

Fighting Poverty in Brazil and Morocco: Addressing the Lack of Opportunities

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Abstract

This article examines the poverty crisis facing both Brazil and Morocco. Although these countries have vastly different geographical locations and sizes, both Brazil and Morocco combat many of the same issues, the primary of which is poverty. Brazil's poverty is a product of its severe economic inequality, as the country has the second highest income concentration in their top one percent in the world. Poverty in Morocco is primarily due to the rural location of their poorest citizens. This has led to this population lacking access to basic resources such as health care and education. As a result, nearly a quarter of their adult population is illiterate. This article will go into some depth regarding the respective situations of these countries and how they can overcome their different struggles with poverty.

I. Introduction

Poverty is broadly defined as a state in which an individual lacks the fundamental resources in order to achieve a basic standard of living. Within 1981 to 2021, global poverty was at its highest point in 1994, when 70.5 percent of the population lived on \$6.85 or less a day.¹ To put that in perspective, seven in ten people in the world were experiencing some level of poverty and as a result lacked basic needs in order to survive. While the West and other developed countries around the world have made progress since 1994, an alarming 46.7 percent of the world's population, as of 2019, the latest year such data is available in World Bank (2023). While that may seem like quite an improvement, this still leaves nearly half of the world's population, about 3.68 billion people, lacking the elementary resources essential to have a decent life. This statistic clearly shows that industrialization, technological advancements, and other forms of progress are not necessarily occurring worldwide, conversely much of the world's population is being left behind while only a fraction of the population enjoy this progress.

Two countries that, for the most part, have been excluded from this progress are Brazil and Morocco. This article will be examining the existence of poverty in these two countries and will compare and contrast how poverty presents itself differently in Brazil and Morocco. This article consists of six sections. Following this introduction, a brief literature review summarizes four

¹ World Bank (2023).

recent sources dissecting this topic. This will be followed by a section providing the socio-economic background of these two countries, as this background knowledge is imperative to understanding the two countries' struggles with poverty. The subsequent two sections provide, respectively, an analysis of the facts gathered regarding this topic and an ethical analysis which will explain why and how Brazil and Morocco are addressing poverty and the ethical concepts and perspectives related to this issue. The last section will be a conclusion summarizing the findings of this article and the potential next steps necessary in order to address poverty in Brazil and Morocco.

II. Brief Literature Review

There is a huge literature on poverty in both Brazil and Morocco. The following four publications are some of the most recent contributions. Medeiros (2021) and Cereda, Rubião and Sousa (2020) focus on Brazil while Abdelkhalek and Savard (2022) and Amaghous and Ibourk (2020) center on Morocco.

Medeiros (2021) focuses on the effect of infrastructure policy on poverty in Brazil. This article goes into great depth explaining that a lack of investment in infrastructure only exacerbates the poverty crisis in Brazil. Public policy aimed to improve infrastructure could not only reduce household poverty in Brazil. Public policy could also have the power to alleviate economic inequality by providing access to sanitation, transportation, internet, and electricity. This article emphasizes that the manner in which a country focuses on its infrastructure is quite a significant indicator of whether it is vulnerable to experiencing high levels of poverty. Infrastructure must be prioritized and invested in accordingly by countries in order to reduce poverty and connect all citizens to basic services and resources necessary to leading a decent, hygienic, and healthy life.

Cereda, Rubião and Sousa (2020) investigate the devastating impacts of the COVID-19 pandemic on the Brazilian economy. This World Bank policy note estimates that about over 30 million Brazilian workers will see significant cuts to their salaries as a result of the pandemic, two-thirds of which lack unemployment protection. This will, of course, lead to disastrous results such as reducing per capita income by 7.6 percent. The brunt of this catastrophe will, unfortunately, be felt by the nation's poorest workers, as the pandemic could cause 8.4 million Brazilians to be pushed into poverty. The Brazilian government does have an unemployment insurance program and is attempting to implement policies to mitigate these impacts, however many of these resources are not available to the country's poorest and most vulnerable workers.

