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Referência

The launching of the “Zero Hunger Project – a proposal for a food security policy for Brazil” in October 2001 by the then candidate for the presidency Luiz Inácio Lula da Silva reflected the maturing of discussions and proposals on food security and fighting hunger, which became national priorities to be addressed through planned and decisive actions of the State with social participation.

With the electoral victory of President Lula in 2003, the Zero Hunger project became the main governmental strategy guiding economic and social policies in Brazil and marked the beginning of an inflection that left behind an old dichotomy between them. Actions began to be taken to integrate structural policies into emergency policies to fight hunger and poverty. New, differentiated policies for family farming were implemented and basic legislation was built for the national food and nutrition security policy.

This book is part of the NEAD Debate Series (Série NEAD Debate) and it presents some fundamental texts for one to understand the Brazilian experience with the Zero Hunger Program at different moments of its implementation over an eight-year period as a Government Program, bringing together reflections on different aspects of the process, such as the mobilization of different segments of society around it, the role of family farming, advances and challenges, among others.

Editors:
José Graziano da Silva
Mauro Eduardo Del Grossi
Caió Galvão de Franca

Food and Agriculture Organization of the United Nations (FAO)
THE FOME ZERO (ZERO HUNGER) PROGRAM
THE BRAZILIAN EXPERIENCE
THE FOME ZERO
(ZERO HUNGER)
PROGRAM
THE BRAZILIAN EXPERIENCE

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This chapter describes the evolution of poverty according to the poverty concept adopted by the Zero Hunger Program, with emphasis on family farming.

In the previous chapters, different public actions and policies implemented under the Zero Hunger Program were reported and their evolution since the program was launched, in 2003, was described in detail. Obviously, poverty levels are not exclusively determined by policies directly implemented under the Zero Hunger Program, but also by the Brazilian macroeconomic conditions. However, since its initial design stages, the program contemplated structural policies of a macroeconomic nature, such as job and income generation policies, universal social security, minimum income, agrarian reform and incentives to family farming.

One of the main merits of the program was the fact that it combined different public policies, making it impossible to assess the impact of a specific action or of a set of actions. Therefore, the impact of the Zero Hunger Program will not be evaluated in this chapter, but rather the evolution of poverty among the Brazilian population according to the methodology adopted by the program. As pointed out in the diagnostic and design phase of the Zero Hunger Program, poverty rates in Brazil provide a strong indicator of the food and nutrition security of the Brazilian population.

Definition of the Population Facing Food Insecurity

To estimate its audience, the Zero Hunger Program developed a methodology based on the poverty line (PL) as defined by the World Bank, of US$ 1.00 a day, adapted to Brazilian conditions. To take into account the effect of different costs of living in distinct Brazilian regions, the poverty line was regionalized based on rural areas of the northeast region and on cost-of-living differentials ob-
served in metropolitan areas, non-metropolitan urban areas, and rural areas in the other Brazilian regions. The weighted average poverty line for the population of each region was R$ 68.48 in 1999 figures, when this methodology was developed.

In addition to this regionalization exercise, the income of families indicating that part of the food they consumed came from their own agricultural production was adjusted. In total, the self-consumption percentage amounted to only 1.2% of the declared income of all families, although it represents a proportion of 17.3% of the families that declared to be “self-employed” in agricultural activities. Some items which account for “overhead costs,” such as rent and real estate installment payments, were deducted from the total household income of the families1.

Up till 2004, the National Household Sample Surveys (PNADs) carried out by the Brazilian Institute for Geography and Statistics (IBGE) did not cover rural areas in the states of Acre, Amazonas, Amapá, Pará, Roraima and Rondônia.

In 1999, the project estimated the number of poor people proportionally to the 2000 Demographic Census. Since 2004, the PNADs began to cover these states and for this work it used the percentage of poor people observed in 2004 to estimate their number in 2001-2003, thus preserving their comparability with the original methodology.

Another detail of the methodology adopted by the Zero Hunger Project is that it excluded all families of employers from among poor people, i.e. it was considered that the few families of employers with a per capita income below the poverty line – about 70,000 families in 1999 – were likely to had under-reported their income, for which reason they were included in the group of non-poor families.

