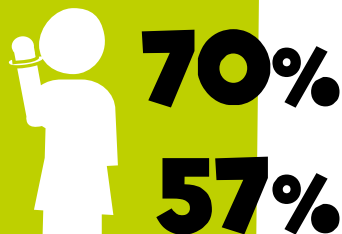
RICH? NOT ME.



locate themselves in the poorest half, compared to 88% in 2017

believe that a monthly income over R\$ 20,000 is enough to be part of the richest 10% of the population

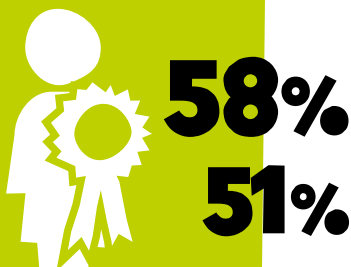
INDIVIDUAL OPTIMISM, SOCIAL SCEPTICISM



believe they will be in the “middle class” or “upper middle class” in five years

do not believe that inequalities will diminish in the coming years

MERIT DOESN'T MATTER



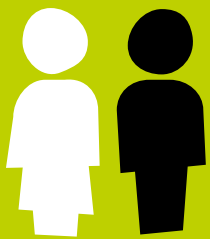
doubt that working makes chances equal for the poorest

do not believe that educating poor children equalizes their chances for a successful life

FAITH, EDUCATION AND HEALTH FOR A BETTER LIFE



2 out of 3 Brazilians choose “religious faith,” “study” and “access to healthcare” as their three top priorities for a better life



64%

GENDER AND RACE AFFECT INCOME

agree that women earn less because they are women, up from 57% in 2017

52%

agree that blacks earn less because they are blacks, up from 46% in 2017

SKIN COLOUR MATTERS



72%

believe that skin colour affects being hired by companies

81%

believe that skin colour matters in a police officer's decision to stop someone

71%

agree that courts are harder on blacks

THE WOMAN'S PLACE



86%

do not agree that women should only take care of the house and children, and not take outside work

SUPPORT FOR TAX POLICIES



77%

agree with raising taxes on the very rich to fund social policies, compared to 71% in 2017

94%

agree that tax proceeds should benefit the poorest

PRESENCE OF THE STATE IN UNIVERSAL SOCIAL POLICIES



84%

agree it is up to governments to reduce the difference between the very rich and the very poor, up from 79% in 2017

75%

support universal public schools for elementary and high school

73%

support universal health coverage in clinics and hospitals



MAJOR PRIORITIES FOR REDUCING INEQUALITIES



9,7

9.7 out of 10, for "Fighting corruption."

9,6

average, for: "public investment in health," "increasing the supply of jobs" and "public investment in education."

DETAILED RESULTS

The Oxfam/Datafolha 2019 survey provides us with a snapshot of public opinion at the outset of a new year and a new federal administration. As the second in a series, we can compare it to the first one, done 18 months earlier, in August 2017. There have indeed been some changes in perceptions as the country's social, political and economic situations have evolved.

The results highlight reducing inequalities as a prerequisite for progress, a perception the survey portrays quite directly, reinforcing desires for social development expressed in several other opinion surveys. The data reveals a society with a better perception of income distribution than 18 months ago, but still far from realizing just how unequal the country is. Many do not perceive where the rich people are, although for some it would be enough to look in the mirror.

The data also portrays a feeling of individual optimism regarding the future, as the majority see themselves moving to a higher social class in the next five years, in contrast to another majority of people who feel that Brazil will not reduce its inequalities in the near future.

The results bring out, moreover, a society with more knowledgeable opinions on racism and male chauvinism than one might expect, given the hard reality of blacks and women, as well as the "conservative tide" that seems to have swept the country. Brazilian women and men understand that women earn less because they are women, and that they should not be solely responsible for housework and raising the family. They also understand that skin colour has a negative impact on income, reduces one's chances of being hired by companies, increases the chances of being stopped by the police and has a negative impact on the behaviour of courts. There is a near consensus that being poor and black is much more difficult than being poor, but white.

Finally, the survey shows a society that supports a progressive tax reform that would reduce the tax burden on goods and services and increase taxes on the income and wealth of people at the top of the social pyramid, showing alternatives to achieve the policy changes needed in this area. Brazilians, we see in the results, place even more responsibility on the role of the state to achieve social progress, correct inequalities and provide universal social services, thus revealing how the idea of a "minimum state" seems to find little echo in public opinion.

These notes present the survey's major results. Some of them have to do with new questions, asked only this year. Another part contains questions asked both in 2017 and 2019, along with graphs that allow comparisons to be made.

This Information Paper is divided into four parts: **1. Perceptions of Inequalities and Social Mobility;** **2. Perceptions of Gender and Race;** **3. Perceptions of Taxation and Social Policies;** and **4. Inequalities and Us: Ways to Reduce Them.** Further details on margins of error and the sampling, as well as a description of the sample analysed, can be found in Oxfam Brasil's homepage.

1. PERCEPTIONS OF INEQUALITIES AND SOCIAL MOBILITY

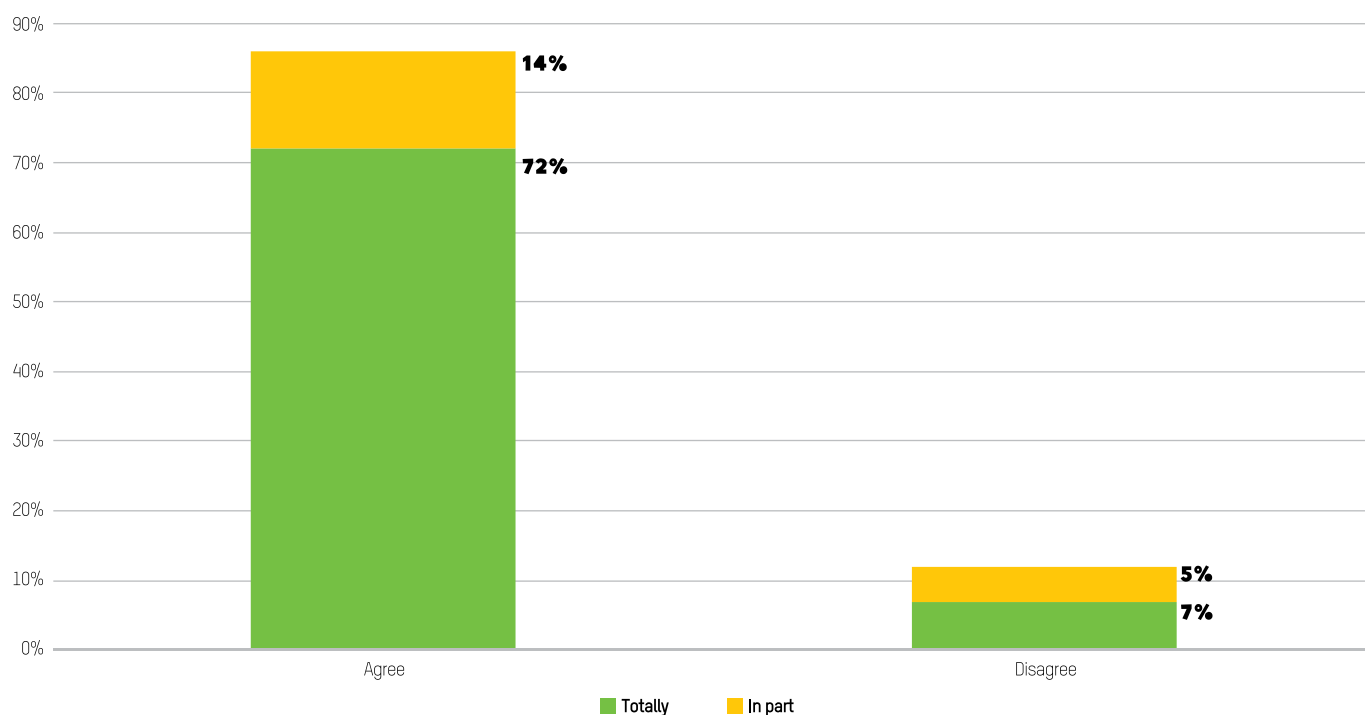
1.1. WITHOUT REDUCING INEQUALITIES, THERE WILL BE NO PROGRESS

Brazilian men and women want to reduce inequalities, as this survey shows. Historically, the will of the people in our 1988 Federal Constitution is a call for “the eradication of poverty and marginalization and the reduction of social and regional inequalities, as one of the fundamental objectives of the Republic.”² More than 30 years after the Constitution came into force, this objective continues to have broad popular support.

According to this public opinion poll, 86% of Brazilians believe that Brazil’s progress depends on reducing inequality between rich and poor. In **Graph 1** we see that the vast majority of respondents agree entirely with this premise. Over different income brackets (from less than one to more than five times the minimum wage), that agreement is also widespread, with a minor variation from 85% to 89%.

// GRAPH 1.

Brazil - The need to reduce inequality between rich and poor for the country’s progress



Source: Oxfam Brasil/Datafolha 2019

Question: Agree/disagree with the statement: “For Brazil to progress, reducing the economic difference between rich and poor is fundamental.”

Note: 1% answered “Neither agree nor disagree,” the same percentage that answered, “Don’t know.”

