

# THE REFORM OF THE BRAZILIAN STATE APPARATUS A RHETORIC ANALYSIS

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## 1: Introduction

This article analyses the proposal for institutional reform of Brazil State's apparatus<sup>1</sup>. It intends to explain how this issue developed in terms of the national agenda and identify the administrative doctrines and rhetorical strategies adopted to make it feasible. "Reforms are processes of reasoned argument and debate"<sup>2</sup> and can be interpreted as an argument. The article is based fundamentally on bibliographic research and on the White Paper Reform of the State Apparatus (WP)<sup>3</sup>, commissioned by the Brazilian Government to explain the principles and purposes of the intended changes. The methodological frameworks adopted include the new institutionalists' contributions and argumentative analysis. The assumption is that "reorganisation is a domain of rhetoric, trading, problematic attention, and symbolic action"<sup>4</sup>. Expanding the boundaries of the possible demands a comprehension of the political system that should not be obscured by the rhetoric of the reform itself. The WP faces the problems and risks inherent in a decisionist<sup>5</sup> approach: a unitary decision maker, blurring the frontiers of policy and decision making, an excessive focus on outcomes at the expense of processes, and a failure in discerning different types of decision. The paradox emphasised is that managerial reform eventually needs to give more attention to the place and role of bureaucratic structures than it has been assumed. There are no known shortcuts to dispense with a bureaucratic core structured on a merit basis.

The first part aims to achieve an understanding of the reasons and the process<sup>6</sup> that provoked the arrival of the reform's concern on the government agenda. The

<sup>1</sup> This article focuses on the federal government and on the Executive power. State owned enterprises, Judiciary, Congress, state and local governments are not examined, although eventually mentioned.

<sup>2</sup> Dunn (1993: 283)

<sup>3</sup> The WP was the basis for the reforms further implemented.

<sup>4</sup> March and Olsen (1989: 92)

<sup>5</sup> Majone (1989: 15)

<sup>6</sup> Kingdon (1984)

second section maps<sup>7</sup> the main doctrines included in the present proposal. Thirdly, it explores the modes of policy arguments<sup>8</sup> applied to make the proposal plausible. Fourthly, it analyses what methods of proof<sup>9</sup> are used to improve its acceptance. Fifth, it focuses on the rhetoric tropes<sup>10</sup> adopted and discusses their contents. The conclusion reviews some aspects to be considered in order to allow that the plan transcends its rhetorical dimension.

## 2. Ascent to the national political agenda

Traditionally the policy of public administration is an implicit one, even if it conditions and pervades all the other policies, once they are implemented, usually through the state apparatus. Given its conflictive character and political sensitivity it is not a natural topic in the national agenda. The ascent of the state reform to the top the decision-making agenda, under a democratic regime, demands a broader explanation than the march of the problems, since they usually had been there for a long time.

Kingdom's model is centred on the pre-decision processes. It explains how certain issues (and not others) reach Executive attention, why ideas reach national scrutiny, when it happens and how policy proposals are developed. His framework is a variation of the garbage can model<sup>11</sup> that considers organisations as "organised anarchies" characterised by problematic preferences, unclear technology, and fluid and unstable participation.<sup>12</sup> The contents of the can consist of problems, solutions, participants, and choice opportunities – the streams. Outcomes emerge from the mix of garbage. "People work on problems only when a particular combination of problem, solution and participants in a choice makes it possible"<sup>13</sup>. The agenda setting process has to be de-constructed to its three major streams: problem recognition, the formation and refining of policy proposals, and the political stream. A "policy window" opens when the convergence of the three streams in a critical juncture provides an opportunity for an issue to be included on the national agenda.

The main actors involved in the process were the recent elected president, the Congress, an academic scholar invited to assume the Ministry of Administration and State Reform, the civil servants, the media and leaders of public opinion. Although there was a general consensus about how serious was the state's crisis

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<sup>7</sup> Hood and Jackson (1991)

<sup>8</sup> Dunn (1994: 89)

<sup>9</sup> Hood and Jackson (1991)

<sup>10</sup> Thorgmorton (1993: 118)

<sup>11</sup> March and Olsen (1989)

<sup>12</sup> In this sense, "the organisation is a loose collection of ideas rather than a coherent structure; it discovers preferences through action more than it acts on the basis of preferences." (Kingdom, 1984: 85)

<sup>13</sup> Kingdom (1984: 86)

was, the central concerns were related to the policy of structural adjustment and the macro-stabilisation process. Issues related to the design of state structures were diluted in the economic rhetoric<sup>14</sup>. The Washington Consensus<sup>15</sup> and the structural-fiscal diagnostic approach<sup>16</sup> did not incorporate demands for reshaping public sector structures (except in its support for privatisation and cutback management practices) in spite of the institutional chaos prevailing in the governmental agencies after ten years of turbulent democracy<sup>17</sup>. Lack of fiscal discipline and economic populism<sup>18</sup> were the central issues of the stabilisation agenda.

The first stream of Kingdom's framework is problems, or "how problems come to be recognised and how conditions come to be defined as problems"<sup>19</sup>. Bresser Pereira<sup>20</sup> knew, that after the end of inflation, many sectors that funded themselves through inflationary transference<sup>21</sup>. The state would have to adjust itself but it had two dis-equilibrating vectors deeply rooted in its apparatus: personnel and pension's pay rolls. Without facing these problems there would be no free resources for investments, in fact, there would be no available resources at all besides funding the state's machine<sup>22</sup>. The combination of the constitutional civil service legislation related to tenure and retirement imprisoned the government in a new and un-precedent context, in which it could not count anymore with inflationary mechanisms to produce "creative accountancy" and adjustments through delaying "indexation". This condition legally was protected, but not sustainable<sup>23</sup>. Thus, Bresser Pereira linked the constitutional reforms required to remove these constraints to the consolidation of the stabilisation plan, the most important commitment of the elected president, and to the proper delivery of public

<sup>14</sup> It dominated the national agenda almost exclusively after the 1988 Constitution for fifteen years.

<sup>15</sup> Williamson (1990: 8-17) formulated this expression to designate ten market friendly reforms that Latin American countries should promote in order to stabilize their economies: fiscal discipline, elimination of subsidies, tax reform and rise of tributes, realistic interest rates, realistic exchange rates, trade liberalization, incentive of international investments, privatisation of state utilities companies and protection of property rights.

<sup>16</sup> This perspective is centered on the collapse of the state's investment capacity because of lack of public savings and investments provoked by systematic public deficits (Bresser Pereira, 1992: 17)

<sup>17</sup> Brazil had four presidents and six macro-stabilisation plans in ten years.

<sup>18</sup> Bresser Pereira (1992: 16)

<sup>19</sup> Kingdom (1984: 18)

<sup>20</sup> Bresser had been Ministry of Treasury in 1987 and published articles and books about inflation theories, notably, about inertial inflation.

