The Brazil Protests: Rise of the Middle Class?
Puzzle: why the eruption?

- Decline in poverty: from 50 percent to 20+ percent between mid-1990s and present
- Decline in gini inequality index
- Expansion of access to public health and large decline in infant mortality
  – 40/million in 1995 to under 15/million in 2011
- Improvement in retention and graduation rates
- 60% approval ratings of Dilma government
Change in Political Landscape

• Dilma’s approval rating dropped from almost 60 to about 30 percent (although some recovery)

• Demonstrations aimed in part at the “political class” – including the PT

• Most important, scale and intensity of protests indicated considerable underlying discontent.
Senhores BANDIDOS.
Por favor assaltarem os POLÍTICOS
eles estão com o NOSSO DINHEIRO.
Questions and Hypotheses

• What are long-term implications for Brazil with respect to politics, representation, and public policy?

• Is the Brazil experience relevant to other parts of Latin America – particularly more middle-income and middle-class societies?

• Do protests represent a secular shift toward different types of issues associated with rise of the middle class?
  – (cf. Ronald Inglehart)
Middle Class: World Bank Definition*

- Middle-class income threshold: between 10 and 50 dollars/day at PPP exchange rates
  - Risk of falling into poverty less than 10 percent over a five-year period
- $4 to 10/day: “non-poor” but “vulnerable.”
- Below $4: poor

*Economic Mobility and the Rise of the Latin American Middle Class
Growth of the Middle Class: mid-1990s to present

- **Brazil**: from 19.6 to almost 50 percent.
  - About 30 percent in “vulnerable” sector

- **Peru**: 13 to about 29 percent

- **Chile and Argentina**: above 50 percent

- **Uruguay**: almost 75 percent

- **Nicaragua**: from 7 to 13 percent.
Back to Brazil Protests: a reflection of these changes?

The Dynamics

• Triggered by abusive police response to small-scale bus fare protests in S. Paulo and Rio
• Escalated via social media (despite rescinding of fare increases and withdrawal of Free Fare Movement
• Although many protesters were middle-class, residents of favelas also participated
• Leadership roles assumed by decentralized civil society groups.
• Protests ranged from poor public services, taxes, corruption, World Cup expenditures, and other issues
## Participation in Brazilian Protests

Are you aware of the protests that took place across the country beginning in June 2013? If Yes, what best describes your level of interaction with the protests?

<table>
<thead>
<tr>
<th>Interaction with Protests (% of Respondents)</th>
<th>Social Class</th>
<th>Age</th>
<th>Education</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>D/E C A/B 16-24 25-54 55+ Primary Secondary College</td>
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<tr>
<td>No Attention</td>
<td>10 2 0 1 3 6 8 1 0</td>
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<tr>
<td>Little Attention</td>
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<tr>
<td>Aware</td>
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<tr>
<td>Discussed</td>
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</tr>
<tr>
<td>Participated</td>
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<td></td>
</tr>
<tr>
<td>Total</td>
<td>100 100 100 100 100 100 100 100 100</td>
<td></td>
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</tbody>
</table>
IBOPE Surveys on Participation

- Very small percentage actually attended rallies (about 3 percent), although about half (47 percent) discussed with family and friends.
- Engagement varied by class and education. 
  - Discussed with family and friends
    - 33% of poor; 46% of class C; 56% of A/B
    - 37% pmy education; 47% 2ndary; 61% college
- Somewhat greater participation among young and males; but little difference discussing with family and friends.
Conclusion about Participation

• Social composition cross-class and heterogeneous, but with a distinctly middle class bias.

• Nancy Birdsall argued that protests reflects “vulnerable” concerns, but engagement appeared to vary more directly with education and class – from lowest to highest.
What were demands?

• **Main reason?** 43% said fare increases; 17% health and education; 18% corruption

• **Any other reasons?** 68% fare increases; 67% health and education; 54% corruption.

• **Conclusion:** not “post-industrial” (contra Inglehart), but are also not basic issues of employment, wages, poverty associated with class-divided societies.

• **Important emphasis on social services,** especially education (future payoffs, rather than current needs)
Salience of social service issues

• To what extent do protests reflect a longer-term increase in salience of social services?