1.2. MISPERCEPTIONS OF THE POVERTY LINE

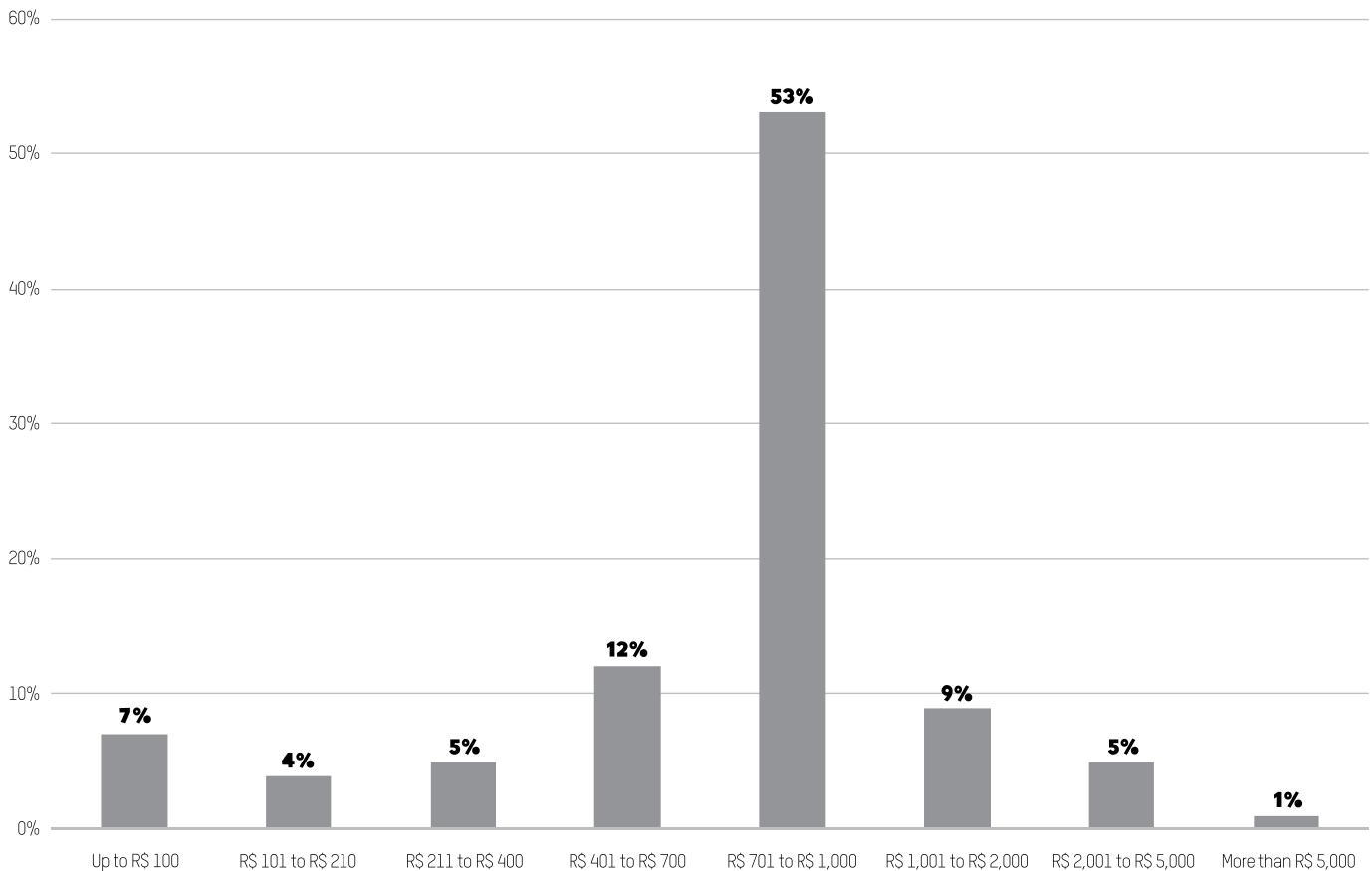
Public perception of poverty in Brazil does not match standard international criteria. About 15 million people in the country were poor in 2017, according to the World Bank baseline³, which drew the poverty line at an income of US\$ 1.90/day – around R\$ 210 for a household’s monthly income per person.⁴

Using the World Bank’s additional criterion for “upper-middle income economy” countries, such as Brazil, the poverty rate is estimated at US \$ 5.50 per person/day – around R\$ 400 for a household’s per-person monthly in-

come, by purchasing power parity.⁵ By this standard, in 2017 Brazil had about 55 million poor people.⁶

Only 11% of Brazilians limit poverty to individuals earning up to R\$ 210, while for 16% of respondents poverty is restricted to incomes of no more than R\$ 400. Two out of three interviewees set the poverty line at R\$ 701 per month, while 53% believe that it lies between R\$ 701 and R\$ 1,000 – the latter figure close to the current minimum wage – as shown in **Graph 2**.

// **GRAPH 2.**
Brazil - Poverty Line Perception



Source: Oxfam Brasil/Datafolha 2019

Question: In your opinion, what is the most a person can earn per month to be considered poor in Brazil?

Note: 1% answered “Don’t know.”

If we draw the line at the minimum wage, in 2017 Brazil would have 83 million people – nearly 40% of the population – below the “perceived” poverty line.⁷

For respondents within the most frequently mentioned range – R\$ 701 to R\$ 1,000 – there is little difference in the answers of people from different income brackets. As their income bracket goes up, however, people with higher incomes tend to “drag” the poverty line up with them. 19% of respondents who earn more than five times the minimum wage believes that Brazilians who earn less than R\$ 2,000 are poor, while 11% of that same bracket set the poverty line at R\$ 5,000.

These figures are important for discussions on the meaning of “poverty” for Brazilians. They also point up the challenge of improving perceptions of income distribution. This is an important starting point for realistic debates on redistributive policies (welfare or Family Stipend, for example), and to strengthen social solidarity for a more developed and just country.

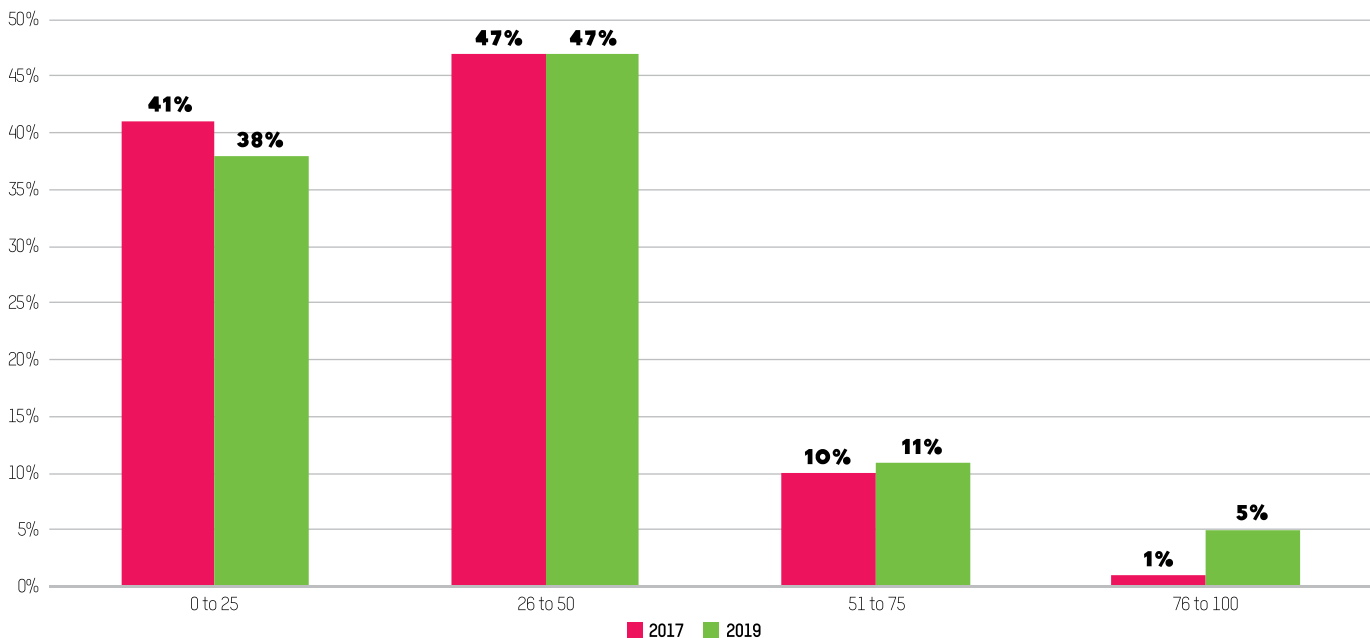


1.3. RICH? NOT ME.

When asked to place themselves on a scale of 0 to 100, where 0 means “very poor” and 100 means “very rich,” 85% of Brazilians say they are in the poorest half (0 to 50). While this is a positive shift, compared to the first survey in 2017 (when this number was 88%), the perception of social distribution is still quite distorted.

We see in **Graph 3** that the greatest variations occurred at the “extremities”: from 2017 to 2019, the persons ranking their position from 0 to 25 fell from 41% to 38%, and those who perceive themselves between 76 and 100 rose from 1% to 5%. Overall, those who place themselves amongst the country’s richest 50% rose from 12% to 16%.

// GRAPH 3.
Brazil - Perception of one’s own position in national income distribution.



Source: Oxfam Brasil/Datafolha 2019

Question: On a scale from 0 to 100, where 0 is for those with the lowest income in the country, i.e., the very poor, and 100 is for those with the highest income in the country, i.e., the very rich, where do you place yourself?

Note: 1% answered “Don’t know.”

The perception of the income threshold to classify someone among the richest 10% improved a little but is still far from reality. Considering individual earnings of people with some income, the minimum income to be part of the richest 10% in Brazil was 4.3 times the minimum wage in 2017⁸ (in current 2019 prices, R\$ 4,290⁹). In other words, people do not realize that with the majority of the population at the base of the pyramid and a minority concentrating income, it doesn’t take much to be included in the country’s top income bracket.

Only 19% of respondents said that a monthly wage below R\$ 5,000 would put one among the richest 10%. That was more than the 15% who responded the same way in 2017. Even so, 65% of respondents believe that, to fit into the top income decile, one must earn more than R\$ 5,000. Almost half the respondents (49%) place this threshold at R\$ 20,000, five times higher than it really is. Needless to say, there is also great inequality within the highest income decile, ranging from R\$4,290 to millions of reais.

1.4. INDIVIDUAL OPTIMISM, SOCIAL SCEPTICISM

Corroborating the numbers and people’s place along a numerical scale, 65% of Brazilians are in the “lower middle class” or “poor” categories. 43% of those with individual incomes above 5 times the minimum wage believe they belong to these groups.