Similarly, Abdelkhalek and Savard (2022) examine the quick and damaging impact the Covid-19 pandemic had on Morocco's households and their children. They built a micro-simulation model and used it jointly with an input-output model to assess the distributional impact of COVID-19. This allows them to examine the impact of mitigation measures targeting households in Morocco with a focus on children living in poor households. Their results show that the crisis has led to a significant increase in poverty, especially in urban areas. According to Abdelkhalek and Savard (2022) more than half a million children under the age of 18 were expected to fall into poverty as a result of the COVID-19 pandemic. Abdelkhalek and Savard (2022) also examine the impact of various mitigation measures.

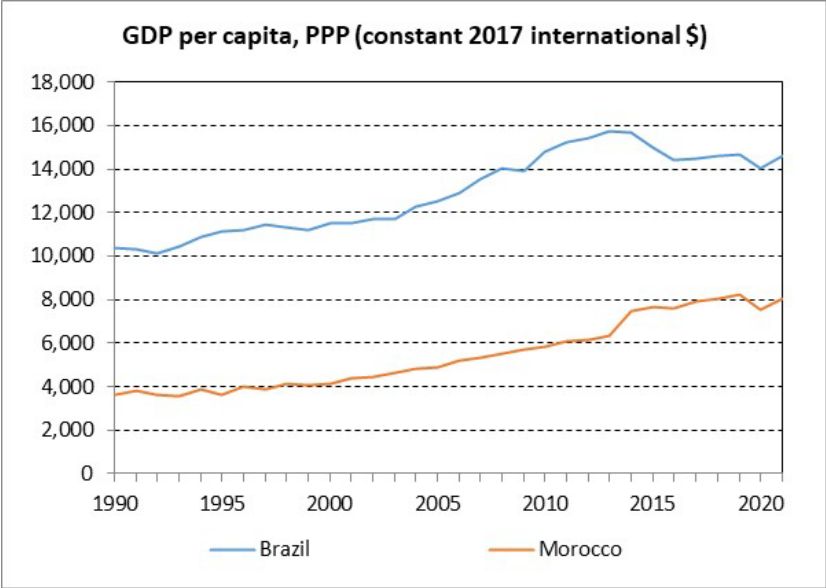
Amaghous and Ibourk (2020) examine the multidimensional poverty in Morocco and how it could be alleviated by the government. This article emphasizes the need for a spatial approach when attempting to tackle the poverty crisis in Morocco. A spatial approach is certainly required as about

two-thirds of the population experiencing poverty in Morocco live concentrated in distant rural areas. This displacement of the poor presents many challenges, health being one of the most significant. Amaghous and Ibourk characterized the Moroccan healthcare system as dysfunctional. Health resources in Morocco are completely geographically unbalanced as over 70 percent of doctors are located only in central Morocco. Unfortunately, many doctors and nurses have refused to work in more rural areas due to the lower income and lack of more lucrative opportunities. Another major challenge posed by the rural location of the poor in Morocco is the lack of access to several basic resources such as water. Many children in these areas are forced to spend hours to and from water sources, and because of this they do not have time to receive an education. As a result of their lack of education, they are then locked into what Amaghous and Ibourk (2020) describe as a cycle of poverty.

III. Socioeconomic Background

Brazil is the largest country in South America and had a population of 214.3 million people in 2021. Brazil’s gross domestic product (GDP) adjusted for purchasing power parity (PPP) was \$3.14 trillion in 2021, giving the country the 8th highest PPP-adjusted GDP in the world. Though agriculture, forestry and fishing contributed less than 7 percent of Brazil’s GDP in 2021, agriculture forestry and fishing is still important for Brazil’s economy and over 28 percent of its land is used for agricultural purposes (2,368,788 square kilometers). Morocco is located in North Africa and had a population of 37.1 million people in 2021. Morocco’s PPP-adjusted GDP was \$333.2 billion in 2021, giving the country the 115th highest GDP in the world. Agriculture remains one of Morocco’s key sectors, with over 68 percent of its land being used for agricultural purposes (303,820 square kilometers).²