<sup>21</sup> The classical examples are banks, exporters and all sectors that had their revenues or gains at least "indexed".

<sup>22</sup> MARE (1995: 41-5)

<sup>23</sup> In fact the bomb exploded at a regional level because of its symmetric structure and problems. The finances of the states collapsed and the federal government had to interfere to avoid social chaos.

services. Attention from the president and from the economic team was focused on the problem. The bottleneck was recognised and established. Rigidity of the tenure and retirement public service legislation was considered the critical problem of the state apparatus because it first blocked the demanded adjustments and second it did not allow an efficient, effective and flexible performance by public institutions<sup>24</sup>.

The second stream consists of solutions, ‘what to do ideas’ which are available to subsidise the formulation of policy proposals. There was not a stock of formulations available to deal with the state’s design problem. The country did not have recognised experts in the field. Experts in public affairs are usually lawyers or economists. A national academic tradition in public administration and public management did not exist. The policy community did not pay attention in these problems<sup>25</sup>. Even Cardoso party’s manifesto<sup>26</sup> briefly mentioned the problem in the usual common sense basis: professionalisation, modernisation and flexibility. The doctrines adopted in the plan were derived from the managerial private business, from the legacy of 1967 Decree Law-200 Reform, and from public choice critiques to the public sector. A proposal should match solutions and problems, should be technically feasible and politically acceptable. The main consequence of this scenario was the decision of combining elements familiar to the country inheritance and “shopping abroad” for models and inspiration. Cross-national learning mechanisms provided the opportunity. Doctrines were recycled and up-dated. The Next Steps<sup>27</sup> agencies formula is clearly reproduced in the document<sup>28</sup>. Public Management was becoming increasingly an international issue<sup>29</sup>. New Public Management ideas were being discussed<sup>30</sup> around the world. The WP, explicitly self-called as a managerial reform, reflects this movement, evaluated as desirable and pertinent. It is a rational-comprehensive plan that embodies a set of supposed coherent ideas that should mark out the debate.

The third stream was political. It includes since the values in question until the bargains and pressures involved. “Timing” in this case was essential. The “national mood” could be characterised as a honeymoon.<sup>31</sup> The political forces were dispersed and there was not organised opposition. The president had enormous popular support and strong political impetus. The government increased wages of appointed positions in order to recruit the brightest outsiders from universities and the private sector. The media was generous in its expectations.

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<sup>24</sup> This discussion will be treated further in doctrinal analysis of the WP.

<sup>25</sup> The unaffordable decisions taken in the Assembly Constitution, in 1988, exemplify the lack of resources and the difficulties in anticipating consequences.

<sup>26</sup> Cardoso, F.H. (1994) *Mãos a Obra Brasil*: Brasília, PSDB

<sup>27</sup> Hodgewood (1994)

<sup>28</sup> MARE (1995: 78)

<sup>29</sup> Aucoin (1990)

<sup>30</sup> Hood (1994) and Wright (1994)

<sup>31</sup> President Cardoso was elected in the first round. Inflation had practically disappeared. Unemployment was under apparent control. People had just recovered the opportunity of dealing with a stable currency and making financial plans.

Nevertheless, consensus building around the plan would not be possible because losses should be allocated to specific groups<sup>32</sup>. Imposing losses is considered an essential government capacity because “governments of any political complexion are likely to find that pursuing new priorities requires breaking some existing commitments. If they cannot, commitments will accumulate in such a way that choice becomes increasingly narrowed.”<sup>33</sup> The main group affected by the proposed reforms was the civil service. They are specifically addressed as a sensitive audience of the plan<sup>34</sup>. They had “acquired rights”<sup>35</sup> that would be extinguished. The Congress and the Judiciary also would lose autonomy in establishing their own personnel policy, without political control. The costs were clear, visible and potentially immediate, while the gains were expected in the long term and on moral grounds. Two thirds of Congress are required to approve Constitutional changes. The reforms should overcome the politicians’ fears of being punished by voters later, in a country marked by clientelist policy inheritances.

The policy window was opened by the combination of the three streams: compelling problems, generated solutions and political conditions. The reform of the state apparatus came of age as soon as the Cardoso government began. An emblematic icon of this impetus and ascendance to the national agenda was the creation of the Ministry of Administration and State Reform whose logo emphasises the importance of the reform process as a permanent effort that demands institutionalisation. It revealed a political sensitivity because it transformed the reform impetus of a policy on its own. It emerged as a plan, a comprehensive effort of providing a global framework for a complex variety of problems, in the rational “social reform tradition planning”<sup>36</sup>: top-down, global, coherent, diagnosis based, controllable, neutral, collective mind oriented, and committed.

### 3. Modes of argumentation analysis

A comprehensive reorganisation effort demands also a “reorganisation rhetoric” to expand the likelihood of persuasiveness of the discourse. March and Olsen<sup>37</sup> argued that “the history of administrative reorganisation in the twentieth century is a history of rhetoric” derived from different combinations of “orthodox

<sup>32</sup> These groups would resort to the legalist establishment embedded in public affairs in order to resist to changes and to protect their interests.

<sup>33</sup> Pierson and Kent (1993, 110)

<sup>34</sup> MARE (1995: 11)

<sup>35</sup> Tenure, privileged pension schemes, labour facilities, etc.

<sup>36</sup> Friedman (1987: 87)

<sup>37</sup> March and Olsen (1989: 74)

administrative rhetoric”<sup>38</sup> and “realpolitik rhetoric”<sup>39</sup>. Argumentation is an essential requirement to promote political and policy choices. Institutions can be conceptualised as “sedimented discourses”<sup>40</sup> and as fruits of political and social practices. The WP is a plan, a “communicative enterprise”<sup>41</sup>, a new discourse that re-defines the problems focused under specific lengths. Dunn<sup>42</sup> listed eight groups of policy argument modes adopted to transform essential information and political intentions in policy claims. The WP combined all of them.

The first mode is authoritative, an argument derived from authority. It focuses on the reliability of the sources of the information. The credibility of the speaker is checked. The WP is supported by three sources of authority: a) the elected position, the academic credentials (as a sociologist) and the personal charisma of the president, b) the appointed position, the academic credential (as an economist), the experience (as ex-Treasury Minister) of the Minister Bresser Pereira, and c) the reputation of the other members of the State’s Reform Committee. The authority to reorganise government derived from a formal position and it is a complex power resource. The Executive is frequently reluctant to use these instruments because of the fear of defeat in Congress, the costs of political bargaining, and, further voters’ reactions. Academic reputation is controversial because on one hand provokes respect for the intellectual curriculum of the authors, but on the other hand it raises suspicion about the knowledge of reality. The economists’ credentials are valid in certain audiences (like the International Monetary Fund) but provoke fear of insensitive and generalised cutback practices in others, such as politicians and voters.