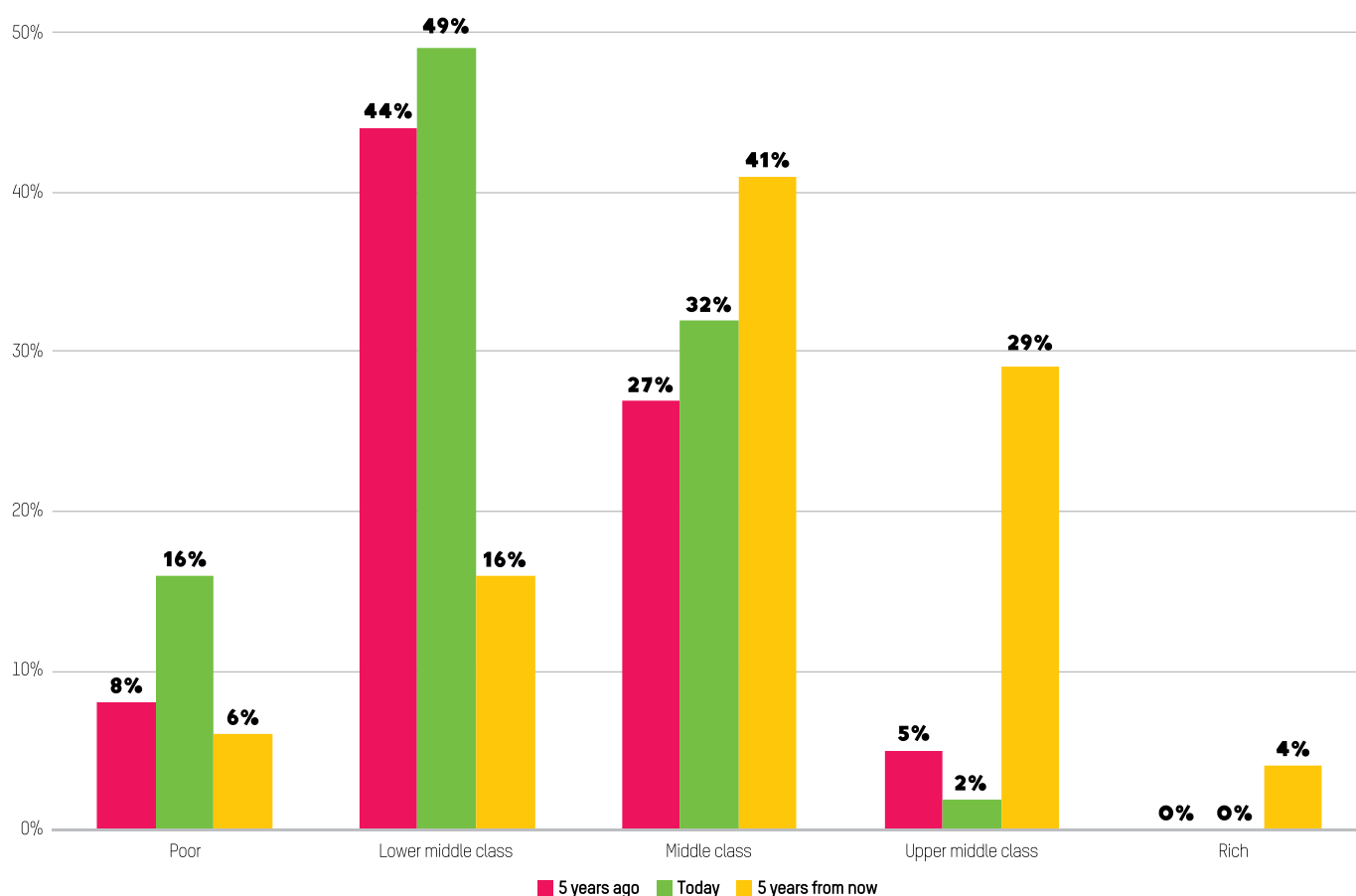
On the other hand, 70% of Brazilians believe that, within five years, they will be in either the “middle class” or the “upper middle class.” Among those who earn less than the minimum wage individually, 68% believe they will be in these groups by 2024, as we see in **Graph 4**.

This shows an undisputable individual optimism in terms of social mobility. Although classes were not defined objectively (by income brackets), it is reasonable to conclude that “middle class” and “upper middle class” are major social leaps for a sector that mostly sees itself as poor.

There is also a minority group of 4% that sees itself joining the “rich” within five years, a finding whose significance lies in the fact that there was practically nobody self-classified as “rich” today (or five years ago).

// GRAPH 4.

Brazil – Self-classification as social class today, five years ago and five years from now.



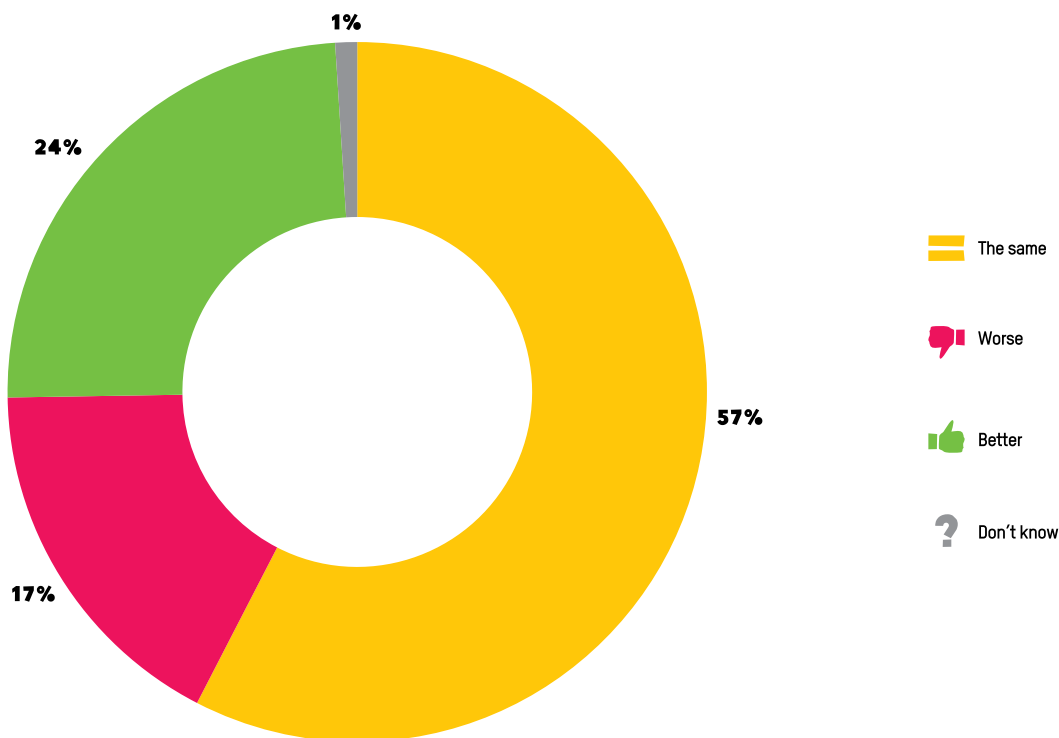
Source: Oxfam Brasil/Datafolha 2019

Question: Considering your income and standard of living, to which of these groups do you belong? Approximately 5 years ago, which group were you in? Five years from now, which group do you think you will be a part of?

Chart 5 shows that 17% of Brazilians believe their social status has declined in the past five years. For this group alone, the explanations for that fall¹⁰ are the decline of the family's financial conditions (for 43%), the lack of professional opportunities (for 39%), educational deficit (for 20%) and place of residence (for 12%).

On the other hand, 1 in 4 Brazilians believe their social status has risen since 2014. Among the upward movers, explanations for their mobility include job opportunities (for 52%), improvement of the family's financial conditions (for 32%), study opportunities (for 27%) and place of residence (for 22%).

// GRAPH 5. Brazil - Self-perception of social mobility in the last five years



Source: Oxfam Brasil/Datafolha 2019

Question: Considering your income and standard of living, to which of these groups do you belong? Approximately 5 years ago, which group were you in?

Beyond the initial, mostly intuitive, explanations, it is significant that place of residence affects one's perception of social progress. In confirmation of the relative importance of this variable, on another question we found a 74% sum of total and partial agreement for the statement that "a young person from the periphery has fewer chances of getting a job because he/she lives in the periphery." That percentage climbs to 77% for respondents with individual incomes at or below the minimum wage, most of whom live in the periphery.

The individual optimism observed here, meanwhile, does not apply to overall expectations for a reduction of social inequalities in Brazil. Despite some improvement in Brazilians' perceptions compared to 2017 on prospects for a more equitable society, a clear majority does not yet expect the difference between rich and poor to diminish soon.

Graph 6 shows that 57% of respondents disagree with the statement that “in the next few years, the difference between the richest and the poorest will diminish in Brazil,” while 40% agree. In 2017, those figures were 66% and 31%, respectively, reflecting a 9% improvement in expectations for a reduction in inequalities in Brazil. This question, like some of the others, may be affected by the timing of the interviews – at the outset of a new administration with great promises to improve people’s lives.

// GRAPH 6.
Brazil – Perception of a possible reduction in inequalities over the next few years



Source: Oxfam Brasil/Datafolha 2019

Question: Agree/disagree with the statement that “in the next few years, the difference between the richest and the poorest will diminish in Brazil.”

Note: 1% answered “neither agree nor disagree” in 2019 (2% in 2017). 2% answered “Don’t know” both times.

1.5. MERIT DOESN'T HELP

There was a slight variation from 2017 to 2019 in the perception that working and studying give a poor person the same chances as a rich person.

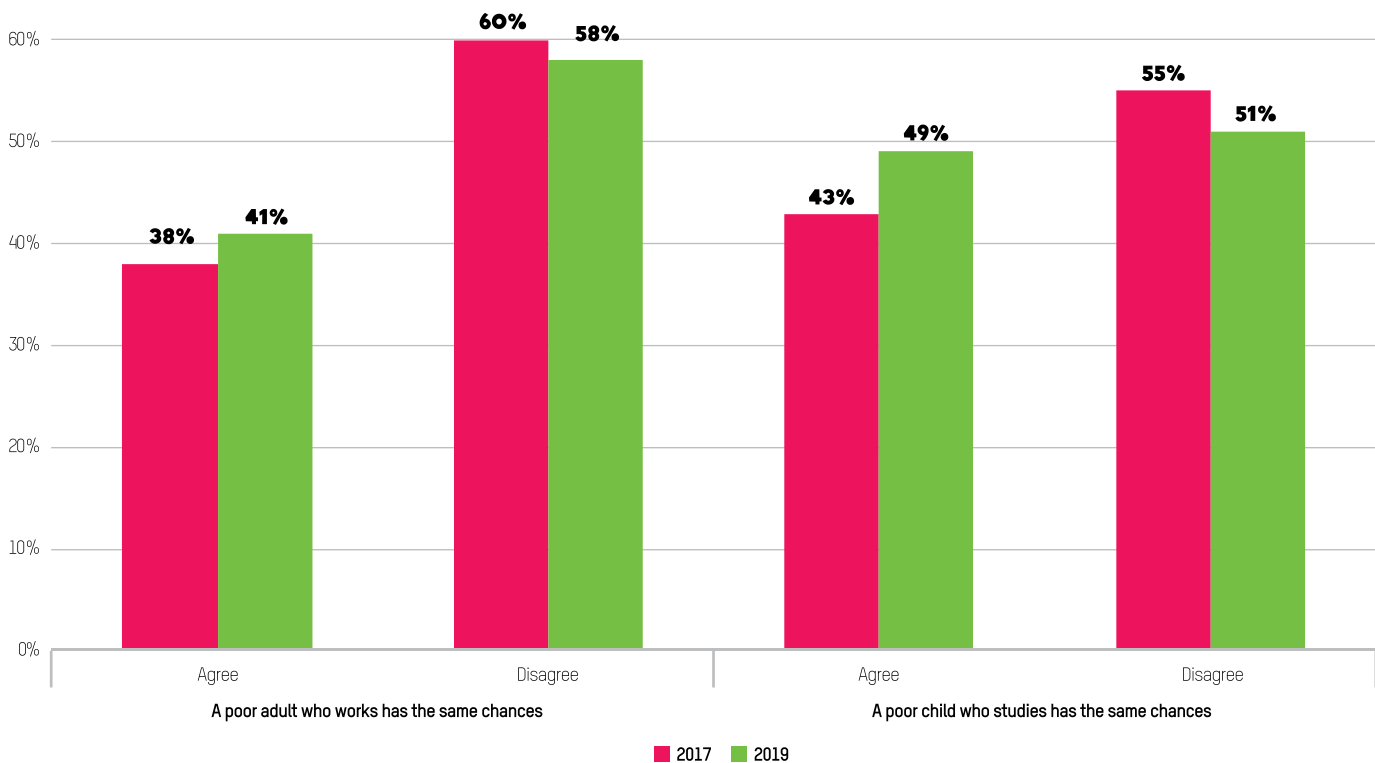
The survey found that 58% of the population doubts and 41% agree that “a person from a poor family who works a lot has the same chance of having a successful life as a person born rich, who also works a lot.” In 2017, those figures were 60% and 38%, respectively.