Figure 1: GDP per capita, PPP (constant 2017 international \$), 1990-2021



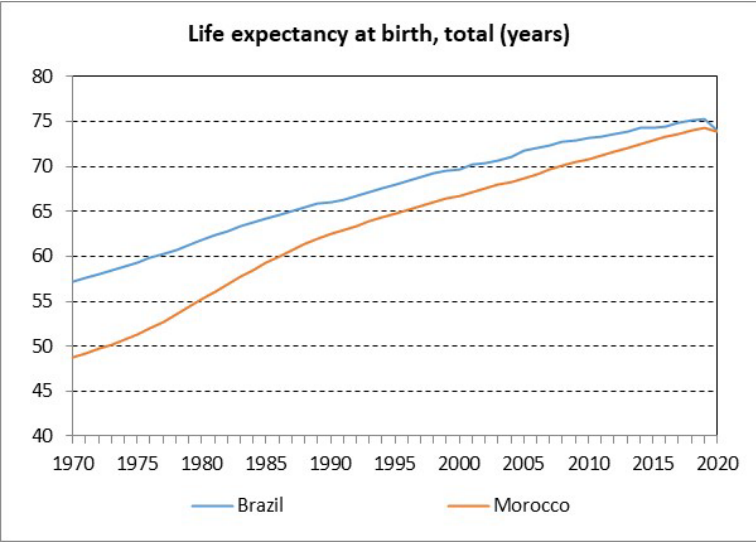
Source: Created by author based on World Bank (2023).

² The data in this paragraph is based on World Bank (2023).

As shown in Figure 1, Brazil’s PPP adjusted GDP per capita was steadily increasing from 1991 to about 2012 with the exception of 2009. Brazil’s GDP per capita then peaked in 2013 at \$15,751 in constant 2017 international dollars. Since that peak, Brazil’s GDP per capita then briefly declined to about \$14,021 in constant 2017 international dollars in 2020 but quickly rebounded. Morocco’s GDP per capita adjusted for PPP has shown a very similar pattern but is consistently significantly less than that of Brazil’s. Morocco’s GDP per capita also steadily increased during 1990-2021, but not as drastically. Morocco’s GDP per capita did experience its peak in 2019, when it reached \$8,217 in constant 2017 international dollars. Besides the similar trends, Morocco’s GDP per capita adjusted for PPP is usually about \$6,000 less than that of Brazil.

As shown in Figure 2, both Brazil and Morocco have experienced an increase in life expectancy between the years of 1970 and 2020. However, Morocco has seen a larger increase in life expectancy, despite having a life expectancy about nine years fewer in 1970, Morocco now has nearly the same life expectancy as Brazil. The average life expectancy in the world was 72.3 years in 2020,³ both Brazil and Morocco had slightly higher life expectancy in 2020 as Brazil’s was 74.0 years and Morocco’s was 73.9 years. Overall, both countries have above average life expectancy and have made strides in the past 50 years to improve this metric.

Figure 2: Life Expectancy at Birth (years), 1970-2020

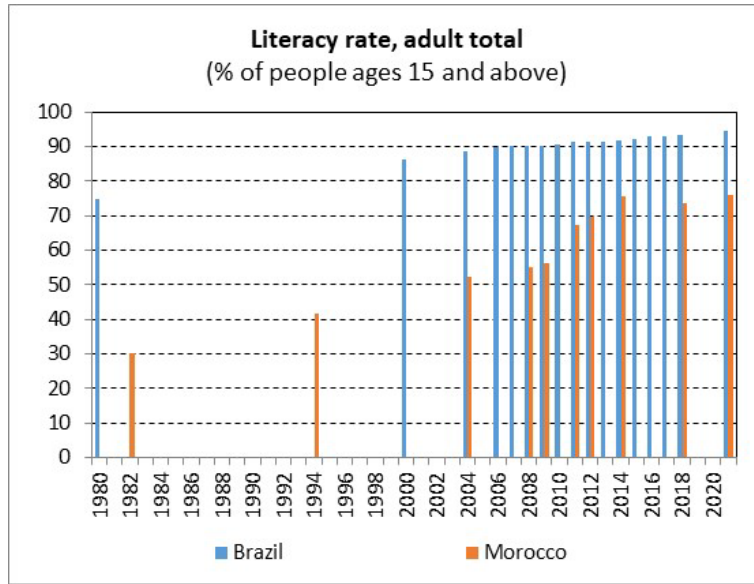


Source: Created by author based on World Bank (2023).