Using this methodology, the number of people facing food insecurity was calculated at 44 million:

The data suggest a potential audience of 44.043 million people belonging to 9.324 million families (1999). This poor population accounts for 21.9% of the families and for 27.8% of the country’s total population divided as follows: 19.1% of the population of metropolitan regions, 25.5% of the population of non-metropolitan urban areas, and 46.1% of the population of rural areas. In absolute figures, the results are as follows: 9.003 million, 20.027 million and 15.012 million people for each area of residence (Zero Hunger Project, 2001, p. 74).

1. For a full description of the methodology, see TAKAGI, GRAZIANO DA SILVA and DEL GROSSI, 2001.
Let us now check what happened to poverty after the Zero Hunger Program was launched, in 2003, using the program’s original methodology. For this purpose, the same poverty line adopted by the 1999 National Household Sample Survey will be used, indexing the figures according to the INPC (National Consumer Price Index). The source of this information are the PNADs until the latest one available, carried out in 2009.

The results are shown in Graph 1: Brazil had 29.6 million people below the poverty line used by the Zero Hunger Program in 2009. The results also show that poverty continued to grow in Brazil until 2003, when the Zero Hunger Program began to be implemented. In 2003, the country was also facing a serious exchange-rate and balance-of-payments crisis inherited from past administrations which pushed unemployment rates up. However, this trend was reverted as of 2003, when poverty levels began to drop continuously and sharply. Altogether, over 20 million people were removed from poverty between 2003 and 2009.

In proportional terms, the poverty rate rose from 27.8% in 1999 to 28.1% in 2003, and then it dropped sharply to 15.4% in 2009 (Graph 2).

2. For more details on the methodology, see DEL GROSSI, GRAZIANO DA SILVA and TAKAGI, 2001
Table 1 – Evolution of poor people according to the criteria adopted by the Zero Hunger Program and location of the household, Brazil (thousand people)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>People</td>
<td>Poverty rate</td>
<td>People</td>
<td>Poverty rate</td>
</tr>
<tr>
<td>Metropolitan</td>
<td>9.003</td>
<td>19.1%</td>
<td>12.208</td>
<td>22.0%</td>
</tr>
<tr>
<td>Urban</td>
<td>20.027</td>
<td>25.5%</td>
<td>24.598</td>
<td>26.1%</td>
</tr>
<tr>
<td>Rural</td>
<td>15.012</td>
<td>42.7%</td>
<td>13.299</td>
<td>45.4%</td>
</tr>
<tr>
<td>Brazil</td>
<td>44.043</td>
<td>27.8%</td>
<td>50.105</td>
<td>28.1%</td>
</tr>
</tbody>
</table>

Source: DEL GROSSI, based on the PNADs/IBGE.

The number of poor people decreased more sharply in urban areas, where almost 10 million people were removed from poverty (Table 1), followed by metropolitan regions, where a reduction of 5.6 million people was observed, and rural areas, with a reduction of 5.1 million people. Proportionally, however, the greatest reductions in poverty rates took place in rural areas, where they declined by over 14%.

The northeast region was the one where the sharpest reduction in the number of poor people was observed: 9 million people were removed from poverty between 2003 and 2009 (Table 2). The southeast region ranked second, with 6.5 million people removed from poverty (Graph 3), particularly in metropolitan areas, where a reduction of almost 2.9 million people was registered.
Graph 3 – Evolution of the poverty rate according to the criteria adopted by the Zero Hunger Program. Regions of Brazil, 1999-2009