The second mode of policy argument is statistical and it was largely adopted in the WP. The document contains ten tables - nine about personnel. They were essential in the definition of the personnel problems. The underlying assumption was that the numbers speak for themselves. They were very powerful in Brazil’s case for two reasons: there were not good statistics in this area until the incorporation of the information technologies in the last decade and the few numbers available were kept secret. They were eloquent, surprising and more (Federal Executive) or less (States Executives and Judiciary) convenient depending on the perspective. Information systems became an important dimension of government activities and discourse since 1995. These data were accompanied by the decision of producing monthly bulletins about the evolution of personnel and pension expenditures in the federal and state governments. The data – focused on

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<sup>38</sup> Orthodox administrative theory involves prescriptive orientations about organisational design and adequate procedures to guarantee efficiency and effectiveness.

<sup>39</sup> Realpolitik rhetoric is centered in interests bargains and power competition as a basic criteria to solve political and policy problems. Winning proposals are those able of promoting accomodation of interests that allow their implementation, not necessarily (and in fact rarely) models of good administration

<sup>40</sup> Howarth (1995, 115)

<sup>41</sup> Healey (1993: 240)

<sup>42</sup> Dunn (1994)

the necessity of cutting personnel and pension expenditures - worked as unanswerable arguments all the time and exercised a supra ideological pressure over all the players in the process. Opinions polls about the reform were also mentioned as support for the argument, a symptom of the increasing role of media machines in monitoring agenda setting and decision making processes.

The third mode of policy argument is classificational. The basic classification adopted in the plan divides public administration into three forms (and stages): patrimonialist, bureaucratic and managerial<sup>43</sup>. This is applied also to a building blocks typology about the sectors of the State apparatus: Strategic Core, Exclusive Activities, Nonexclusive Services and Production of Market-oriented goods. For each sector the plan proposed a correspondent form of property and a respective form of organisation, a pretended exhaustive and logically consistent matrix. This is a context-free architecture (Figure 1) that takes for granted two other classifications: three systems of property (state, private and non-state public) and two types of public administration (bureaucratic and managerial).

The fourth mode is the intuitive one. Arguments are derived from insights. The original and inspirational contribution allows transforming information based on the cleverness of the authors. A tentative example is the renaming of the familiar non-profit organisations as non-state public institutions, an institutional innovation and a step in the direction of creating a kind of quangos<sup>44</sup>. The ambiguity<sup>45</sup> is assumed as functional for the plan's implicitly purposes: create a mechanism that provides a progressive transfer of states organisation presently in non-exclusive areas to the third sector through contractual mechanisms. Bresser Pereira and Grau<sup>46</sup> assume, as a matter of fact, that these bodies instead of public sector organisations should provide the production and provision of social services in areas like education, health, and culture. Nevertheless, the success of the new institutional arrangements will depend also on a change of minds in the juridical field.<sup>47</sup>

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<sup>43</sup> Patrimonialist means that the state apparatus functions as an extension of the power of private interest privileged groups. Bureaucratic is the rule bound form identified with Weber's ideal type of organisation. Managerial is defined as a flexible efficiency and quality oriented form of organisation, historically more recent and superior to the former.









<sup>44</sup> 'Social Organisations' in Brazil's case.

<sup>45</sup> "It is not the property of the state since it does not exercise state power. At the same time, it is not private property, since it is a type of service that is subsidised by its very nature." (WP, 1995: 56)

<sup>46</sup> Bresser Pereira and Grau (1998: 23)

<sup>47</sup> Modesto (1997: 1)

Figure 1: Proposal of State's Apparatus Architecture

	FORM OF PROPERTY		FORM OF ADMINISTRATION	
	State	Private	Bureaucratic	Managerial
ESTRATEGIC CORE Legislature, Judiciary, Presidency, Heads of Ministries, Public Ministry				
EXCLUSIVE ACTIVITIES Regulation, Inspection, Fostering, Public Safety, Basic Social Security				
NON EXCLUSIVE SERVICES Universities, Hospitals Research Centers, Museums	Transfer to Non State Public Sector → 			
PRODUCTION FOR THE MARKET State owned companies	Privatization → 			

Source: MARE (1995: 63)

The fifth type of policy argument is the analycentric. The plan itself is a typical example of this kind of claim. It “seeks to create the conditions needed for rebuilding public administration on a modern and rational foundation” through an articulated “diagnosis and theoretical framework”<sup>48</sup>. The validity lies in providing a comprehensive document, a global and articulate solution, for a complex variety of problems. The state is dissected and reconstructed in the rationalist progressive tradition of “social reform”<sup>49</sup>. It is a straightforward classic strategic planning and rational formulation<sup>50</sup>. It attributes to itself a protagonist role and provides guidelines for proper implementation. It is an all-embracing narrative that tries to incorporate other interpretations and to produce a high level consensus of the diagnosis, definition and prescriptions about how to treat the challenge. It provides a global co-ordination for a large number of heterogeneous questions according to a multi-dimensional inclusive framework. Besides that, the plan assumes a linear evolution of public administration: first patrimonialist, second bureaucratic and third managerial. This sequence is considered the axis of the reform effort.

The sixth mode is the explanatory one: arguments of cause. Chains of cause and effect are central in this case. Problems are considered as results. Causes are responsible for its generation. The causes of the State's apparatus problems are derived from the “bureaucratic retreat” produced by the Constitution of 1988. The constitutional legislation is perceived as directly responsible for increases in the public administration costs and in the inefficiency of public services<sup>51</sup>. The

<sup>48</sup> MARE (1995: 9-10)

<sup>49</sup> Friedman (1987)

<sup>50</sup> Wittington (1993)

<sup>51</sup> MARE (1995: 31)



diagnosis focuses three dimensions of the Brazilian public sector: institutional-legal, cultural and managerial. The rule-bound over-reaction is attributed to a powerful will of avoiding arbitrary exercise of power and controlling the Executive in the post-dictatorship period. Rigidity is the synthesis word. Excess of norms, formalism, and job stability<sup>52</sup> were extended to almost all the public sector. The cultural and managerial dimensions pointed out the bureaucratic culture as a bottleneck to achieving an efficient, modern, citizens-oriented and managerial public administration. Flexibility and managerialism were the requirements to guarantee modernisation of state apparatus. The bureaucratic culture (explanans) is the responsible for state's rigidity (explanandum).

The seventh mode consists of pragmatic arguments: motivations, parallel case or analogy. The motivation power of intentions and goals provide the necessary agreement with regard to the course of action purposed. They are very frequent in the public sphere because there is no necessary relation between intentions and objectives, on one hand, with resources and means, on the other. The noble intentions combined with desirable aims provide enough motivation to justify the suggested course of action. Comparative arguments<sup>53</sup> are based on demonstration effects of the policies adopted. The plan assumed that "there is a "managerial paradigm" and that "the managerial model took hold in the world"<sup>54</sup>. This is assumed as a measure of success and legitimacy of the contents of the plan. The analogy is with the macro-stabilisation process. The two policies are both considered as national imperatives, critically required, mutually reinforcing, socially fair and analogue in the sense that pursue and enhance the state's capacity to implement public policies.