• To what extent does this reflect progress in overcoming more basic problems in Brazil and elsewhere?

• To what extent is the new emphasis a middle-class phenomenon in Brazil and elsewhere?
Issue Shifts

- Satisfaction with Services, 2003 and 2011*

*Latinobarometer
% Satisfied with Health Services by Country

- Brazil
- Peru
- Chile
- Rest of L.A

2003
2011

Legend:
- 2003
- 2011
% Satisfied with Public Education by Country

Brazil
Peru
Chile
Rest of L.A

2003
2011
% Satisfied with Efforts to Combat Corruption by Country

- Brazil
- Peru
- Chile
- Rest of L.A

2004
2011

Legend:
- Blue: 2004
- Red: 2011
Most Important Problem, 2003-2011

Latinobarometer
Most important problem

- **Brazil**: education and health together rise to about 38 percent from less than 10 percent, while concerns about unemployment decline from 40 percent to under 10 percent – a big shift.

- **Chile**: education from less than 5 percent to about 27 percent; health, from about 3 to 7 percent, and a sharp decline in concerns about unemployment.

- **Peru**: Some decline in concerns about unemployment, but an increase in concern about poverty. Public safety is also a major issue. Education is mentioned by just over 5 percent of the population and no mention of health.

- **Nicaragua**: Drops in concern about unemployment/poverty but still high. No mention of health or education.
Most Important Problem Facing the Country: Brazil

- Education
- Health
- Corruption
- Crime
- Unemployment

Bar chart comparing the importance of these issues in 2003 vs. 2011.
Most Important Problem Facing the Country: Chile

- Education
- Health
- Poverty
- Crime
- Unemployment

2003 vs 2011
Most Important Problem Facing the Country: Nicaragua

- Crime
- Economy: n/a
- Corruption
- Poverty
- Unemployment

2011: Red
2003: Blue
Most Important Problem Facing the Country: Peru

- Education
- Low salaries
- Poverty
- Crime
- Unemployment

Comparison between 2011 and 2003.
Most Important Issues by Country

- Crime
- Education
- Health
- Unemployment

L.A Average, Nicaragua, Peru, Chile, Brazil
Satisfaction with services, by level of education

Latinobarometer
% Satisfied with Health Services by Education Level: Brazil

- 0 to 6 years
- 7 to 12 years
- High School
- University

Comparing the years 2003 and 2011.
% Satisfied with Health Services by Education Level: Chile

- 0 to 6 years
- 7 to 12 years
- High School
- University

- 2003
- 2011
% Satisfied with Health Services by Education Level: Peru

- 0 to 6 years
- 7 to 12 years
- High School
- University

Year Comparison:
- 2003
- 2011
% Satisfied with Public Education by Education Level: Brazil

0 to 6 years 7 to 12 years High School University

2003 2011
% Satisfied with Public Education by Education Level: Chile

- 0 to 6 years
- 7 to 12 years
- High School
- University

Comparison between 2003 and 2011.
% Satisfied with Public Education by Education Level: Peru

0 to 6 years  7 to 12 years  High School  University

- 2003
- 2011
What can we conclude?

• Social service issues have become more salient, relative to other issues, both in Brazil and Chile.
  – Less evident in poorer countries

• Satisfaction with social services has generally decreased.

• Modest evidence that satisfaction has increased among low-education sectors (who gain from expanded access to services) and is greatest among high school and college (who may be more concerned by the quality of services).
Implications for policy

• The good news: shifts may open up new opportunities to tackle difficult, but crucial social sector reforms.

• As middle-class grows, there may be an important political constituency for improvement in the quality of social services, rather than simply the “quantitative” expansion of access.
The Bad News

• Technically, we lack a clear blue-print about how to alter these complex systems in ways that will actually produce improvements

• Politically, payoffs to politicians remain problematic, since improvements are likely to be incremental and difficult to measure.
Problems of Representation

• Rejection of all of the political parties, including the PT and parties further to the left.
  – Disconnect between parties and civil society

• Although mass protests can dramatize social deficits, constructive responses depend on channels through which options can be articulated and negotiated.

• Particularly true as “middle-class” demands for quality grow and representation becomes less susceptible to populist appeals.