Table 2 – Evolution of poor people according to the criteria adopted by the Zero Hunger Program and location of the household. Brazil (thousands of people and families)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>People</td>
<td>Families</td>
<td>People</td>
<td>Families</td>
<td>People</td>
<td>Families</td>
<td>People</td>
<td>Families</td>
</tr>
<tr>
<td>North</td>
<td>Meteoropanic</td>
<td>3,813</td>
<td>725</td>
<td>5,351</td>
<td>1,029</td>
<td>3,591</td>
<td>741</td>
<td>-1,760</td>
</tr>
<tr>
<td></td>
<td>Urban</td>
<td>2,394</td>
<td>453</td>
<td>3,066</td>
<td>598</td>
<td>2,104</td>
<td>442</td>
<td>-962</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>1,133</td>
<td>216</td>
<td>1,721</td>
<td>310</td>
<td>1,136</td>
<td>216</td>
<td>-584</td>
</tr>
<tr>
<td>Northeast</td>
<td>Metropolitan</td>
<td>21,873</td>
<td>4,455</td>
<td>24,512</td>
<td>5,181</td>
<td>15,491</td>
<td>3,562</td>
<td>-9,021</td>
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<tr>
<td></td>
<td>Urban</td>
<td>9,440</td>
<td>2,013</td>
<td>12,044</td>
<td>2,600</td>
<td>7,768</td>
<td>1,796</td>
<td>-4,275</td>
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<tr>
<td></td>
<td>Rural</td>
<td>9,452</td>
<td>1,803</td>
<td>8,533</td>
<td>1,680</td>
<td>5,566</td>
<td>1,228</td>
<td>-2,968</td>
</tr>
<tr>
<td>Southeast</td>
<td>Metropolitan</td>
<td>11,491</td>
<td>2,583</td>
<td>13,653</td>
<td>3,197</td>
<td>7,077</td>
<td>1,823</td>
<td>-6,576</td>
</tr>
<tr>
<td></td>
<td>Urban</td>
<td>4,632</td>
<td>1,035</td>
<td>5,788</td>
<td>1,373</td>
<td>3,033</td>
<td>788</td>
<td>-2,756</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>2,423</td>
<td>483</td>
<td>1,779</td>
<td>371</td>
<td>819</td>
<td>184</td>
<td>-2,968</td>
</tr>
<tr>
<td>South</td>
<td>Metropolitan</td>
<td>4,402</td>
<td>993</td>
<td>3,803</td>
<td>890</td>
<td>1,986</td>
<td>511</td>
<td>-1,817</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>1,383</td>
<td>293</td>
<td>768</td>
<td>175</td>
<td>421</td>
<td>102</td>
<td>-346</td>
</tr>
<tr>
<td>Mid-west</td>
<td>Metropolitan</td>
<td>2,463</td>
<td>568</td>
<td>2,786</td>
<td>652</td>
<td>1,429</td>
<td>377</td>
<td>-1,357</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>621</td>
<td>138</td>
<td>498</td>
<td>113</td>
<td>214</td>
<td>53</td>
<td>-284</td>
</tr>
<tr>
<td>Brazil</td>
<td>Metropolitan</td>
<td>44,043</td>
<td>9,324</td>
<td>50,105</td>
<td>10,949</td>
<td>29,574</td>
<td>7,014</td>
<td>-20,531</td>
</tr>
<tr>
<td></td>
<td>Urban</td>
<td>20,027</td>
<td>4,324</td>
<td>24,589</td>
<td>5,446</td>
<td>14,864</td>
<td>3,544</td>
<td>-9,734</td>
</tr>
<tr>
<td></td>
<td>Rural</td>
<td>15,012</td>
<td>2,933</td>
<td>13,299</td>
<td>2,648</td>
<td>8,157</td>
<td>1,783</td>
<td>-5,141</td>
</tr>
</tbody>
</table>

Source: DEL GROSSI, based on the PNADs/IBGE.
FAMILY FARMING

As mentioned in the preceding chapters, the Zero Hunger Program was organized around four axes: access to food products, strengthening of family farming, income generation, and social articulation, mobilization and control. The project was designed to increase local food production while providing incentives to family farmers, traditional suppliers of food to the poor population:

A key consideration of the Zero Hunger Project is the need to resume an agricultural policy in Brazil capable of providing true incentives to family farming with the aim of increasing food production and ensuring better protection to low-income farmers. This can be achieved through a set of policies that combine: agricultural income insurance; priority to domestic production, relying on imports only when there are harvest failures; incentives to public research to make it possible for small farmers to use appropriate technologies, in combination with an effective technical assistance policy; an effective credit policy linked to the development of marketing channels; incentives to setting up cooperatives to protect nature and the landscape, among other measures (Zero Hunger Project, p. 87).