As shown in Figure 3, Brazil has consistently had a greater adult literacy rate than Morocco. However, both countries have improved their adult literacy rates over the last 40 years. When first recorded in 1980, Brazil had an adult literacy rate of about 74.6 percent. When last recorded in 2021, Brazil’s adult literacy rate improved to an incredible 94.3 percent. Morocco has also improved in this metric, increasing from just 30.3 percent when first recorded in 1982, to 75.9 percent in 2021. The world average adult literacy rate was 86.8 percent in 2020,⁴ hence Brazil is well above this average, but Morocco is nearly 11 percentage points below average in this metric.

³ World Bank (2023).
⁴ World Bank (2023).

Figure 3: Adult Literacy Rate (percent of people 15 years and above)



Source: Created by author based on World Bank (2023).

Across the three above-examined metrics both countries are, for the most part, heading in the right direction, however Morocco is with exception of life expectancy doing worse than Brazil.

IV. Analysis of Facts

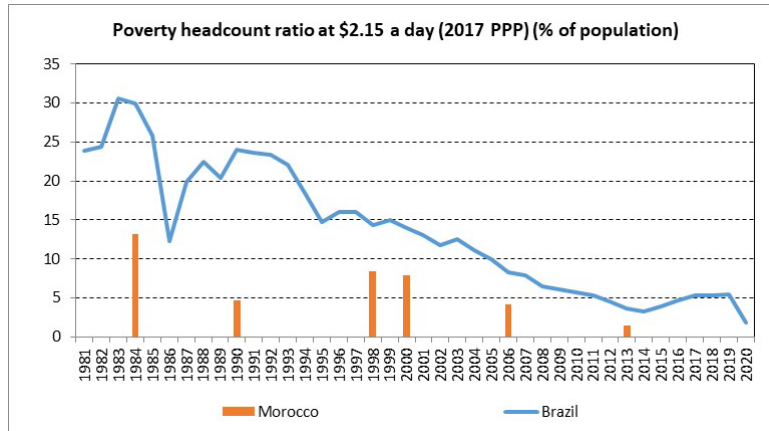
This analysis of facts is divided into two subsections. The first subsection will examine the evolution of poverty in both Brazil and Morocco based on the World Bank’s three headcount poverty measures. The second subsection will compare and contrast how poverty presents itself differently in these two countries and the different aspects that factor into play.

IV.1. Poverty Headcount Ratios

The World Bank currently uses three different poverty headcount ratios at \$2.15 a day, \$3.65 a day, and \$6.85, which are illustrated for the data of Brazil and Morocco in Figures 4 to 6, respectively. Using the \$2.15 a day poverty measure, which is also referred to as extreme poverty, Figure 4 shows that Morocco always had a lower percentage of its population living in extreme poverty than Brazil. Even though the last data point for Morocco is 2013, Figure 4 indicates that both countries were successful in close to eliminating extreme poverty. Only 1.9 percent of Brazil’s population lived in extreme poverty in 2020, compared to 30.6 percent in 1983. In Morocco, only 1.4 percent of the population lived in extreme poverty in 2013, compared to 13.2 percent in 1984.

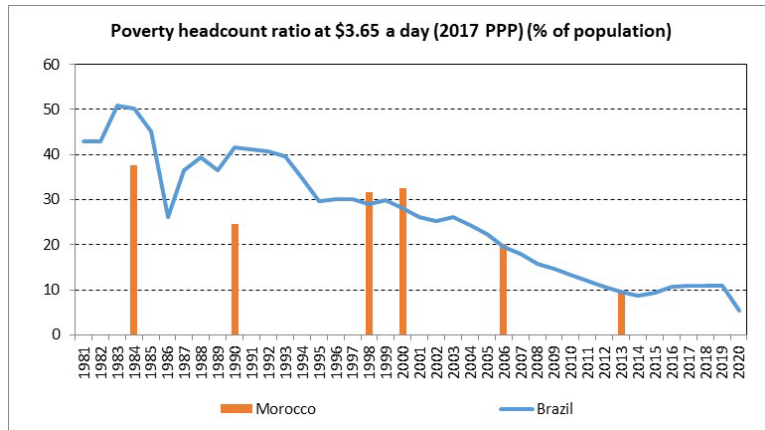
However, using the less extreme poverty measure of \$3.65 a day, Figure 5 shows that poverty has not been eliminated yet in either country, despite having made progress. In Brazil, 5.3 percent of the population lived at or below \$3.65 a day in 2020, compared to 50.9 percent in 1983. In Morocco, 9.8 percent of Morocco’s population lived at or below \$3.65 a day in 2013, compared to 37.6 percent in 1984.

