

Abstract

Critics of Lula's administration argue that business has greatest weight in setting its priorities and that anti-poverty programmes based on conditional cash transfers have little long-term structural impact on social inequality. Yet the coherence and scope of these programmes is now an order of magnitude greater than under the previous administration, their impact on poverty has so far proved sustainable, and poor people themselves often express satisfaction with them. This paper argues that critics who see retreat from universal social benefits as undermining political commitment to reducing social inequality underestimate the countervailing force of the capacity of some poor communities to seize the opportunities that have emerged to oblige politicians to reengage with both poverty and the roots of social injustice. Analyses that focus solely on economic precariousness and the decline of sociability are ignoring the ways in which third sector activity and social change have produced new kinds of political actors and group identities, particularly amongst young people, that may be ambivalent in nature but indicate that levels of politicisation are not being reduced. Nevertheless, optimism about poverty reduction needs to be tempered by appreciation of how problems of violence and insecurity also shape state interventions in, and in some cases virtual withdrawal from, poor communities. The rationality of party politics may have a more negative effect on securing the longer-term patterns of public investment required to reduce social inequality than it has had on the administration of the Bolsa Familia programme. In the case of Salvador, Bahia, where urban real estate interests remain as politically influential as ever, change will depend on the strength of pressures from above and below on municipal and state governments, but although anti-poverty programmes help keep people invested in the political system, they can also increase aspirations for greater economic and racial equality.

Keywords:

Brazil, Conditional cash transfers, Urban poverty, Economic and racial inequality, Grassroots engagement, Party politics

John Gledhill is Max Gluckman Professor of Social Anthropology and Co-Director of the Centre for Latin American and Caribbean Studies, the University of Manchester.

Maria Gabriela Hita is Adjunct Professor of Sociology at the Federal University of Bahia and director of the research project, *Poverty, Social Networks and Mechanisms of Social Inclusion/Exclusion*, funded by the Brazilian Centre for Analysis and Planning (CEBRAP) and the Bahian State Foundation for Research Support (FAPESB).