Apart from implementing public policies intended to increase the purchasing power of the poorest population segments, it was necessary to break the vicious circle of hunger by providing incentives to family farming, which apart from producing basic food items can create local virtuous cycles in terms of occupation and income.

Some figures will now be presented\(^3\) to show the importance and dimensions of family farming in Brazil. In 2006, the last Agriculture/Livestock Census carried out by IBGE indicated that there were 5,175,489 agricultural/livestock establishments in Brazil in that year, 4,367,902 of which were identified as belonging to family farmers\(^4\), meaning that they account for 84% of all Brazilian agricultural/livestock establishments (Table 3). Despite their numerical importance, they occupy an area of a little over 80 million hectares, equivalent to 24% of the area occupied by all establishments. Although they account for only 16% of all establishments, non-family establishments occupy 76% of the areas occupied by all of them.

\(^3\)Based on FRANÇA, DEL GROSSI and MARQUES, 2009.
\(^4\) According to the criteria of Law n. 11,326 of 2006, which defines the category of family farmers in Brazil.
Almost three-fourths of all occupied people in rural areas (a little over 12 million people) work in family establishments, while only 4.2 million people work in non-family establishments. The significant use of labor in family establishments shows their importance in terms of generating occupations in rural areas.

Although they occupy only 24% of the area, family establishments account for 38% of the gross production value and for 34% of all revenues in rural areas. Family farming generates R$ 677/ha and non-family farming generates only R$ 358/ha. Family farming is also more labor-intensive: it occupies more than 15 people per each 100 ha, while non-family farming occupies less than 2 people per 100 ha (DEL GROSSI and MARQUES, 2010, p. 16).

The indicators mentioned above indicate that family establishments make better and more intensive use of the land. Family farming is also a direct supplier of food items typically consumed in Brazil: it accounts for 87% of all the cassava, 70% of all the beans, 46% of all the corn, 54% of all the rice, 59% of all the pork, 50% of all the poultry, 30% of all the beef and 58% of all the milk produced in the country. The results show the strategic role played by family farming in guaranteeing food and nutrition security for the Brazilian population.

Considering the dimensions of family farming in the country, the need to involve it in the Zero Hunger Program was obvious. Let us now consider the evolution of public policies designed to strengthen family farming in Brazil.

### Table 3 – Characterization of agricultural/livestock establishments according to the classification of family farming provided for in Law n. 11,326. Brazil, 2006

<table>
<thead>
<tr>
<th>Features</th>
<th>Family Farming</th>
<th>Non-Family Farming</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Value</td>
<td>%</td>
</tr>
<tr>
<td>Number of establishments</td>
<td>4,367,902</td>
<td>84%</td>
</tr>
<tr>
<td>Area (million ha)</td>
<td>80.3</td>
<td>24%</td>
</tr>
<tr>
<td>Labor (million people)</td>
<td>12.3</td>
<td>74%</td>
</tr>
<tr>
<td>Production value (R$ billion)</td>
<td>54.4</td>
<td>38%</td>
</tr>
<tr>
<td>Revenue (R$ billion)</td>
<td>41.3</td>
<td>34%</td>
</tr>
</tbody>
</table>

Source: DEL GROSSI and MARQUES, 2010.
NATIONAL PROGRAM FOR THE STRENGTHENING OF FAMILY FARMING (PRONAF)\textsuperscript{5}

This is the largest and most comprehensive action in support of family farmers in Brazil, through which agricultural and non-agricultural credit is granted to them at low interest rates. Since 2003, more than 10 million credit contracts were signed and R$ 52 billion were made available for agricultural credit, accounting for 85% of all funds earmarked for the Pronaf since it was launched.