Figure 4: People Living on \$2.15 or Less a Day (percent of population)



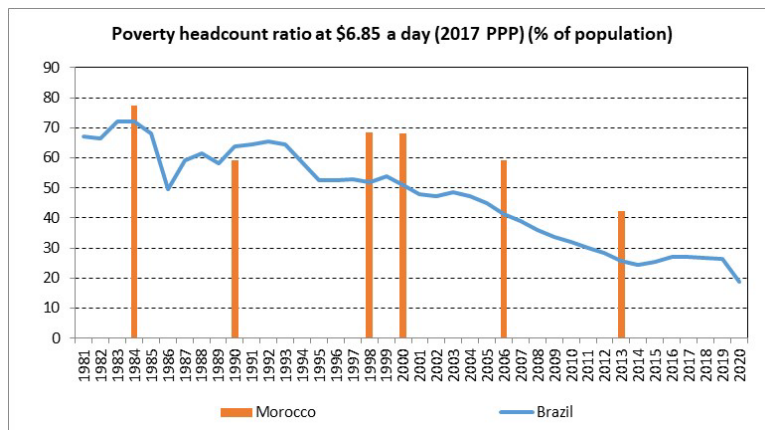
Source: Created by author based on World Bank (2023).

Figure 5: People Living on \$3.65 or Less a Day (percent of population)



Source: Created by author based on World Bank (2023).

Figure 6: People Living on \$6.85 or Less a Day (percent of population)



Source: Created by author based on World Bank (2023).

As shown in Figure 6, both Brazil and Morocco have had substantial portions of their populations live on \$6.85 or less a day in the past 40 years. Brazil peaked in this metric in 1984, when 72.2 percent of its population was living below this threshold of poverty. Brazil has significantly improved in this metric, as when last recorded in 2020 only 18.7 percent of Brazil's population fell in this categorization.

Morocco has also lowered poverty based on this metric, though less so than Brazil. Morocco peaked in this metric when first recorded in 1984, with a staggering 77.2 percent of the population falling in this classification of poverty. After reducing the percentage of its population living at or below \$6.85 a day to just below 60 percent in 1990, nearly 70 percent of Morocco's population lived at or below \$6.85 in 1998 and 2000. When last recorded in Morocco in 2013, this statistic fell to 42.1 percent. While that certainly is an improvement, almost half of the Moroccan population still lives at or below \$6.85 a day.

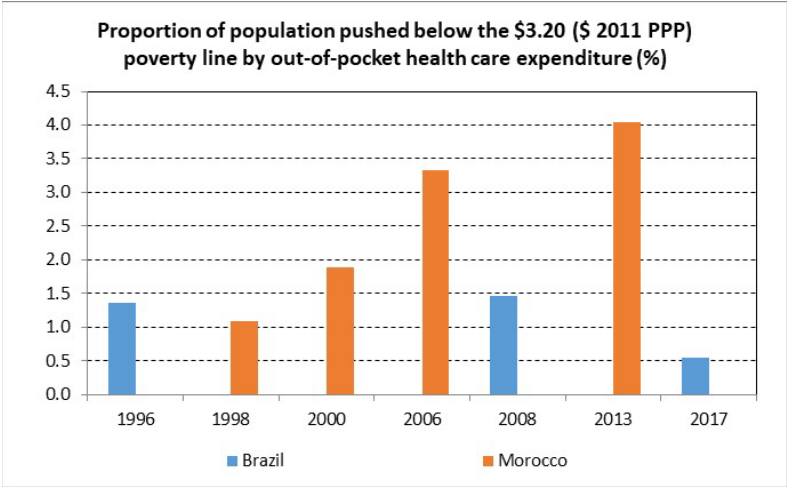
Comparing Figures 4, 5 and 6 with each other, we can see that Morocco is doing better than Brazil with the extreme poverty measure but is doing worse than Brazil with the highest dollar poverty indicator. For the extreme poverty measure of \$2.15 a day, Morocco has always lower poverty levels than for the same years in Brazil. For the moderate poverty measure of \$3.65 a day, among the six data observations available for Morocco, Morocco has a.) twice lower poverty levels than Brazil (in 1984 and 1990), b.) twice nearly identical poverty levels (in 2006 and in 2013), and c.) twice higher poverty levels (in 1998 and in 2000). For the \$6.85 poverty indicator, Morocco's poverty level is always higher than for the same years in Brazil.