Regarding education as a pathway to equal opportunities, there is a technical tie. 51% of Brazilian men and

women do not believe that “a child from a poor family who is able to study has the same chance of having a successful life as a child born into a rich family,” as opposed to 49% who do. In 2017, those figures were 55% and 43%, respectively.

Although a majority of respondents perceive the challenges faced by poor persons to achieve a better life, a significant share of that same population has not perceived that social mobility depends on a combination of social, economic and territorial policies and factors that go beyond individual efforts. Being born in favelas and urban peripheries, being black, being a woman all define different aspects of our country’s future citizens.

// GRAPH 7. Brazil – Confidence in the role of working and education for the poor to achieve equal social conditions



Source: Oxfam Brasil/Datafolha 2019

Question: Agree/disagree with the statements that “In Brazil, a person from a poor family who works a lot has the same chance of having a successful life as a person born rich, who also works a lot” and that “In Brazil, a child from a poor family who is able to study has the same chance of having a successful life as a child born into a rich family.”

Note: 1% answered “neither agree nor disagree” with the statement on work in 2019 and 2017, while 0% in 2019 and 1% in 2017 neither agreed nor disagreed with the statement on study. 1% answered “Don’t know” in 2019 (and no one in 2017) regarding work, and no one answered “Don’t know” in either of the two years regarding study.

Disbelief is still widespread on society’s capacity for social mobility, despite much confidence in one’s own mobility, as we observed above. This does not appear to mean that working and education are not seen as pathways to mobility but that, in the perception of Brazilians, they may not be enough, as we will see below.

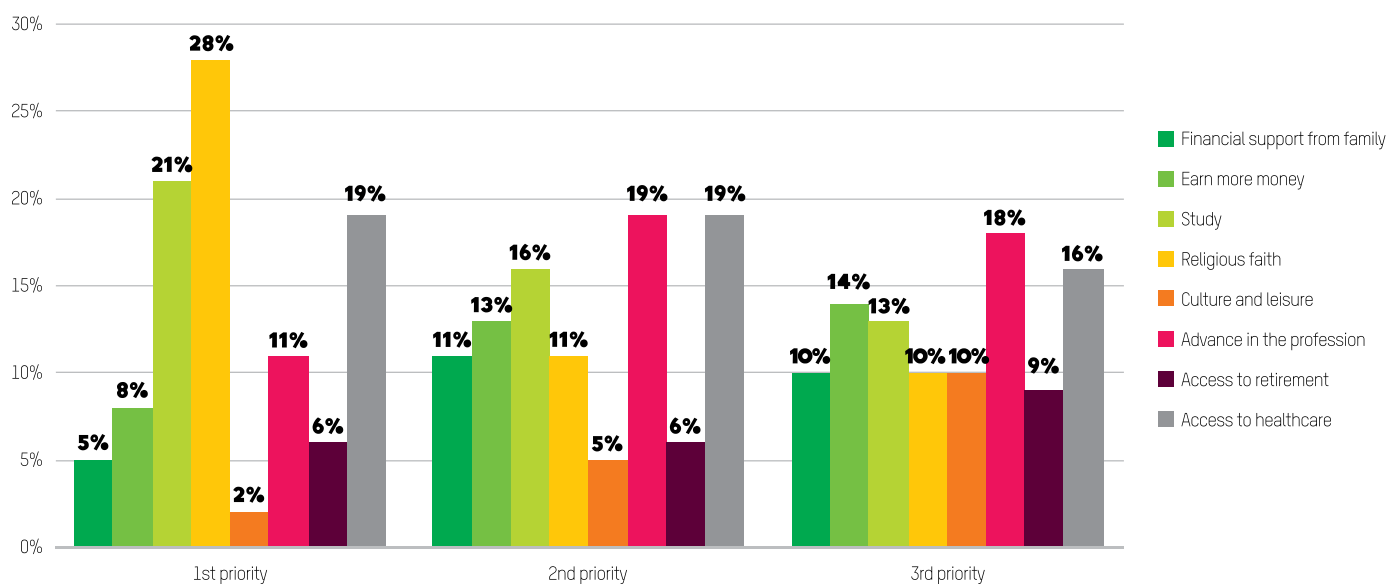
1.6. FAITH, EDUCATION AND HEALTH FOR A BETTER LIFE

When asked to put in order of importance eight factors listed in the questionnaire for “a better life from now on”, the factor topping the most respondents’ priorities (28%) is “religious faith” (Graph 8).

This was followed by “study” and “access to health care,” for 21% and 19%, respectively. Together, “religious faith,” “study” and “access to healthcare” are top priorities for 68% of Brazilians.

When we sum up the first, second and third priorities, “access to health care” stands out at 54%, followed by “study” (50%), “religious faith” (49%) and “advance in the profession” (48%). At the other extreme, “culture and leisure” is one of the top three priorities for only 17% of respondents, behind “access to retirement” (21%).

// **GRAPH 8.**
Brazil – Priorities for a better life



Source: Oxfam Brasil/Datafolha 2019

Question: Now I would like you to classify factors you find important to have a better life from now on, from the most to the least important factor.

It is significant that income, as such, is not seen as a priority for a better life. Only 8% of the respondents classified “earning more money” as their top priority, and it was listed among the top three factors by 35%. This trend was strongest among those with lower income.

For respondents whose income is below the minimum wage, only 7% classified “earning more money” as their top priority, half of the 14% average of the population with income over five times the minimum wage who classified this factor as their top priority.

2. PERCEPTIONS OF GENDER AND RACE

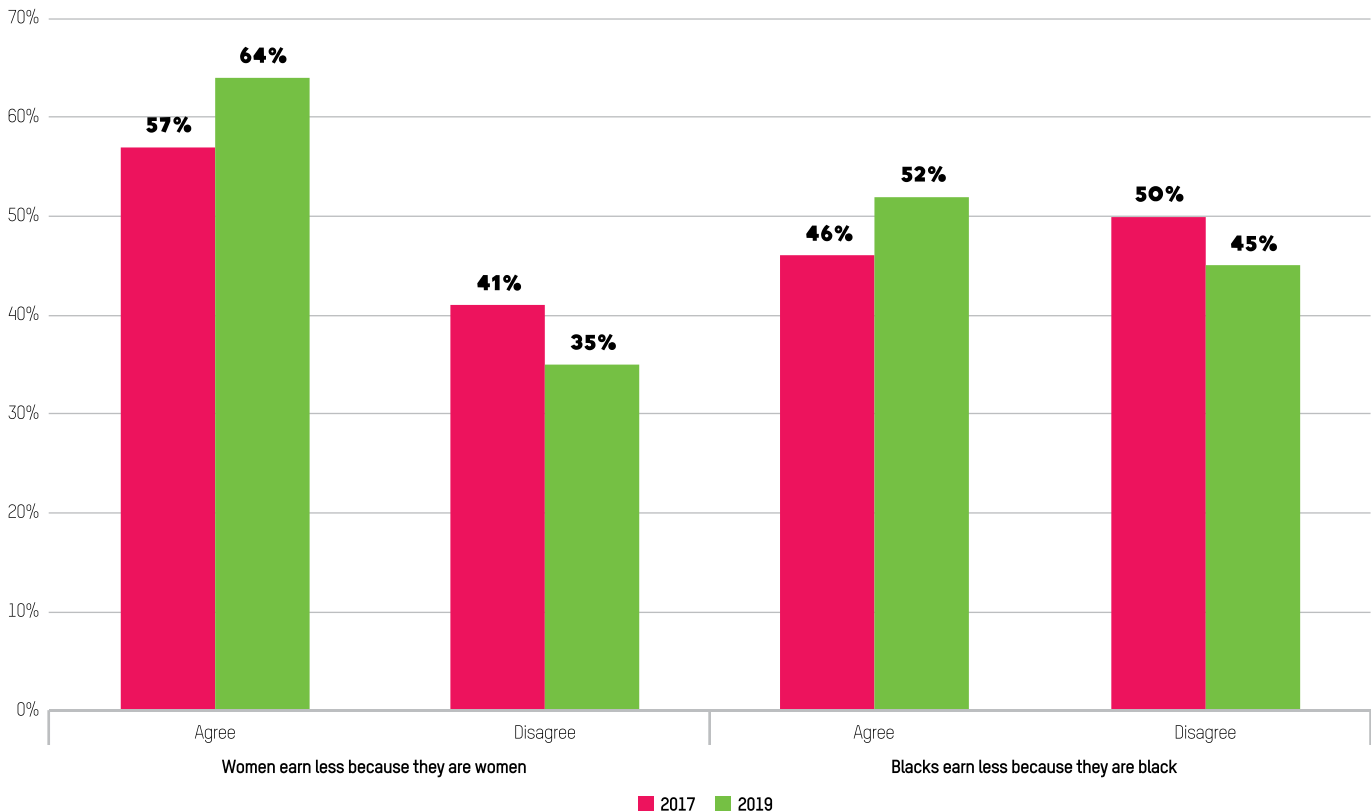
2.1. FOR A GROWING MAJORITY, GENDER AND RACE INFLUENCE INCOME

People have come to perceive greater roles for race and gender in the labour market (Graph 9) 18 months after the first survey. That shift is significant, since more perception of a problem can enable public support for solutions.

In 2019, the survey found 64% agree fully or partially that “women earn less in the labour market because they are women,” as opposed to 33% who disagree. In 2017, 57% had fully or partially agreed, and 41% disagreed.

As expected, more women (69%) agreed than did men (58%). This is a significant 11-point difference, despite a strong majority agreement among both sexes.