INCOME AND CLIMATE INSURANCE FOR FAMILY FARMING

Most of the Pronaf operations are supported by the Price Guarantee Program for Family Agriculture (PGPAF), which ensures a discount in financing contracts proportionally to drops in prices during the harvest marketing season. This covers 35 products at the moment, and the discounts can be as high as R$ 5,000 per farmer. Considering that the PGPAF is linked to marketing prices, this program is essentially an income guarantee program in credit operations involving family farmers. It has been applied to 500,000 contracts per harvest in average, granting an average discount of R$ 1.2 thousand in Pronaf contracts.

Since the 2004-2005 harvest, losses caused by climatic events have been in turn covered by the Family Farming Insurance (Seaf), which apart from ensuring the settlement of loans granted under Pronaf also makes available an additional 65% of the net revenue expected from the undertaking in question. The scheme ensures that farmers will not become indebted and that they will also have an income to make ends meet until the following harvest. The insurance scheme also involves technical assistance to manage risks in family farming and the promotion of appropriate technologies, such as the adoption of preventive measures against adverse agro-climatic events. This climate insurance is only applied to agricultural defrayal contracts, protecting 600,000 contracts per harvest in average, but there are plans to extend it to investment contracts as well.

\textsuperscript{5} For more details, see the chapter by PERACI and BITTENCOURT.
FAMILY AGRICULTURE FOOD ACQUISITION PROGRAM (PAA)

Implemented in 2003, this program has a twofold objective: stimulate food production by family farmers and the establishment of food stocks and schemes for distributing food to people facing food insecurity. The products are also distributed to schools, hospitals and charities.

HARVEST INSURANCE

This is an action designed to protect farmers in the Brazilian semi-arid region when adverse climatic events occur. For this purpose, a fund (the Harvest Insurance Fund) was established with the participation of the federal, state and municipal governments which is relied upon when catastrophes caused by droughts or excessive rains hit and cause losses exceeding 50% in corn, bean, cotton, rice and cassava crops of family farmers in the Brazilian semi-arid region. The Fund ensures a payment of R$ 550.00 to each affected family as financial support until the next harvest.

OTHER POLICIES IN SUPPORT OF RURAL DEVELOPMENT

Although they are not part of the Zero Hunger strategy, other policies intended to promote sustainable rural development are worth mentioning at this point. Among them, the following ones stand out for their timeliness and relevance:

AGRARIAN REFORM

Despite Brazil’s continental dimensions, inequalities in land distribution are a heritage of its territorial occupation model. The Gini index for land distribution among agricultural/livestock establishments amounted to 0.854 in 2006. Analyzing agricultural/livestock establishments by size, one sees that 47,000 (5%) of them have areas of 1,000 ha or more and occupy 146 million hectares (44% of the total area), while the establishments with less than 100 ha total 4.4 million (86%) and occupy less than 71 million hectares (21% of the total area). Agrarian reform policies were thus devised to reduce these disparities and strengthen family farming.
In the period between 2003 and 2009, 574,532 families were settled in over 47.7 million hectares under 3,386 projects that account for approximately 62% of all settlements established in the past 39 years. For these results to be achieved, R$ 7 billion were invested in the past seven years in buying land, apart from other investments.

A Land Credit policy is another element of the national agrarian reform plan, the purpose of which is granting long-term loans to family farmers for them to either buy land or increase their areas. Between 2003 and 2009, 74,000 families were granted loans amounting to R$ 1.9 billion to buy 1.3 million hectares.

**LEGAL LAND PROGRAM IN THE LEGAL AMAZON REGION**

Launched in June 2009, this program is aimed at regularizing the occupation of federal public lands located in the Legal Amazon region and at promoting territorial organization in the region. Land occupation in the Legal Amazon region is characterized by precarious or no legal recognition, giving rise to land conflicts often marked by violence. There were 58 million hectares (11% of the Legal Amazon region) of federal land not set apart for any specific purpose in the region, with approximately 158,000 occupations to be regularized in these areas.

The implementation of the Legal Land Program was provided for in Law n. 11,952/2009, which simplified procedures for regularizing the occupation of federal land in the Legal Amazon region for areas with up to 1,500 hectares. Almost 4.5 million hectares of land occupied by more than 26,000 people have been regularized already in 261 municipalities. The first title deeds to land granted under the program have benefited 270 occupants already.