The eighth mode is constituted by arguments from ethics. Claims are formulated on the basis of values judgements. Moral principles are incorporated to sustain the arguments. Equality, fairness and justice are invoked to promote changes in the law. A typical example used in the WP was the comparison between how the benefits of the retirement system are distributed between civil servants and private sector labour force. Revealing the gap in favour of the former, the case of reform of the pension system became stronger and the political pressure over the Congress was increased.

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<sup>52</sup> A critical observation here is that although there was no job stability in agencies and foundations part of the indirect administration and the economic crisis was becoming deep, governments did not fire people. This was no part of the political culture. On the contrary, the stability and tenure culture are deeply embedded in the national culture, especially in the Judiciary and Legislative powers.

<sup>53</sup> Arguments derived from parallel case.

<sup>54</sup> MARE (1995: 23)

#### 4. Persuasiveness and acceptance

Social and institutional forgetting<sup>55</sup> is a strong obstacle to the learning processes. It makes cumulative assimilation and reasoning more difficult and it does not favour real changes. On the contrary, it gives rise to vicious circles of trying and failing that raises collective frustration and reduces the social organisation capital of society, demanded to face collective action problems. Developing countries frequently import fads without taking into account past dependant<sup>56</sup> factors and former attempts to pursue similar targets<sup>57</sup>. If they could learn from their own experience, this would enable themselves to dissect challenges, and establish productive dialogues with other countries' cultures, the likelihood of finding proper courses of action increases. State and institutional capacities do not constitute a destiny. Nevertheless the promotion of changes in order to improve and strengthen public institutions' organisations requires focus on the junctions that block reforms. Thus, identifying the competing doctrines<sup>58</sup> in this discussion is essential for understanding what the critical bottlenecks in question are. Focusing on the acceptance factor is another important resource of the rhetorical approach to administrative analysis because it targets the linkages between the doctrines and performance in order to understand how persuasive is the argumentation adopted.

The WP proposal is centred in the superiority of managerial over bureaucratic administration. It also takes for granted that patrimonialist public administration has been overcome, although some residual of it still persists. The main concepts of the WP are presented in Figure 2.

An analysis of acceptance factor includes investigating the mutually reinforcing "methods of proof": symmetry, metaphor, ambiguity, public good justifications, selection and suspension of disbelief, which are adopted. Hood and Jackson<sup>59</sup> show that, in fact, they are part of the process of persuasion, rather than validation, in the common scientific terminology. Multiple audiences are targeted, because it is in terms of an audience that an argumentation develops. The central ideas must be understandable, packed and communicable through a straightforward and simple way.

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<sup>55</sup> Douglas, (1987)

<sup>56</sup> Hall and Taylor (1996)

<sup>57</sup> Douglas (1987)

<sup>58</sup> This classification takes Hood and Jackson (1991) "Whos, Hows and Whats of Administrative Doctrines" as reference.

<sup>59</sup> "Rhetoric as a combination that opens the lock" (Hood and Jackson, 1991)

Figure 2: Setting the limits for sphere of action of the state

	State Exclusive Activities	Social and Scientific Services	Goods and Services Production for the Market
Core Activities	State as Civil Service	↓ publicization	↓ privatization
Support Activities		↓ outsourcing	→

Source: Bresser Pereira (1997a)

Symmetry is recurrently adopted in the WP. The reform should match the state structures with the needs of the times. A managerial reform was a necessary route to develop promotion and macroeconomic adjustment as in other countries. The openness of the economy should be joined by the “internationalisation of public management”<sup>60</sup>. Managerialism, the successor of scientific management<sup>61</sup> is a portable and context free ideology, a “faith designed for pragmatists”<sup>62</sup>. The infusion of managerialism in the state apparatus, in contrast with the planning guidance<sup>63</sup> culture, predominant until the end of the 1970s, should promote a better public management. A more sophisticated method of conducting of public affairs in terms of political market, manipulated and managed through media resources, focus groups and political marketing advisers emerges from the plan. The idea of governing by network systems<sup>64</sup>, with all the other notions associated to it<sup>65</sup> and its inevitable “newism” symbolic appeal is another example. Both the introduction of more flexibility in the public sector labour force, and a high tech government strategy of interaction with citizens adequate to a weightless services economy aim to reduce the mismatch between the state’s organisational structures and modern private sector institutions.

The government-business metaphor is the second key to persuasion systematically used in the WP, through creation of similarities ‘experienced by people’<sup>66</sup>. “People reason through metaphors”<sup>67</sup>. The processes of mapping and

<sup>60</sup> Aucoin (1990: 134).

<sup>61</sup> Pollitt (1990) and Fergie et al. (1996)

<sup>62</sup> Merckle (1980:4).

<sup>63</sup> Friedman (1987)

<sup>64</sup> WP (1995: 82-87)

<sup>65</sup> Taylor and Willians (1991) point out the impacts of the technology revolution in the information intensive public sector and emphasize its consequences in terms of productivity, economy, efficiency, responsiveness, velocity and control.

<sup>66</sup> Lakoff and Johnson (1980: 154)

transference of concepts from the private market (source domain) to the public sector (target domain) is repeatedly mentioned. The customers-citizens correspondence<sup>68</sup> - “the citizen becomes the privileged client of the services rendered by the state” – pervades the text. The managerial mantra, “the fantasy of managerial control of the state”,<sup>69</sup> is repeated endlessly<sup>70</sup>. Private management is recognised as the source of the recipes that should guide the state’s apparatus reforms. Managerialism achieves the status of automatic transference, almost sophisticated imitations, in Spinder’s sense<sup>71</sup>. Its main elements are generated by elemental judgements that should subsidise policies choice (ex: agencification) and the diffusion of a body of ideas (ex: “freedom to manage”,<sup>72</sup>) to be shared and assimilated.

Ambiguity, another instrument to guarantee persuasiveness, appears as an important strategy adopted to address different audiences and problems simultaneously. The overuse of catchwords such as performance<sup>73</sup> and accountability<sup>74</sup> is a typical example. But the discourse addressed to civil servants and the approach to bureaucratic public administration acquire special relevance in the WP text. Civil servants should be valued, trained, well paid, given responsibility and dignity since job security is removed. The bureaucratic paradigm, criticised throughout the text, should be kept to the core strategic functions of the state apparatus, although it is taken for granted that it is inefficient and inadequate for modern times. In both cases ambiguity is used as a resource to deal with actors who inevitably play an important role in the state apparatus reforms. Civil servants are seduced by a speech of better work conditions<sup>75</sup> to compensate for losses of constitutional rights. Strategic bureaucracies are accommodated in the new institutional arrangements as a form of neutralising potential resistance.