// GRAPH 9.
Brazil – Perceptions on the impact of gender and race on income



Source: Oxfam Brasil/Datafolha 2019

Question: Agree/disagree with the statements that “Women earn less than men in the labour market because they are women” and that “Blacks earn less than whites in the labour market because they are black.”

Note: 1% answered “neither agree nor disagree” with the gender statement in 2019 and 2017, and 1% in 2019 and 2017 with the statement regarding race. 1% answered “Don’t know” regarding gender in 2019 and 2017 and 2% regarding race.

As for racism and income in the labour market, there was a positive shift in perceptions from 2017 to 2019, with a majority now perceiving the influence of race on income. Today, 52% of Brazilians agree with the statement that “blacks earn less than whites in the labour market because they are black,” while 45% of the respondents disagree fully or partially. In 2017, 46% agreed and 50% disagreed.

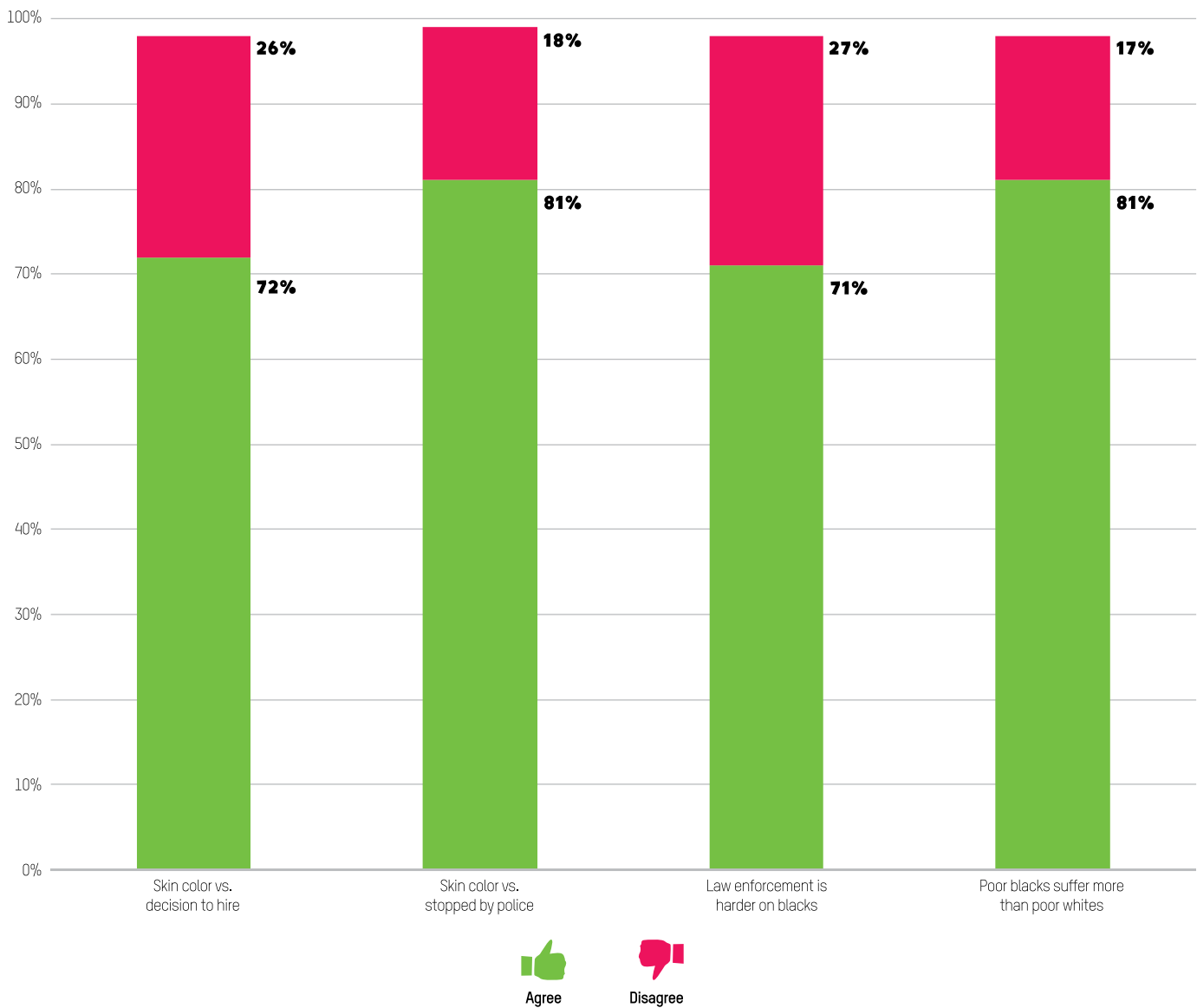
Stratifying agreement in the 2019 survey, 52% of those who describe themselves as “mixed race” (“pardo”) believe that blacks earn less because they are black. That figure rises to 57% for those who describe themselves as “black,” as opposed to 50% for those who describe themselves as white. This significant 7% difference between blacks and whites reveals the contrast of greater perception by those who suffer more from racism.

Even so, there is a predominance among whites of people who say they agree with the existence of racism in the labour market, compared to those who disagree. Racism as an income factor is widespread in the answers of respondents and this is even clearer in other forms of racism, as we shall see.

2.2. SKIN COLOUR MATTERS

Skin colour is a wide-ranging determinant for one’s chances of being hired by a company or stopped by the police, for how a person is treated by the courts and for how much a poor person will suffer.


// GRAPH 10. Brazil – Perceptions of racism



Source: Oxfam Brasil/Datafolha 2019

Question: Agree/disagree with the statements that “Skin colour affects a police officer’s decision to stop someone”; “Courts are harder on blacks”; “Poor blacks suffer more from inequality in Brazil than poor whites” and “Skin colour affects companies’ hiring decisions.”

Note: 1% answered “neither agree nor disagree” with all the statements except for 0% on being stopped by the police. 1% answered “Don’t know” regarding all four statements.




Directly proportional to income, 72% of Brazilians perceive that skin colour also affects companies' decisions to hire. Among self-declared mixed-race persons, 71% agree, alongside 82% of blacks. 69% of white respondents also declared their total or partial agreement with this statement.

The perception of police racism is also widespread in Brazil, as 81% of the population believes that skin colour affects a police officer's decision to stop someone. Among mixed-race individuals, this figure is also 81%, and it rises significantly among blacks, to 88%. Even among whites, less victimized by the police¹¹, agreement is still high, at 79%.

That courts are harder on blacks is the perception of 71% of all respondents, a figure that rises to 72% for mixed-race and 76% for black respondents. The difference here is smaller between blacks and whites, 66% of whom agree with this statement.

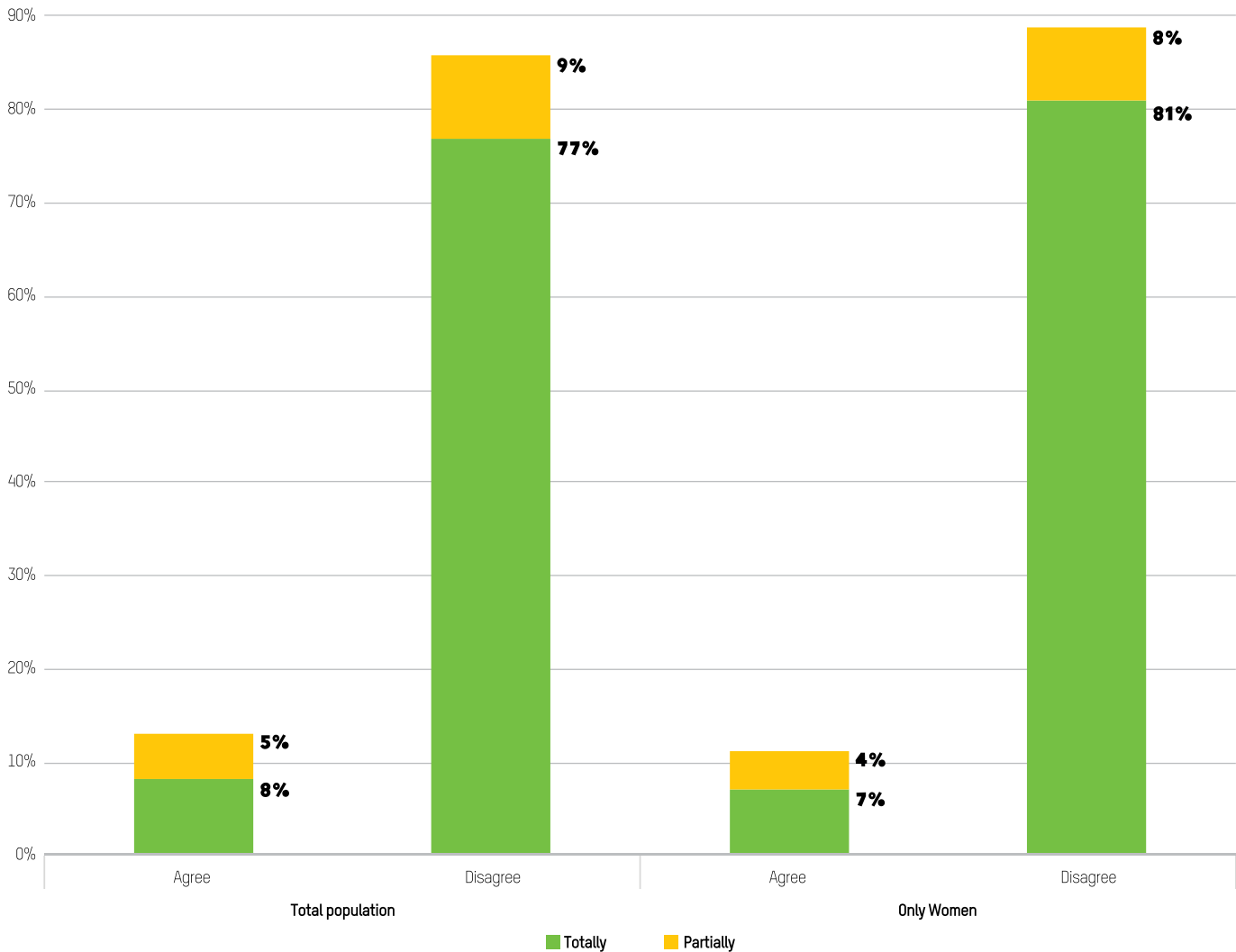
Finally, poverty is harder for blacks. 81% of all respondents agree that "poor blacks suffer more from inequality in Brazil than poor whites." That stance is supported by 80% of whites, 81% of mixed-race and 85% of black respondents. When we stratify by income, 82% of those who earn the minimum wage or less also agree.