In addition to the need to regularize the situation of the farmers who occupy these areas, about 170 municipalities are located in urban areas fully included in non-regularized federal land, making it difficult to charge taxes and provide services to their dwellers. These areas will be transferred to the municipalities, which in turn will regularize the real property titles of their inhabitants.

**TECHNICAL ASSISTANCE AND RURAL EXTENSION**

The provision of Technical Assistance and Rural Extension
(Ater) services is key for public policies to benefit communities and rural establishments. In the 1990s, the Rural Extension System was almost completely dismantled and was only preserved in some states of the country. In 2003, the technical assistance and rural extension policy was resumed, expanded and improved. Between 2003 and 2009, approximately R$ 1.5 billion were invested to assist 2.5 million families. Currently, there are 548 organizations registered with the Ministry of Agrarian Development (MDA) that provide technical assistance and rural extension services with a staff of 23,000 technical experts in all the Brazilian states.

THE “TERRITORIES OF CITIZENSHIP” PROGRAM

Launched in February 2008, the Territories of Citizenship Program (PTC) is focused on addressing poverty in rural areas through a sustainable territorial development strategy. For this purpose, the program is based on plans developed in areas defined as territories and relies on the participation of civil society to try and integrate the actions of the federal administration and of state and municipal governments. In 2009, the program covered 120 territories in all the units of the federation, comprising 1,852 municipalities and 13.1 million people in rural areas, who account for 46% of all the Brazilian rural population, 67% of all people settled under the agrarian reform program, 66% of all Quilombo communities, 52% of all indigenous lands, 54% of all fishermen and 46% of all families of family farmers of Brazil. At federal level, the joint effort of agencies and organizations made it possible to structure, in 2009, a matrix of 200 governmental actions to be carried out in the 120 territories with funds amounting to R$ 24.6 billion, including some of the actions contemplated in the Zero Hunger strategy mentioned above. In 2010, an additional R$ 27 billion will be invested in these actions.

EVOLUTION OF POVERTY IN RURAL AREAS

Considering the rural development policies mentioned above, let us now check the situation of rural families. This text uses only two indicators: the poverty rate and the household income composition.

6. For more details, see the chapter by França.
It was mentioned above that over 5 million people were removed from poverty in rural areas, in which the most significant drop in poverty rates was observed. But was this poverty reduction homogeneous in all rural segments?

With the aim of understanding the dynamic of rural areas, the population living in rural areas and part of the urban population engaged in agricultural activities were considered. For this purpose, economically active families were classified under the following categories:

- **Family farming**: comprises families engaged in an agricultural undertaking, whether they own land or not, living in an urban or rural area. According to the Pronaf rules, these families can hire up to two permanent employees.

- **Industrial farming**: families with access to an agricultural undertaking with three or more permanent employees living in an urban or rural area.

- **Non-rural agricultural families**: families of employers or self-employed people whose members are engaged in non-agricultural activities although they live in a rural area.

- **Rural wage-earners**: families that live off the labor of their members. For simplification purposes, both agricultural wage-earners (living in an urban or rural area) and non-agricultural wage-earners living in a rural area were considered.

The results of this classification can be seen in table 4. A significant poverty reduction was observed among the families of fam-

<table>
<thead>
<tr>
<th>Type of families</th>
<th>Number of people</th>
<th>Number of people</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family farming</td>
<td>7,709</td>
<td>3,570</td>
</tr>
<tr>
<td>Industrial farming</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Non-agricultural rural families</td>
<td>998</td>
<td>575</td>
</tr>
<tr>
<td>Rural wage-earners</td>
<td>7,855</td>
<td>4,662</td>
</tr>
</tbody>
</table>

1. Includes families of employers and of self-employed, non-agricultural or pluriactive workers.
2. Includes agricultural and pluriactive families (in rural or urban areas) and non-agricultural families living in rural areas.
Note: does not includes rural families in the states of Acre, Amazonas, Amapá, Pará, Rondônia and Roraima, which only began to be counted as of 2004.