IV.2. Dimensions of Poverty

Poverty is a multidimensional issue and needs to be approached as such. A primary dimension that causes poverty in Morocco is their disastrous healthcare system, as mentioned earlier in the literature review section of this article. As shown in Figure 7, when first recorded in 1998, about 1.1 percent of Moroccans reported to have been pushed below the \$3.20 poverty line due to out-of-pocket health care expenditure. When last recorded in 2013, about 4.1 percent of the population fell in this category. While this may not seem like a significant number, that percentage is among the entire population of the country and only represents one aspect that has pushed citizens into poverty. It is quite apparent by this data that the poverty crisis in Morocco cannot be properly addressed without an improvement in the healthcare system.

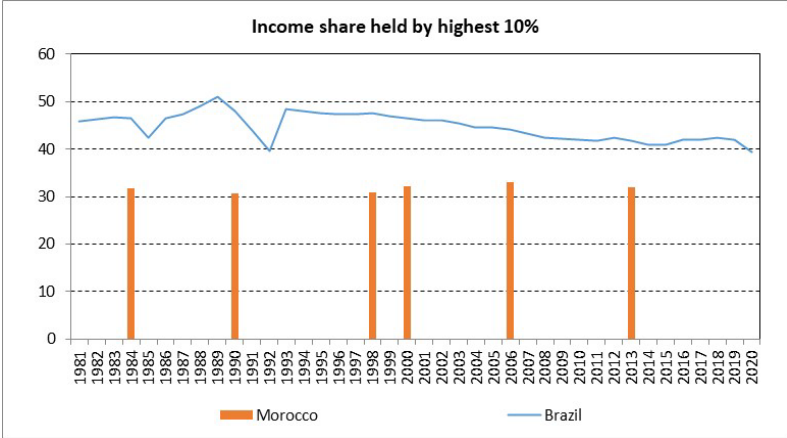
As shown in Figure 7, health care is a significant cause of poverty in Morocco, however that is not the case in Brazil. One of the primary contributors to poverty in Brazil is the country's struggle with economic inequality. As shown in Figure 8, in 1989, at its height, the wealthiest 10 percent of the population in Brazil made 51.1 percent of the income. This means the top 10 percent got more than half of the nation's income. This severe level of inequality makes a society extremely vulnerable to high levels of poverty. Brazil has made some progress in this metric as, when last recorded in 2020, the number dropped to 39.4 percent. Although this is an improvement, this number is still much too high, and Brazil continues to struggle with an economic inequality crisis. Poverty in Brazil cannot be reduced until its severe economic inequality is first addressed.

Figure 7: Proportion of Population Pushed below the \$3.20 Poverty Line Due to Out-of-Pocket Health Care Expenditure (in percent)



Source: Created by author based on World Bank (2023).

Figure 8: Income Share Held by the Highest 10 Percent



Source: Created by author based on World Bank (2023).

V. Ethical Analysis

This ethical analysis will be divided into two subsections. The first subsection will examine the anti-poverty measures and programs implemented by the respective governments in Brazil and Morocco. The second section will go into depth regarding the ethical implications of poverty and the different ethical approaches necessary to adequately address the poverty crisis in these two countries.