The appeal based on the public good as opposed to private interest pervades all parts of the WP. It is a clear use of the motivational mode of argumentation, as previously mentioned. It is revealed through different labels, although sometimes with nebulous connections with the reform pursued, such as: “sustained economic growth”, “attenuate social and regional inequalities”, “strengthening regulatory duties”, and “meeting the needs of the citizenry”. The reform is presented as a

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<sup>67</sup> Lakoff. and Barzelay (1997)

<sup>68</sup> MARE (1995: 10, 81)

<sup>69</sup> Merkle (1980) and Pollitt (1990)

<sup>70</sup> It starts with the president’s foreword “The time has come to take a ... managerial reform, based upon modern concepts of administration and efficiency that concentrate on controlling results.”

<sup>71</sup> Spinder (1989)

<sup>72</sup> Martin (1981)

<sup>73</sup> Pollitt (1990: 12)

<sup>74</sup> Hood and Jackson (1991: 189)

<sup>75</sup> Ex: The citizen-oriented civil service enhancement project (MARE, 1995:83).

bouquet of NPM ideas oriented to the achievement of collective benefits and the solution of collective actions problems, with a predominance of its managerialism in contrast with the rational choice stream<sup>76</sup>. The public goods are expected to be obtained through the incorporation of business like methods in public management. No private interests are protected nor rent seeking or cartel practices are admitted. The text is presented as a natural consensus proposal, politically transcendent and destined to all the political actors.

Selectivity is an important dimension of the rhetoric defence of the conceptual architecture proposed. The WP narrative of the historical evolution of Brazil's public administration is a combination of selected elements. Patrimonialist public administration is considered as an historical stage of the Brazilian public sector, apparently just a residual<sup>77</sup>. The problems derived from 1967 reform and consequent managerial practices include: lack of control, gigantism, rent seeking behaviour, dictatorship political cover, authoritarian "technocratism" and some big managerial disasters<sup>78</sup>. The privatisation discourse does not mention that many of the so dominant state owned companies were born as private business and does not discuss the causes of their "statisation", and the failed experience in regulating them properly, through competition and price management.

Suspension of disbelief is the sixth tool to increase persuasiveness of the WP ideas. Although NPM is vulnerable to lots of potential risks<sup>79</sup> derived from its universal pretensions, there are four mechanisms used in the text to induce the abstraction of its eventually problematic flanks. Character assassination is the first one and it was perpetrated in the text not against named individuals but against a professional corporation: the jurists. They were the implicit targets of disqualification and the responsible for the administrative and constitutional law, people committed to a procedural rationality (dissociated of practical matters) instead of performance, results and responsiveness. Time pressure is typified by the imperative "there is no alternative", used to justify the elimination of tenure in the civil service and the changes in pensions law (necessary conditions to avoid governmental collapses). "Cargo-cultism"<sup>80</sup> appears everywhere in the text. The main examples are the resurrection of pay for performance schemes, agencification as an answer for delegation needs, professionalisation as a medicine for public sector problems, and the improvement of public services quality as a cause of good macro-economic performance. Social forgetting or institutional amnesia is the complement because it avoids an embarrassing evocation of the causes that originated previous failures of the ideas now being once again presented, like merit

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<sup>76</sup> Aucoin (1990)

<sup>77</sup> "...not entirely abandoned." (MARE, 1995: 20)

<sup>78</sup> Some costly great projects of that time, usually funded with international resources, resulted in enormous waste of money and collapse of results like Nuclear plants, Iron railway, Trans-Amazon etc.

<sup>79</sup> Hood and Jackson (1991), Hood and Dunleavy (1994), and Hood (1996)

<sup>80</sup> "Cargo cultims" is a manifestation of the phenomenon of recurrent beliefs (Hood, 1994)

careers in bureaucratic public administration and agencification in the managerial 1967 reform.

A final aspect to be considered in the plan's persuasiveness is the way the contents are packaged. As Aucoin<sup>81</sup> and Huczynski<sup>82</sup> point out portability, cultural adherence to context and communication techniques are essential ingredients of ideas' diffusion. The WP encompasses these attributes and simultaneously addresses different audiences. The persuasion of these multiple audiences are essential because each one will act according to different comprehension and definition of problems. The WP is designed to counteract the attention vacuum<sup>83</sup> that usually blocks the ascendance of this discussion to the decision agenda and sustain the attention of the political players. Each audience demands a distinct appeal and emphasis in different topics. The public opinion was addressed as a consumer who demanded better services and as citizens who have the right to expect a better government. The media was seduced by modernisation and fashionable appeals of the plan. Civil servants were specifically targeted and professionalisation perspectives were offered. Politicians were approached in the name of the public good (a not original and not very effective currency in bargaining terms). The reduction of transaction and governmental costs was the message to the business sector. International organisations (IMF, World Bank and Inter-American Development Bank) were taken into account through the attachment of the plan to trade liberalisation and macro-stabilisation reforms. The economic and planning Ministers were conquered by the alignment to financial rationality<sup>84</sup>. Last, but not least, the President himself was the key audience of the plan because his reorganising authority would play a critical role in the negotiation and implementation stages. According to March and Olsen<sup>85</sup> his essential commitment is not simple because of difficulties in focusing his priority attention and because of political sustainability problems.

“Presidents give up reorganisation projects in order to secure legislative support for other things and legislators give up opposition on other things in order to block administrative change.”

Nevertheless, rhetoric goes beyond persuasion because it is also constitutive<sup>86</sup> of the reality. The ideas are formatted to be implemented. They are anchored in key elements related to practical reasoning: control (managerial responsibility), principles (decentralisation), universality (the managerialism credo), authorisation (executive mandate) and applicability (potentially immediate pay-off).

<sup>81</sup> Aucoin (1990)

<sup>82</sup> Huczynski (1993)

<sup>83</sup> March and Olsen (1989: 81)

<sup>84</sup> The reason was basically because it allows restraining personnel expenditures and suggests a market rationale in dealing with public bodies.

<sup>85</sup> March and Olsen (1989: 79-80)

<sup>86</sup> Thorgmorton (1993: 121)

## 5. Clarifying and questioning the rhetorical tropes.

Laclau and Mouffe<sup>87</sup> argue that all discourses are historically contingent and politically constructed. The WP – a political policy piece – applies the rhetorical tropes<sup>88</sup> to improve its persuasiveness power. Perelman<sup>89</sup> uses the image of “meeting of minds” between speaker and audience to describe the intended effect. In this sense the objective of the argumentation process “is not to deduce consequences from given premises; it is rather to elicit or increase the adherence of the members of an audience to theses that are presented for their consent. Such adherence never comes out of thin air”. That is why enthymeme – “an argument with missing premises”<sup>90</sup> – is a typical procedure adopted in the WP, “although not delivered too obviously seriatim, but interspersed with other forms of argument to prevent their enfeebling effect”<sup>91</sup>.