2.3. THE WOMAN'S PLACE

The majority of the population is against the role traditionally assigned to women in the home environment. As we observe in **Graph 11**, 86% of respondents disagree fully or partially with the statement that “Women should only care for their homes and children, and not have outside employment,” as opposed to 12% who agree.

// GRAPH 11.
Brazil – Women’s role is only to care for their homes and children



Source: Oxfam Brasil/Datafolha 2019

Question: Agree/disagree with the statement that “Women should only care for their home and children, and not have outside employment.”

Note: No one answered “neither agree nor disagree” or “I don’t know” to this question, both for the total of respondents and for women alone.



89% of women disagree fully or partially with this statement, as opposed to 85% for men. That perception is in conflict with reality, where women spend an average of 18 hours per week caring for others or doing household work, and men only 10 hours per week.¹² Moreover, the share of women employed in part-time jobs (28%) is twice that of men (14%), due mainly to women's responsibility for housework and caring for others.¹³

Despite this clearly majority perception in all social strata, there is still an income bias. While 83% of respondents earning up to the minimum wage disagree, this position is expressed by 95% of those with individual incomes higher than five times the minimum wage.

3. PERCEPTIONS OF TAXATION AND SOCIAL POLICIES

3.1. MORE SUPPORT FOR TAXES, BOTH OVERALL AND ON THE RICH

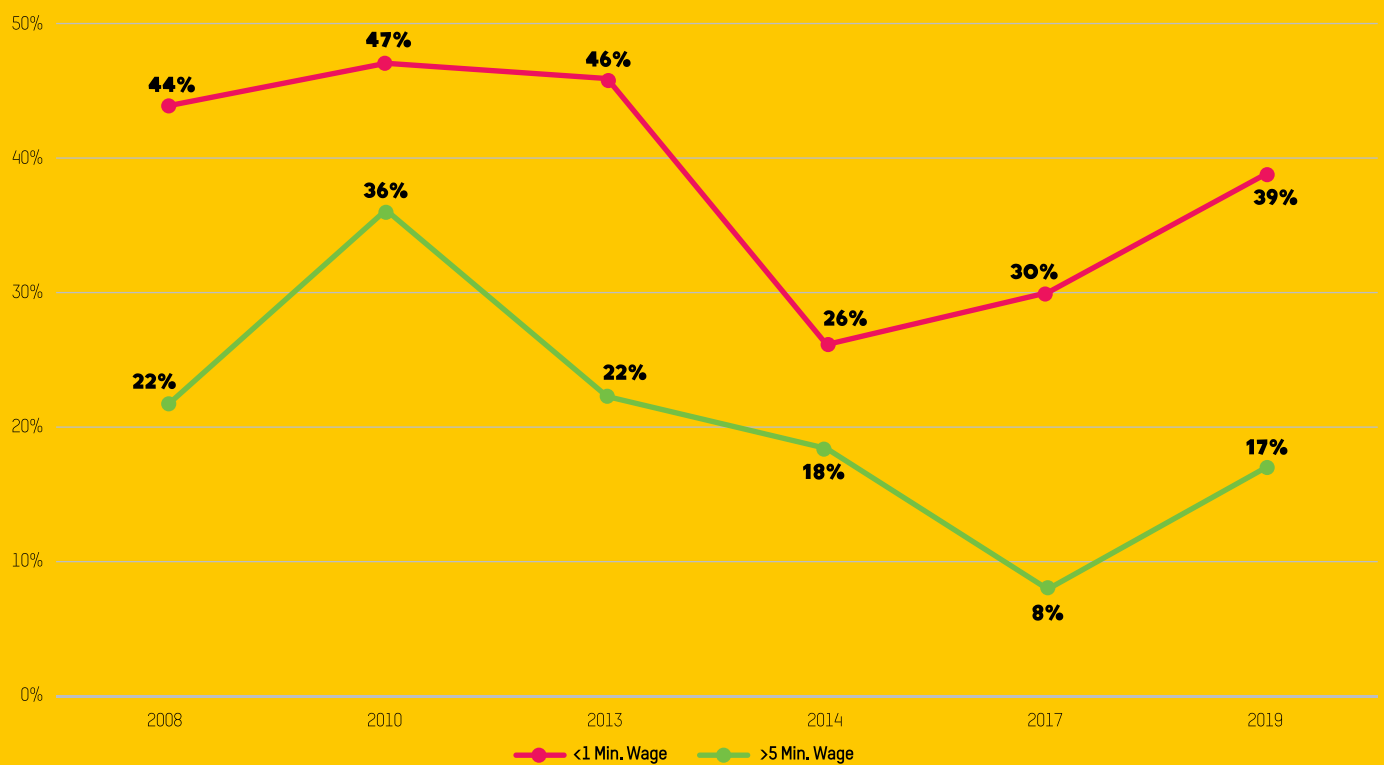
The number of poor people has grown in Brazil since 2014¹⁴ while the unemployment rate has increased up to around 12%.¹⁵ As overall, income has declined, people are now more dependent on public services.

It is no coincidence that overall support for taxation has clearly grown from 2017 to 2019, as a way to fund public services. Today, 31% believe that “governments should raise taxes to ensure better education, more health and more housing for people in need,” as opposed to 24% in 2017.

Looking back over this 11-year time series (**Graph 12**¹⁶), that support has not recovered pre-2013 levels but there is an upward trend (ever since 2014), especially among those earning up to the minimum wage. Even among people earning more than five times the minimum wage (a sector often recalcitrant to taxation), there was a significant increase in agreement from 2017 to 2019, from 8% to 17%.

// GRAPH 12.

Brazil – Overall support for taxation for social policies – 2008-2019



Sources: PSIEMS (2008), Cesop (2010 e 2014), CEM (2013) apud Arretche and Araújo 2017; Oxfam Brasil/Datafolha 2017 and 2019.

Question: The Oxfam/Datafolha 2017 and 2019 surveys asked about agreement with the statement that "governments should raise taxes to ensure better education, more health and more housing for people in need." The other surveys asked similar questions, using a methodology explained in Arretche and Araújo 2017.

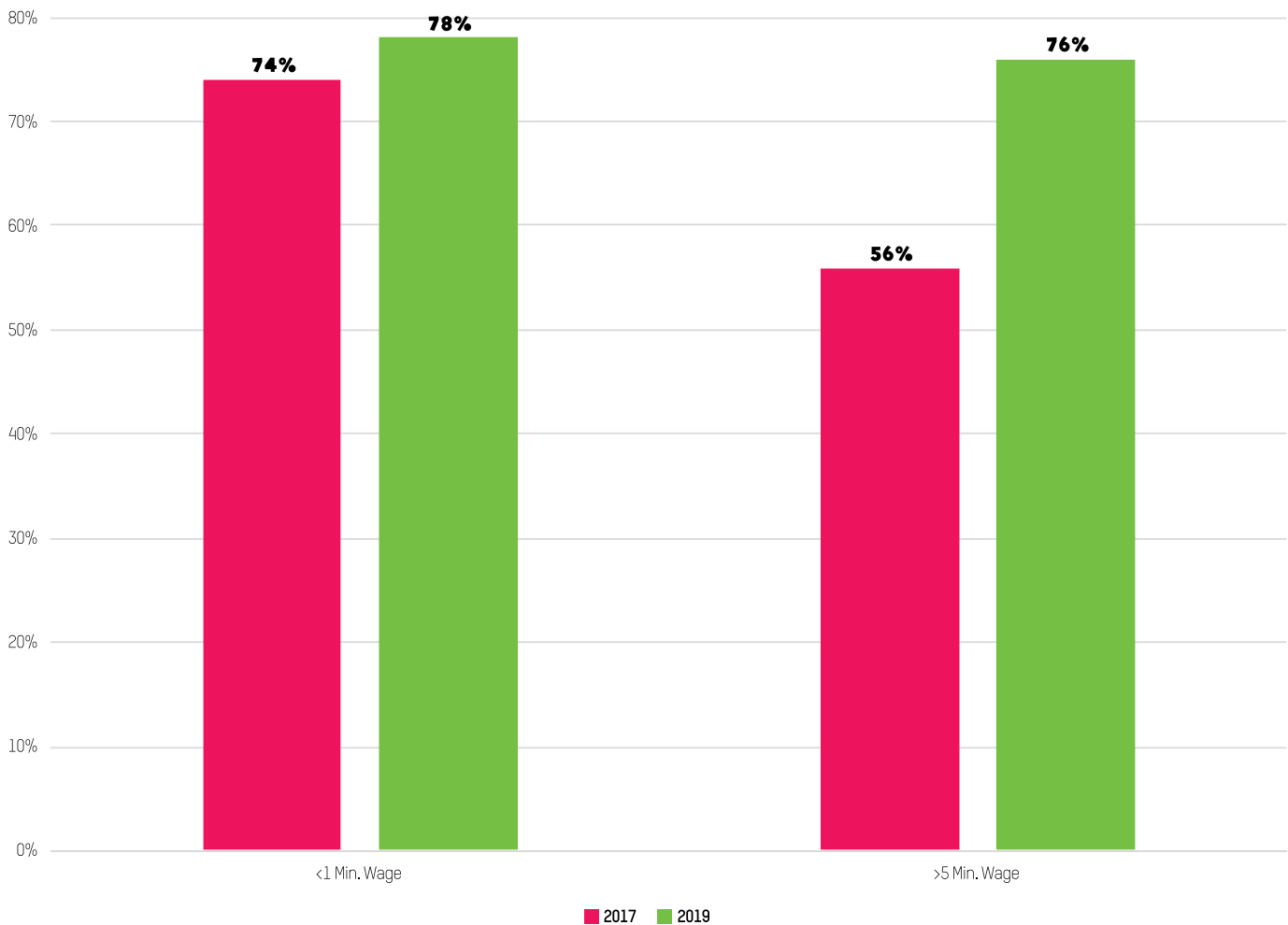
Note: The figures in this Graph refer to the sum of partial and full agreements.

Despite that shift, we must underline that the majority is still unwaveringly against overall taxation for social policies. 69% disagree fully or partially with the statement in 2019, and 75% disagreed in 2017. This anti-tax feeling is very strong and is also very self-centred. In other words, it is not a stance in favour of “lower taxes for all” as much as it is a repudiation of paying taxes.

That interpretation is validated when the target of taxation is focused on “very rich persons.” The same shift of

positions observed in 2017 is sustained, and increased, in 2019, with 77% of respondents agreeing fully or partially with the statement that “the federal government should increase taxes on the very rich to ensure better education, more health and more housing for people in need.” The level of agreement was 71% in 2017, showing a growth of support for that position, particularly amongst higher-income respondents, up from 56% to 76%, as we see in **Graph 13**.