7. Agricultural activities refer to the generic meaning of the term and include livestock, extractivism, forestry and fishing activities.
Family farmers: 759,000 of them were removed from poverty. In terms of number of people, this reduction amounted to over 4 million people, which represents a drop from 41% to 24% in this group’s poverty rate. This is the occupational category for which the sharpest reduction in the number of poor people was registered.

The second category that experienced a significant drop in the number of poor was that of rural wage-earners, in which over 3 million people from 624,000 families were removed from poverty between 2003 and 2009. Despite a major reduction in the number of poor people in general, rural wage-earners account for the majority of poor people in Brazilian rural areas, with a little less than 1 million poor families, representing 20% of all families of rural wage-earners.

When sources of income for the different types of families are broken down, a significant increase in labor income is observed (Table 5). In family farming, the average agricultural income increased by R$ 107.00, representing a real gain of 17%, and non-agricultural income grew by R$ 102.00 in average (real gain of 43%).

<table>
<thead>
<tr>
<th>Type of families</th>
<th>Average agricultural income</th>
<th>Average non-agricultural income</th>
<th>Average household income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Family farming</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>620</td>
<td>727</td>
<td>17%</td>
</tr>
<tr>
<td>Industrial farming</td>
<td>7,528</td>
<td>7,249</td>
<td>-4%</td>
</tr>
<tr>
<td>Non-agricultural rural families1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rural wage-earning families2</td>
<td>322</td>
<td>396</td>
<td>23%</td>
</tr>
</tbody>
</table>

1. Includes families of employers and self-employed, non-agricultural or pluriactive workers.
2. Includes agricultural and pluriactive families (in rural or urban areas) and non-agricultural families living in rural areas.

Note: does not include rural families in the states of Acre, Amazonas, Amapá, Pará, Rondônia and Roraima, which only began to be counted as of 2004. Figures indexed by the INPC index.
Source: Figures of National Household Sample Surveys processed by the author.

The increase observed in agricultural and non-agricultural income accounted for 58% of the total increase in the family farming income, i.e. the increase in incomes of all categories (labor income and governmental cash transfers – retirement pensions and Bolsa Família program) played a major role in promoting a significant reduction in poverty among family farmers, but labor income was the one that contributed the most to increasing the income of these farmers’ families.
Table 5 also shows that both the agricultural (23%) and non-agricultural (45%) income of rural wage-earners increased in real terms. These two sources explain 72% of the increase observed in the income of families of wage-earners, but because rural agricultural wages are very low historically, even the average increase of R$ 74.00 in agricultural income and of R$ 143.00 in non-agricultural income were not sufficient to remove more wage-earning families from poverty.

The fact that the labor income of rural families was the one that increased most shows that they experienced virtuous cycles of occupation, job and income generation. These results strongly suggest that the assumption of the Zero Hunger Program was correct: cash transfer programs such as the Bolsa Família program were important and played a major role in enhancing demand in local markets, boosting economies that were stagnated before.

**Final Considerations**

This paper described the evolution of poverty and, consequently, of food and nutrition security according to the criteria adopted by the Zero Hunger Program. Between 2003 and 2009, over 20 million people were removed from poverty, particularly in rural areas, where 5 million people found a way out of it.

Since it was launched, in 2003, the program required intense efforts from the government to break the vicious circle of hunger and poverty. The figures for the different programs implemented over recent years showed that these efforts were continuous and consistent with their initial objectives.

The combination of different cash transfer policies (emergency policies) to boost local consuming markets and stable macroeconomic conditions ensured positive results, as observed in Brazil’s rural areas.

In the family farming sector, over 4 million people have crossed the poverty line upward. Among rural wage-earners, 624,000 families were removed from poverty, but 17% of the wage-earning families are still below the poverty line.

Among income sources, the income from agricultural and non-agricultural work was the one that accounted for most of the increase observed in the income of family farmers and rural wage-
earners. The support provided to family farming and local development, combined with cash transfers, generated virtuous cycles of income generation and assured citizenship rights locally. The increase observed in labor income confirms this positive performance.

Obviously, despite the advances registered since 2003, many challenges still remain, and perhaps the greatest one lies in the fact that 29.5 million people are still considered poor in Brazil.

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