The crucial missing premises in the WP refer to patronage and the merit essential component of the bureaucratic model. This is a very important lapse in the managerial argumentation. According to Wilson<sup>92</sup>, a pattern of bureaucratic clientelism is “set in a way to become a familiar feature of the governmental landscape”. But, in fact the privileges criticised as particular examples of the excesses of a bureaucratic state “are not primarily the result of some bureaucratic pathology but of the possession of public power by persons who use it for private purposes.” The key premise kept in the text about bureaucratic public administration is tenure, although rule bound systems are generically criticised because of their rigidity. But premises about almost all other key characteristics of the bureaucratic Weberian ideal type, like ingress through public selection and promotion by merit that marginally occurred in Brazil, were suppressed. The chain of arguments adopted in the WP resort to a fictional<sup>93</sup> bureaucratic historical stage image, a recognised reality in other countries, to structure a cumulative good government evolution sequence. The WP managerial cloning project is justified as if patrimonialist public administration were just a residual and as if Brazil had had until 1967 and after 1988 a bureaucratic public administration.

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<sup>87</sup> Laclau and Mouffe (1985 and 1987)

<sup>88</sup> Thorgmorton (1993:120)

<sup>89</sup> Perelman (1982: 9)

<sup>90</sup> Hood and Jackson (1991:155)

<sup>91</sup> Lawson-Tancred (1991: 48)

<sup>92</sup> “... a subsidy was initially provided, because it was either popular or unnoticed, to a group that was powerfully benefited and had few or disorganised opponents; the beneficiaries were organised to supervise the administration and ensure the funding of the program; the law authorising the program, first passed because it seemed the right thing to do, was left intact or even expanded because politically it became the only thing to do. A benefit once bestowed cannot easily be withdrawn.”

(Wilson, 1982: 64)

<sup>93</sup> Hood and Jackson (1991: 158) and Douglas (1987)

## 5. 1. METAPHORS WE ARE SEDUCED BY

Metaphors - like the previously mentioned citizens / consumers - appear frequently in the text but there is one that demands more detailed examinations: “network government”<sup>94</sup>, the successor (or the last version) of the Weberian “machine”<sup>95</sup>. This metaphor was explored in similar, complementary and overlapping ways by Sturgess<sup>96</sup> (“virtual government”), Rhodes<sup>97</sup> (“hollow government”), and Margetts<sup>98</sup> (“the automated state”). As far as it makes sense and produces explanations for what is going on, they should be taken with caution. They are pervaded by symbolic power that mediates and produces consensus about socially projected images of a certain future.

The image of a virtual government leads to the question of “what has to remain inside the government?” The WP defines two broad sectors: core functions and exclusive activities that remain under direct state control, the former under bureaucratic and later under managerial rules. But Sturgess<sup>99</sup> brief review of the experiences shows that in fact few functions must necessarily stay inside the state<sup>100</sup>, although Conservative governments in the UK have adopted a “residualization strategy”<sup>101</sup> to identify the borders, if they should persist. The conclusion is that these classifications are strongly influenced by historical circumstances and cultural contexts. The World Bank (WB)<sup>102</sup> suggests three strategies for improving government delivery. It is a categorisation similar (see figure 3) to that adopted in the WP: improve compliance and loyalty in the core, strengthen voice mechanisms in the core and in the broader public sector, and increase exit possibilities in the broader public sector and in the markets. Even a virtual government needs a brain. Stanley Kubrick’s image of the computer Hal in his film “2001 – A Space Odyssey” looks close to these speculations about the future of government.

Hollowing out the state consists of the combination of distinct processes: privatisation, delegation to supranational institutions, de-centralisation (from federal to state and local government), de-concentration (from direct administration to agencies, quangos, non-profit organisations and private firms) and “managerialisation” (from politicians and career civil servants to contracted executives).

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<sup>94</sup> MARE (1995: 86)

<sup>95</sup> Hood (1994)

<sup>96</sup> Sturgess (1996)

<sup>97</sup> Rhodes (1994)

<sup>98</sup> Margetts (1997)

<sup>99</sup> Sturgess (1996)

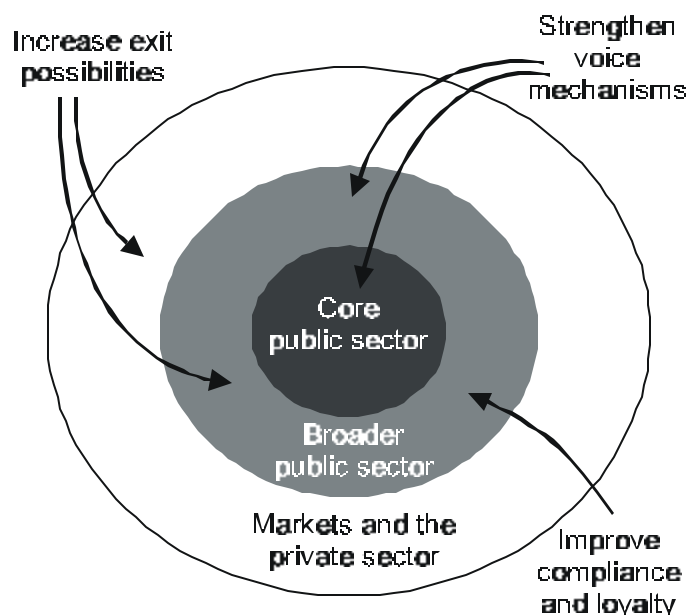
<sup>100</sup> Sturgess list of functions consists of policy core, combat, allocation of justice, system design and maintenance, contract letting and monitoring, regulation, and income distribution.

<sup>101</sup> Dunleavy (1997: 43)

<sup>102</sup> World Bank (1997: 87)



Figure 3: Three strategies for improving government service delivery



Source: World Bank (1997: 87)

It erodes accountability, because the three levels of power share responsibilities for delivering social services like health and education. If all are responsible, no one is in fact responsible. Fragmentation meant lack of cohesion, central co-ordination capability and control in the past (1967-1988, under a dictatorship), besides overlaps and costly redundancy. It erodes core discretion functions expected to be performed by career civil servants like policy making, budgeting and monitoring. Governmental intellectual capacity and cumulative learning possibilities can face out-sourcing up to certain limits. Together these vulnerabilities can create “a strong imperative for a return to bureaucracy because bureaucracies wish to strengthen their capacity to steer the system”<sup>103</sup>, a very plausible explanation for the 1998 Constitution results.

The automated state idea implies a discussion of the “core competency argument” responsible for managing network distributed systems. A recurrent problem in the governmental relationship with private suppliers in the IT sector has been the asymmetry of expertise and information. Even in the case of the state companies’ mainframe model, the gap between them and multinational companies is expressive in the Brazilian context. Margetts<sup>104</sup> argues that:

“The core competency of the automated state will be to monitor, control, and direct the new actors operating the new nervous system of government.”