V.1. Anti-Poverty Government Programs

Both Brazil and Morocco’s governments have acknowledged their respective poverty crises and have implemented several programs in attempts to alleviate this issue. Brazil’s most successful

program was called “Bolsa Familia.” The Bolsa Familia program in Brazil grants poverty-stricken families a monthly stipend equivalent to about \$30 US dollars in exchange for a commitment by the families to send their children to school and routine health checkups. There have been some critics of this program that claim some families have become over dependent on this system. However, critics have this complaint regarding nearly all social programs funded by the government, and as seen in the data previously displayed in this article, this program is incredibly necessary. This program, which was founded in 2003, successfully cut poverty in Brazil in half from 9.7 percent to 4.3 percent in its first 10 years of operation. In fact, this program was so successful that in 2013 over 120 delegates from around the world visited Brazil to learn about this program and how they could possibly implement similar programs in their own countries.⁵

Morocco has also found much success in reducing poverty through social programs, so much so that Morocco was UN’s Food and Agriculture Organization (FAO) in June of 2015 for achieving the first Millennium Development Goal (MDG) of reducing extreme poverty and hunger. Thanks to Morocco’s several programs, this goal was achieved two years ahead of schedule. One of such programs is called the Green Morocco Plan. This program massively increased the country’s agricultural production and profits by training rural farmers in “direct seeding” technology. Direct seeding is a highly efficient and effective method of planting seeds which protects soil from wind and erosion.

Another program that has contributed to reducing poverty is Morocco’s National Initiative of Human Development (INDH), founded in 2006. The INDH has invested \$6 billion in numerous anti-poverty programs. As a result of that large investment, the INDH has been responsible for assisting approximately 10 million Moroccans overcome poverty. This program’s incredible results were highly praised in 2010 by then UN Secretary-General Ban Ki-moon.

Another promising sign of progress are the several agreements the king of Morocco, King Mohammed VI, has signed with leaders of other African nations. These agreements have pledged an increased emphasis on improving infrastructure and access to medicine, water, and electricity for poor villages. As previously mentioned in this article, a significant amount of Morocco’s poor population lives in rural areas and does not have access to such resources, hence improvements in these areas would be a significant step in the right direction.⁶

Both Brazil and Morocco have implemented several government programs, which have had much success in the past, however both countries still have a long way to go to fully solve their poverty crises.

V.2. Ethical Approaches to Poverty

The term ethics has many different definitions and may mean different things to different people. However, most can agree that treating people ethically means treating them similarly and giving them access to the resources they need to be successful. Following this definition, poverty is an incredibly unethical issue, as it refers to a population of people who are deprived of opportunities and the basic resources that they need in order to live a decent and humane life.

With that outline established, several ethical approaches could apply to tackling the issue of poverty. The first of which could be the rights approach. The rights approach not only focuses on

⁵ Ceratti (2014).

⁶ Harrison (2015).

rights listed in a constitution, but also moral rights, human rights, and human dignity. Respecting a citizen's human rights or human dignity should mean they are granted fair access to water, food, shelter, education, and health care. Individuals experiencing poverty do not have access to these basic resources, therefore the rights approach does apply when addressing poverty.

The fairness and justice approach also applies to addressing poverty. The fairness and justice approach states that all individuals should be treated equally. Poverty certainly violates this concept as individuals experiencing poverty are often much more adversely affected by crises and governmental policies than other financially stable individuals. The fairness or justice approach is appropriate to use when addressing poverty, as individuals experiencing poverty are not treated equally nor are they allotted fair opportunities.

The third approach that applies to poverty is the common good approach. The common good approach is an approach in which the focus is on whether current social systems and institutions benefit the entire population. This approach is incredibly relevant to poverty, as countless institutions benefit only a select few, and those experiencing poverty are usually excluded from the benefits and services they provide. Poverty is, at its core, an incredibly unethical issue and any three of the above-mentioned ethical decision approaches could be utilized when attempting to address this crisis.

VI. Conclusion

When considering the incredible technological, medical, and economic advancements the West and the rest of the developed world have made, it is very easy to forget that poverty still remains a tremendous issue in much of the world. Two countries still attempting to grapple with this issue are Brazil and Morocco. As mentioned in section III of this article, although these countries could not be more different in size, they do experience similar trends in most metrics such as GDP per capita, just certainly on different scales.

As outlined in this article, although both countries are faced by the same issue, poverty is presented very differently in these respective countries. As examined in section IV poverty in Brazil is primarily driven by severe economic inequality. In Morocco, the poverty crisis is exacerbated by the rural location of the countries' poor population, which causes many challenges such as access to education and health care. Lastly, section V outlined the promising social programs both countries have in place that have proved to be quite successful. There is reason for hope, as both countries are trending in the right direction and have numerous effective social programs in place to combat the poverty crisis.

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