

OECD says Brazil inequality persists

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Brazil may have cut the number of people living in poverty in recent years but inequality persists and better education is needed, the OECD said Tuesday.

"Successful policies to spread the benefits of [economic growth](#) more widely have substantially reduced poverty and income [inequality](#)," the OECD said.

In a new report the Organization for Economic Cooperation and Development said: "Wider access to education has allowed more Brazilians to move into an expanding number of better-paid jobs.

"However, the quality of [education](#) has not kept pace with the impressive expansion of the system. There are severe shortages in physical school infrastructure."

Recent years of growth and the introduction of the Bolsa Familia social welfare program has helped to lift around 40 million people out of [poverty](#) in a decade.

But the OECD, presenting its report in Brasilia, lamented that the country still had to reform its bureaucracy and fiscal policies to deal with a "fragmented" tax system.

"The tax system ... is characterized by a low degree of progressivity which limits its redistributive impact," the organization said.

It added that barely half of the population worked in the formal economy and had access to credit.

The organisation, grouping the world's 34 most industrialized countries, concluded:

"There remains much to do. Brazil still has one of the highest levels of inequality in the world" and would take two decades to reach where the United States is today.

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