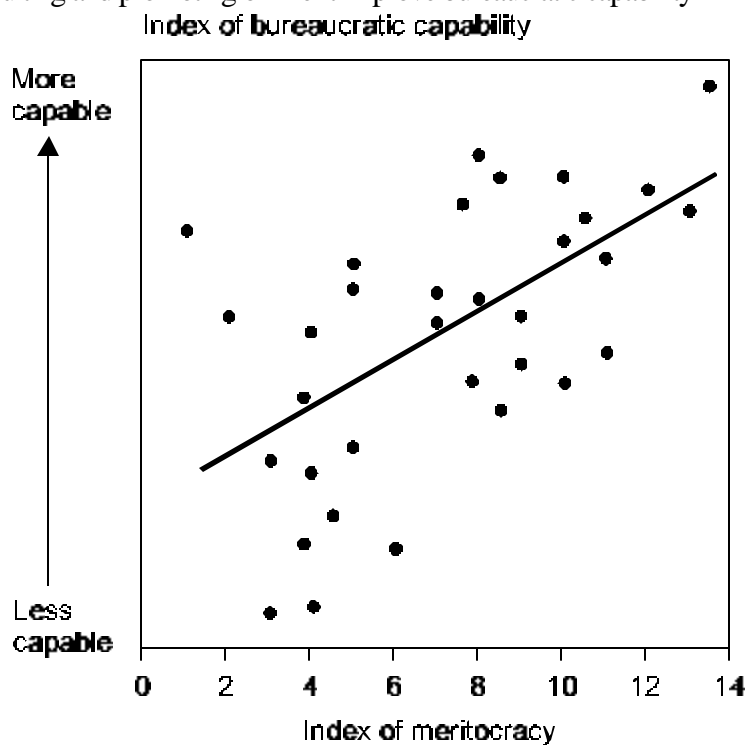
But who occupies the core space: appointed officials, contracted managers or career civil servants? If this is a strategic position vulnerable to corruption or

<sup>103</sup> Rhodes (1994: 151)

<sup>104</sup> Margetts (1997: 104)

clientelism, bureaucratic hierarchies<sup>105</sup> can be the more appropriate organisational models to avoid corruption. This is not an original or new argument as the WB report reveals<sup>106</sup> (See figure 4)

Figure 4: Recruiting and promoting on merit improve bureaucratic capability



Source: World Bank<sup>107</sup> (1997: 92)

## 5.2. METONYMY: THE CONTRACT SACRED SELF-CONTAINED ATTRIBUTES

Metonymy means “substitution of the word for an attribute for that of the thing meant”<sup>108</sup>. In the Brazilian the WP, a typical example is the fascination that market and management contracts<sup>109</sup> exercise over the authors. Contract appears as a magic word, with plenty of meanings that are immediately evoked. Government by contract is the privileged strategy to deal with agencies and social organisations, the new bodies to be created after the reform. Control should be carried out through contracts that specify performance indicators instead of a hierarchical chain of

<sup>105</sup> Hood (1991)

<sup>106</sup> WB (1995: 85)

<sup>107</sup> The data are from thirty-five developing countries. The period is between 1970-1990.

<sup>108</sup> Oxford (1994: 507)

<sup>109</sup> MARE (1995: 61)

command. There is a separation between purchaser and provider and this relationship should be governed by contract. The nexus of contracts are supposed to replace integrated hierarchies.

Stewart<sup>110</sup> warns that some potential problems may occur: risk of identification of those responsible for the service with the provider interests (like in iron triangles or capture), requirement's specifications<sup>111</sup> asymmetry problems, organisational learning capacity losses, reduction of public accountability (private providers become responsible) and increase of costly litigation procedures. These possibilities do not mean that contracts should not be taken into account in public sector reform efforts. On the contrary, it aims to qualify the circumstances of their proper uses and the risks associated with their adoption, more complex than simply 'decreeing' the foundation of a contract culture. Contracts require more from government competency (not less) and, as Harden<sup>112</sup> argues, it "is not a ready-made set of solutions to the problems of organising public services". The contractual framework does not provide a perfect substitute for discretion because it cannot absorb in its specifications all expertise and policy nuances involved in public service delivery. The public sector can adopt contract mechanisms at different degree of extension as emulation of "automatic market processes" but it will hardly do it in more sensitive functions.

The delicate point in the Brazilian case is that contracts are expected to work in terms of the British "common law" or in terms of the American "contractual culture". Next Steps agencies, competitive tendering, Citizens' Charter and market testing were introduced in the context of relatively loose legal constraints of the common law tradition. And even in the British case it raises complex questions for the legal establishment.<sup>113</sup> The American tradition is more inserted on a competition culture where transaction costs<sup>114</sup> and agency theories<sup>115</sup> have been central concerns in the government efforts at privatising public services. Structuring sustainable relationships and promoting the alignment of interests of contracted firms and the government includes a range of alternatives that incorporate franchising, licensing, contracting out besides bureaucratic provision. Nevertheless in Brazil the administrative law, not the private contract, is the source of rules in the public sector and it is not possible establish a contract culture by law. These embedded features of the Brazilian public administration are closer to a

<sup>110</sup> Stewart (1993: 8)

<sup>111</sup> Dunleavy (1997:37) argues that "governments confront severe ex-ante problems in fully specifying contract requirements, and ex-post difficulties of haggling over how things actually turned out."

<sup>112</sup> Harden (1992: 69)

<sup>113</sup> According to Harlow and Rawlings (1997: 141) "the poverty of contract law and the rise of the contract state creates a crisis of legitimacy for courts concerned with contemporary canons of government and resolution of thorny contractual and quasi-contractual problems has become a priority for modern administrative lawyers."

<sup>114</sup> Willianson (1985)

<sup>115</sup> Alchian and Demsetz (1972)

continental and Iberian culture than to the Anglo-Saxon systems. Latin cultures demand government with strong administrative powers because of a historical lack of confidence in government and in people, according to Peter's model<sup>116</sup>. It does not mean that contractual mechanisms cannot be useful, but that their introduction should be processed carefully<sup>117</sup>.

### 5.3. SYNECDOCHE: THE MANAGERIAL "VISION THING"

The WP case for a managerial reform eclipses the residual, both in scope and importance, functions of the core. Even in the strategic nucleus the form of administration suggested is a mixing of bureaucratic and managerial forms. "Managerial Administration", the slogan of the reform, expresses how a part is taken for the whole and the plan leitmotif driven. Explicitly and implicitly the WP assumes NPM<sup>118</sup> as a new universal paradigm.