// GRAPH 13. Brazil – Support for taxation on the very rich for social policies



Fontes: Oxfam Brasil/ Datafolha 2017 e 2019.

Question: Agree/disagree with the statement that “The federal government should increase taxes on the very rich to ensure better education, more health and more housing for people in need.”

Note: These figures refer to the sum of expressions of partial and full agreement.

Specifying what “the very rich” means increases the rate of agreement with top-level taxation even more. In this case, 82% of the population supports more taxes on “persons who earn more than R\$ 40,000 per month” as a way to “reduce taxes on products such as food, gasoline, clothing, medicine and home appliances.”

An alignment of the tax burden with the international standards of the Organization for Economic Cooperation and Development (OECD), to invert the shares of taxes collected (less on goods and services and more on income and wealth), would find broad popular support if implemented through a redistributive tax reform. The survey found that 81% of the population agrees that “the government should lower taxes on goods and services that the population consumes and make up the difference by raising taxes on the income of the richest,” up 9 percentage points from the 2017 survey.

In addition to higher taxes at the top and inverting the tax structure – vital factors for a new tax agenda – support for progressive tax brackets has also grown in the past 18 months. Today, 78% of Brazilians agree that “those who earn more should pay a higher rate of taxes than those who earn less,” 7% more than did respondents to the 2017 survey. This is an upsurge in social support for a tax reform that would go beyond just simplifying and making the system more efficient, to include redistributive effects and make the tax system fair and aligned with Constitutional principles.

When asked about the final destination of taxes, the population clearly expresses the kind of social solidarity that is often overshadowed by systematic anti-tax campaigns. 94% agree fully or partially that the taxes they pay “should mainly benefit education, housing and health for the poorest,” an encouraging rate in the context of fights over a new fiscal pact.

This makes it ever clearer that we are not going through a “wave of liberalism” vis-à-vis social policies, as those who defend the minimal state would have it. On the contrary, Brazilians expect growing state investments in society for a prosperous and more equitable future.

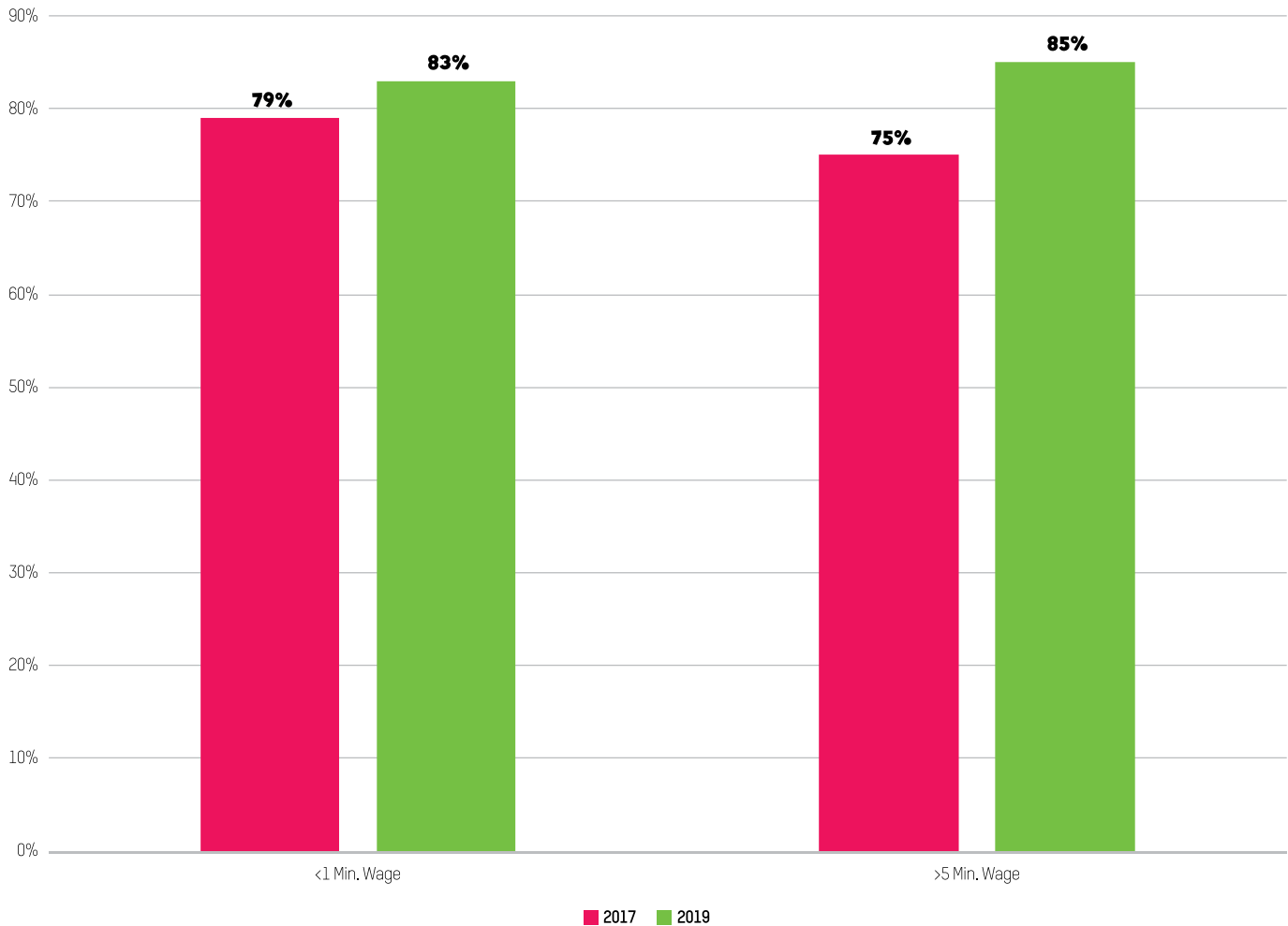


3.2. AN ACTIVE STATE AND UNIVERSAL POLICIES

Brazilians’ support for government measures to fight inequalities increased in 2019, compared to 2017. Today, 84% of respondents agree fully or partially with the statement that “in a country like Brazil, it is a government obligation to reduce the difference between the very rich and the very poor,” up 5 percentage points compared to 2017.

83% of people earning up to the minimum wage support that stance, compared to 85% of people earning more than five times the minimum wage. As we see in **Graph 14**, this support grew in both brackets over the past 18 months, although it can still not be classified as a trend.

// **GRAPH 14.**
Brazil – Role of the state in reducing inequalities, 2017-2019



Sources: Oxfam Brasil/Datafolha 2017 e 2019.

Question: Tested agreement with the statement that “in a country like Brazil, it is a government’s obligation to reduce the difference between the very rich and the very poor.”

Note: These figures refer to the sum of expressions of partial and full agreement.



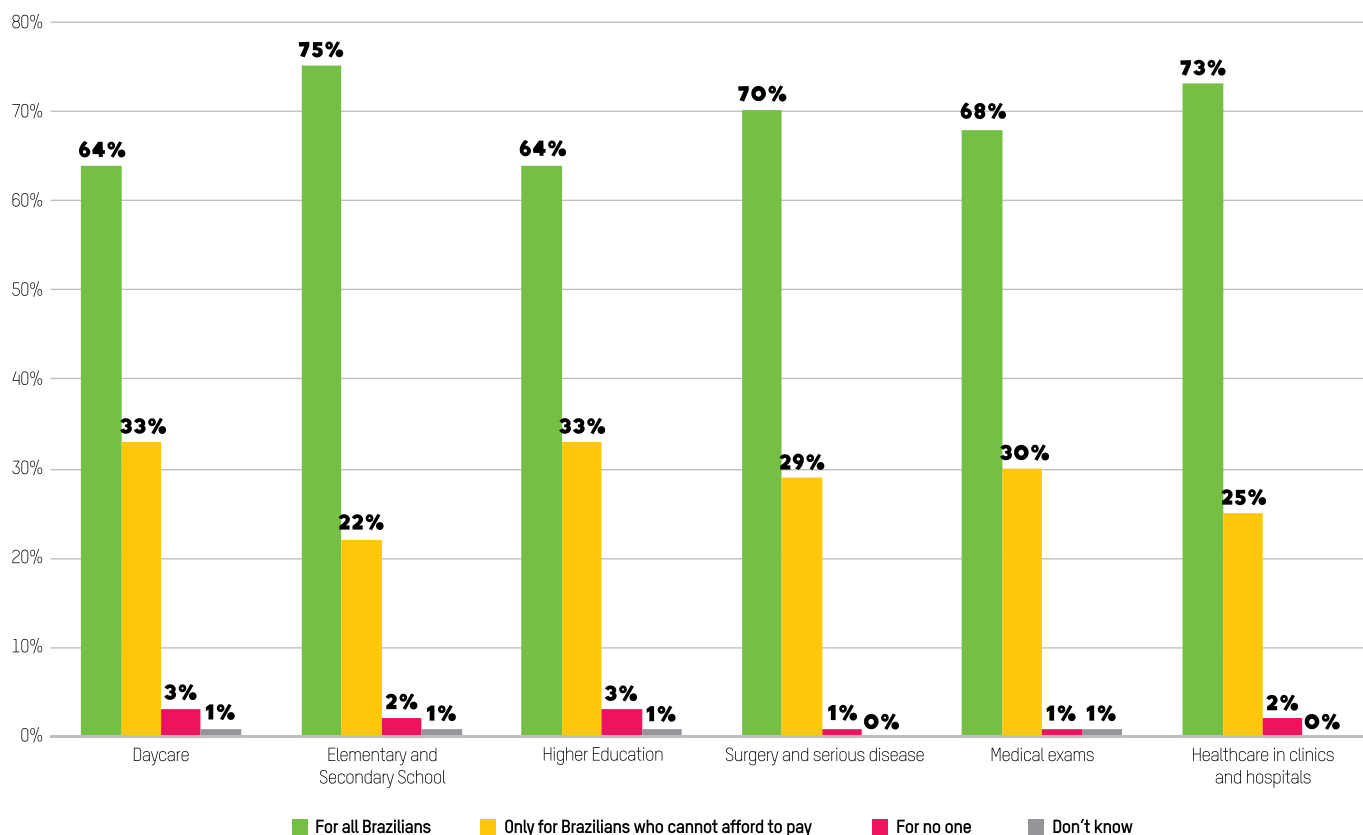
According to the survey, there is agreement by 88% of respondents that government measures should aim to reduce regional inequalities. Shifting public funds to align services in States where they are poorly delivered has the support of 86% of the people.

When opinions are solicited on the nature of public policies – i.e., universalistic, targeted or not to be carried out by the state – we see strong support for a universalistic approach and very little leeway for the privatization of public services. These opinions also support the principles adopted by our society in Brazil’s 1988 Federal Constitution.

