

Director of FGV Social presents work at the IMF and PIIE Conference in Washington

Marcelo Neri, director of FGV Social, spoke about poverty and inequality in the context of the pandemic at the “Rethinking fiscal policy - global perspectives”, conference of the IMF (International Monetary Fund) and PIIE (Peterson Institute for International Economics) that took place in Washington – D.C., on the 30th and 31st of May/2023.

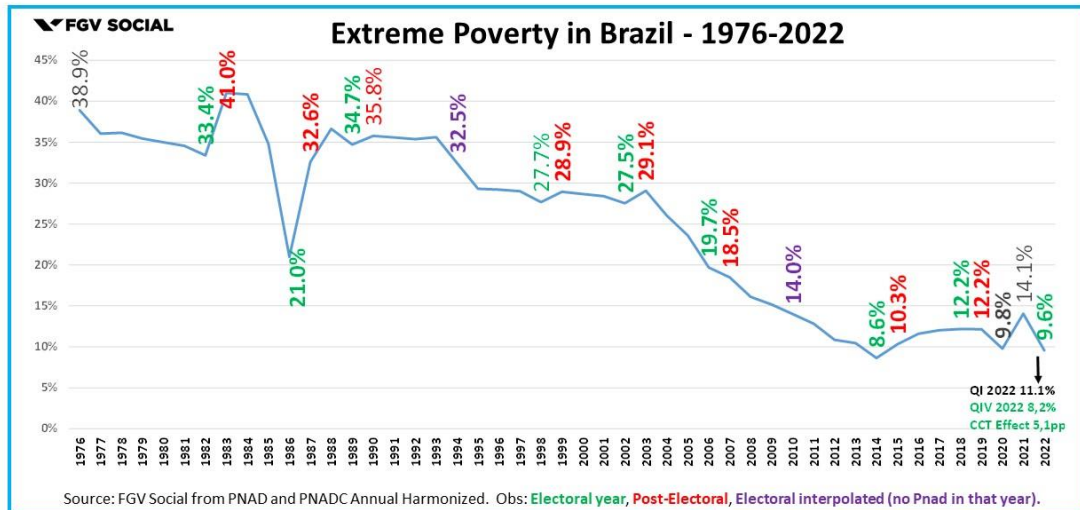
The event was attended by Lawrence H. Summers (Harvard University), Gita Gopinath (IMF), Kenneth Rogoff (Harvard University), Christina Romer (University of California, Berkeley), Heather Boushey (White House Council of Economic Advisers), among others.

Neri participated in the panel “Helping People” presenting the work “Brazilians during the Pandemic and Beyond” where he showed that income inequality during the pandemic and after in 2022 presented the historical lows of the Brazilian series started in 1976. While extreme poverty presented in 2020 and 2022, respectively, the second and third lowest values of the entire historical series. The study also showed the existence of marked political cycles in 11 elections for parliament, governor and/or president, where poverty fell in election years, to then rise, in general, in the subsequent year. The 2022 election followed this trend not only in the annual average (31.9% lower than the previous year), but also throughout the year (26.1% lower in the last quarter of 2022 than in the first quarter).

Neri showed that the main transmission channel of changes in 2020 and 2022 in income-based social indicators was the increase in cash transfer programs. The pandemic and the elections left permanent marks on the size and design of social programs. Resources earmarked for income transfers to combat poverty rose from 1% to 2.5% of GDP. Focus losses are up 45% from pre-pandemic. In addition, linking the benefit floors to families, regardless of their size, made single-person households rise 73% one year after the adoption of the floors.

The need for adjustments in the design of payment systems for anti-poverty programs is combined with the role of Bolsa Família conditionalities in helping to heal the scars of the so-called Covid Generation. 400% increase in children's overall immunization gap and 14-year setback in school proficiency.





Also check out the materials below:

- [Presentation slides](#)
- Video (coming soon)
- [Note](#)