Graph 15 shows that support for universalistic policies ranges from 64% to 75% of the answers, depending on specific services. For education, 64% of Brazilians believe that the government should fund it for everyone from childcare through universities, while 33% would target only those who cannot afford to pay. 75% support universal public elementary and secondary schools, with only 22% restricting that support to those who cannot afford to pay. As for public health, the universalistic vs. targeted approach leads at 70% to 29% for surgeries and serious disease, 68% to 30% for medical exams and 73% to 25% for healthcare in clinics and hospitals.

// GRAPH 15.

Brazil – Support for universalistic, targeted or no state intervention in education and health



Source: Oxfam Brasil/Datafolha 2019

Question: “In your opinion, should the government provide [specific service] for all Brazilians, only for Brazilians who cannot afford to pay or for no one and everyone should pay for that service?”

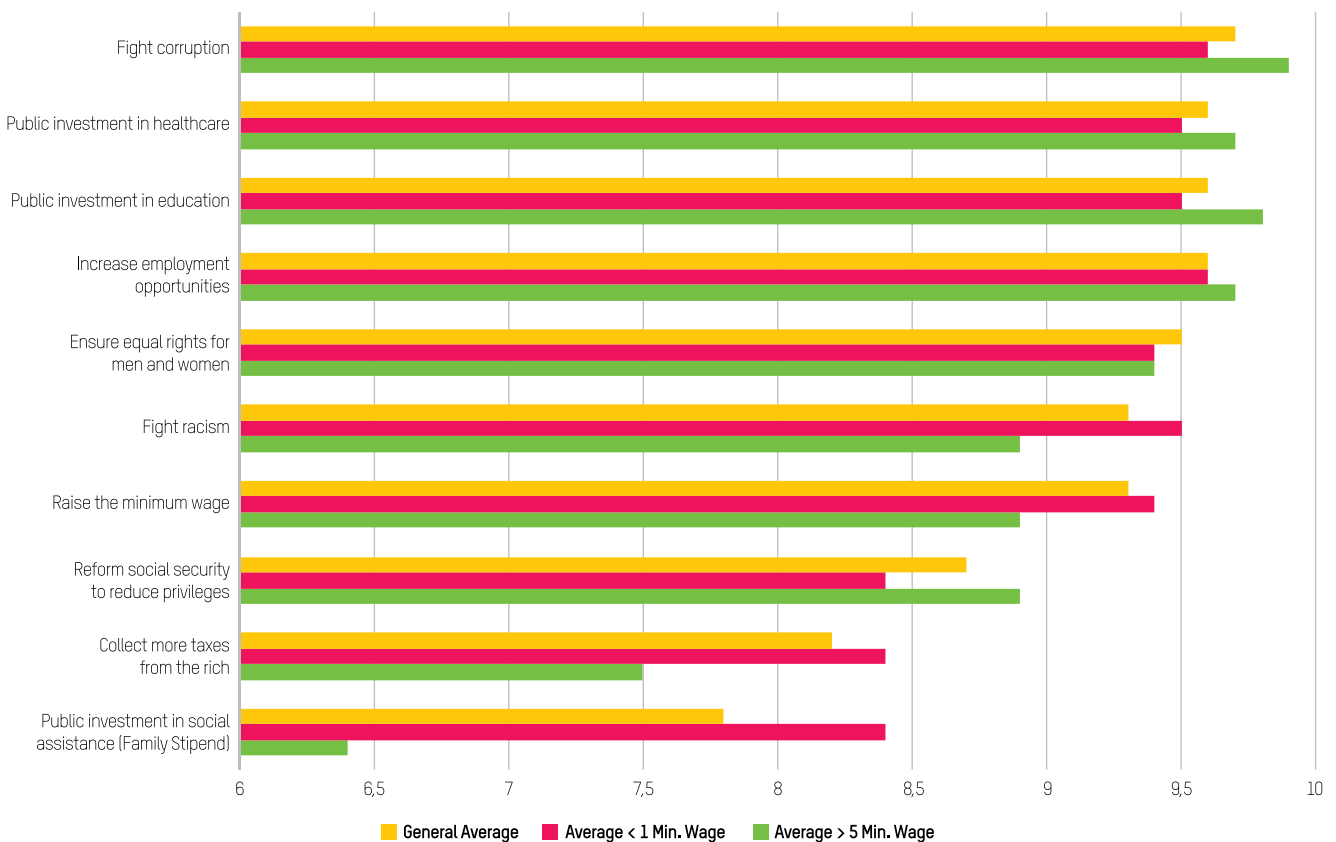
4. INEQUALITIES AND US: WAYS TO REDUCE THEM

Oxfam Brasil is working to reduce inequalities in Brazil. We defend the pathway to that goal set out in our Federal Constitution, which must be respected and fully implemented. This stance comes out of historic lessons we have learned since our country’s redemocratization.

All those principles and structural policies, along with effective short-term policies and constantly changing

behaviours, make up a powerful agenda to build a society with justice and solidarity. Oxfam Brasil tested the response of the people interviewed by the Datafolha Institute, to identify how important certain measures are for reducing inequalities, in the opinion of Brazilian men and women. **Graph 16** summarizes the results.

// GRAPH 16.
Brazil – Measures and degrees of importance for ten priority measures to reduce inequalities



Source: Oxfam Brasil/Datafolha 2019

Question: "On a scale of 0 to 10, where 0 means not at all important and 10 means very important, how important do you consider each measure to reduce the difference between the richest and the poorest in Brazil?"

As a rule, the measures tested were all rated at a high level of importance by respondents, with no item averaging below 7. Oxfam Brasil has proposed some approaches for these measures, in dialog with other social organizations and with the population's expectations.

Fight corruption [9.7]: The fight against corruption has broad popular support in all income brackets, but more so from people with higher incomes. Corruption is a long-standing, central issue in the country which must be confronted, since it not only takes resources away from social policies but also undermines trust in our democratic institutions.



Proposed agenda: Oxfam Brasil defends a state that works for all rather than to defend the interests of a few. We must develop mechanisms for accountability and transparency, including effective regulation of lobbies and stronger structures for civil society to participate. Executive, legislative and judicial bodies must work to recover confidence in public institutions, rather than destroy them, to make fighting corruption effective.

Public investment in health [9.6] and in education [9.6]: These policies enjoy broad support among all social strata and have positive distributive impacts on the budgets of the poor and the lower middle class.¹⁷ The extent of inequalities in Brazil and the large number of people in situations of poverty demand continuous, long-term, progressive and high-quality social investments.



Proposed agenda: Funding must be ensured to meet the universal constitutional rights to health and education and to expand other social policies. To that end, it is fundamental that the Spending Ceiling amendment be revoked. Fiscal adjustments must prioritize other policies such as those related to taxation. Social spending must be broader, more efficient and more effective. The allocation and execution of public policies and funding must be done with transparency, allowing for control by society.

Increase employment [9.6] and raise the minimum wage [9.3]: Inclusive distributive policies in the labour market, such as more formal jobs and a real raise for the minimum wage, have the greatest potential for short-term income redistribution¹⁸, which may be why they are broadly supported by society. Brazil must confront the low level of job offerings and ensure that unemployment is overcome through the creation of decent work.



Proposed agenda: Oxfam Brasil defends decent formal jobs for all, and restoration of rights lost in the recent labour-law reform. Real raises in the minimum wage have been a pillar for reducing Brazil's income inequalities in recent years, and must be maintained, with due fiscal caution.

Ensure equal rights for women and men [9,5] and fight

racism [9.3]: Policies to fight discrimination against women and racism respond to structural aspects of Brazil's inequalities. Gender policies that ensure day care and other services to reduce the time women spend on these activities, as well as paternity leaves to balance care for new-borns, have not advanced much yet. On race, there are monumental challenges involving inclusive education, quotas in universities, companies and public agencies as well as fighting institutional racism.



Proposed agenda: Oxfam Brasil defends the establishment of goals to equalize income regardless of race or gender, and the establishment of policies that vehemently fight institutional racism and promote equality.

Reform social security to reduce privileges [8.7] and collect more taxes from the rich [8.2]:

Both measures are on the priority reform agenda, and the lower priority ascribed by respondents is problematic, since they have major potential impacts on income distribution. Social security must be reformed in the provisions that promote inequities, not the ones that fight them. The tax system can be an important tool for fiscal soundness with income redistribution.



Proposed agenda: Brazil must reform aspects of its social security system that promote concentration, for example in the top echelons of public service, the military and the courts. Social security reform must be widely debated with society and become a means to confront rather than reinforce inequality. A tax reform must be implemented both to make it fairer and to overcome the country's fiscal challenges. Any tax reform adopted by Congress and governments must be aligned with the rules of the Federal Constitution.

Public investment in social assistance [7.8]: Despite widespread support in absolute terms, this policy had the lowest average priority. Social assistance, and particularly its flagship Family Stipend program, are progressive and have helped lift millions of Brazilians out of poverty. Yet they have been much criticized – and even stigmatized – by high-income sectors of society. It is no coincidence that the average priority ascribed to this measure is 6.4 by people with incomes over five times the minimum wage, compared to 8.4 by those who earn up to the minimum wage.



Proposed agenda: Oxfam Brasil defends the maintenance and expansion of the Family Stipend Program and of assistance policies, as ways to ensure dignified standards of living for those who have the greatest need, thus reducing poverty and social exclusion in Brazil.

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- 3 OXFAM BRASIL 2018. "País Estagnado: Retrato das Desigualdades Brasileiras 2018". This figure came out of an analysis by Cosmo Donato, an economist at LCA Consultants, kindly seconded to Oxfam Brasil, who used micro-data from the ongoing PNAD household survey. Note: to calculate these numbers, the consultant used the World Bank's cut-off line for medium-highly developed countries, such as those in Latin America, with US\$ 1.90 daily household per capita income (corrected by purchasing-power parity). This amounted to R\$ 133.72/month in 2016, according to the IBGE. The consultant updated this cut-off, using the IPCA price index, to R\$ 136.00 in 2017.
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- 5 IBGE 2018. Síntese de Indicadores Sociais. Presentation available at: https://agenciadenoticias.ibge.gov.br/media/com_mediaibge/arquivos/ce915924b20133cf3f9ec2d45c2542b0.pdf
- 6 Ibid.
- 7 These figures were estimated based on 2017 income distribution, obtained from Oxfam Brasil's analysis of Ongoing PNAD 2017 data (for all earnings), and considering that year's minimum wage of R\$ 937. Note that this is the individual income of people with earnings. Oxfam Brasil found this to be the most appropriate data to use, considering the nature of the question in the 2019 Oxfam Brasil/Datafolha survey.
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