The arguments of Aucoin<sup>119</sup>, Barzelay<sup>120</sup>, Osborne and Gaebler<sup>121</sup> and Dunleavy<sup>122</sup> about internalisation of public management, the ascendancy of a post bureaucratic paradigm, the government's reinvention and the globalisation of public services can suggest generalisations of NPM on the international scenario. But this is far from being a matter of fact. Wright<sup>123</sup> and Hood<sup>124</sup> point out that convergence is not proved by NPM developments. Its claim for universality is not sustainable by the historical evidence. The 'pot pourri' of doctrines recombined to suit each different audience does not provide a paradigm because of the internal contradictions of those doctrines. Over-stressing similarities hides the distinct starting points of the countries that adopted NPM measures and the different objectives each one pursues, as well as their specific variations. Moreover, the "repulsive elements" and the "self-disequilibrating solutions"<sup>125</sup> do not guarantee a

<sup>116</sup> Peters (1989) purposes a matrix (trust on people x trust on government) and places the UK in the double positive cell, Latin countries in the double negative, Scandinavian in one angle (high trust on government and low trust on people) and the USA in the diagonal opposite (low trust on government and high trust on people).

<sup>117</sup> Previously experiences with management contracts between the federal government and state companies (Petrobras and Vale do Rio Doce) in the 1980s were demoralized because the government did not honor its commitments and the instruments were discredited.

<sup>118</sup> Brazil state's apparatus reform contains the two mainstream vectors of NPM mapped by Aucoin (1990): managerialism (Pollitt, 1990, and Fergie et al., 1996) and public choice (Pusey, 1991, and Andrews and Kouzmin, 1998), although with a dominance of the former over the later.

<sup>119</sup> Aucoin (1990)

<sup>120</sup> Barzelay (1992)

<sup>121</sup> Osborne and Gaebler (1992)

<sup>122</sup> Dunleavy (1997)

<sup>123</sup> Wright (1994)

<sup>124</sup> Hood (1991, 1994, and 1995)

<sup>125</sup> Hood (1995: 110)

sustainable perspective for paradigmatic recipes because of unintended side and reverse effects<sup>126</sup>. For example, the managerial fever of the period before the 1988 Constitution resembles the “headless Chicken State”<sup>127</sup>, a predictable reaction according to the explanation of cultural theory<sup>128</sup> for changes.

The WP takes for granted that market friendly reforms and business-like mechanisms can produce managerialism’s diffusion, without broader accountability problems. Nevertheless the excessive autonomy of autarchies and public bodies (state owned enterprises and foundations) was responsible for the failure of this model, when adopted between 1967-88<sup>129</sup>. Why should it be different now? Managerialism also faces implementation constraints because it cannot just ignore the legal and constitutional framework, as in the authoritarian period. The problem of acquired rights is subject to judicial controversy. There is a cultural and inertial formalist and legalist resistance against changes, although the government has managed to construct a strong case<sup>130</sup>, arguing that there is no constitutional protection against their removal in the case of the civil service regime. Managerial fixation, generated by goal displacements, and rule bound bureaucracies overreactions, as result of over commitment, are two ‘conversion mechanisms’<sup>131</sup> that Brazil already experienced. Taking the part for the whole has resulted in high learning costs, but it is not necessarily finished yet.

#### 5. 4. Irony: valuing civil servants through de-privileging their status.

The Brazilian government has historically adopted a paternalist pattern in dealing with its employees, no matter whether they are selected through public exams, hired through private legislation or politically appointed. Although the first category has been by far the smallest since the 1950s, its rights and benefits have been extended to the others systematically through constitutional or ordinary law<sup>132</sup>. Public selections were by far the less frequent mechanism of entrance into the public sector between the 1960s and the 1990s. Even when it occurred, the merit system that should regulate promotions was distorted by rent-seeking corporatist practices<sup>133</sup>.

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<sup>126</sup> Sieber (1981)

<sup>127</sup> Hood and Dunleavy (1994)

<sup>128</sup> Cultural Theory “impossible theorem” assumes an idea of dynamic contradistinction of its constitutive four ways of life. (Thompson, Ellis and Wildavsky, 1990: 98)

<sup>129</sup> Schwartzman (1984).

<sup>130</sup> Modesto (1998)

<sup>131</sup> Sieber (1981)

<sup>132</sup> The Constitutions of 1946, 1967 and 1988 defined all those employees that were working in state agencies, foundations and departments for more than five years as ‘stables’ (state civil servants). The others were progressively ‘stabilized’ through periodical negotiations and bargains involving the Executive, Legislative and Judiciary powers.

<sup>133</sup> Classical examples include “internal”(open only to employees) manipulated selections (more common in the Legislative and Judiciary), convergence to the top (like tax

The predominant patrimonialist culture dominates many areas and sectors in Brazil. It stimulates a perception that the government has a crucial role to play as employer, a role which is essential to prevent unemployment problems around the country. These features are close to those observed in areas dominated by ‘amoral familism’, nepotism, and patronage, typical from Mediterranean countries<sup>134</sup>.

The WP establishes important comparisons between the labour market of the private and public sector as parameters for its propositions. The data reveal that top civil servants receive less than their private counterparts and that the basic levels of the civil service receive more. Thus, the elimination of those differences should be sought, although distinct pieces of legislation do not allow a perfect match. Flexibility should be guaranteed in order to correct distortions in the two borders, like in the private sector. According to the WP, removing tenure and pension rights recognition and payment of competent civil servants would make professionalisation easier.

The supreme irony is that this situation, predominant in the public bodies, was generated under a managerial mandate, between 1967 and 1988. Thus, there is a double fiction in this discussion. On one hand there is a bureaucratic public administration, that was expanded through non-bureaucratic recruitment, merit promotion and professional function criteria. On the other hand, there is a managerial public administration that generated rent-seeking practices and was not controlled by market competition, but protected by monopoly and clientelist behaviours. The multi-dimensional message of the WP makes the challenge still more difficult to face because it aims simultaneously at professionalisation in distinct sectors: the core, the exclusive and non-exclusive functions, and the social organisations.

## 6. Conclusion

The justification of the WP is based on an identification with the irreversible march of globalisation and on the argument that the technological revolution leaves no other alternative and that this route is not only necessary but inexorable and desirable. The important point here is how ideas, interpretations of the past, doctrines and proposals are put together and, then, produce an argumentative discourse. The liaisons are essential to guarantee the conjunction of contents, degrees of acceptance and audiences. In fact, it does not matter if the arguments are true or not since they make sense and address the views of the audiences focused. The claims just need to seem reasonable to increase the adherence of the key the players. Choices and judgements are affected also by the circumstances, the variable conditions (like the stabilisation plan) that constitute the context of these

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inspectors and prosecutors) and incorporation of financial advantages theoretically attached to positions (generalized practices).

<sup>134</sup> Banfield (1959), and Jones (1993).

decisions<sup>135</sup>. It is a matter of fact that some historical junctions provide the opportunity for major change, but these changes do not necessarily or successfully happen as originally intended.

The analysis of the WP suggests that reforms of the state apparatus “have been proposed and understood in instrumental terms, as possible solutions to perceived problems” (Mach and Olsen: 1989, 92). However, the WP did not take into account what were the causes, motivations and consequences of previous efforts. The rhetoric of modernisation adopted in the WP suggests a convergence that ignores past-dependant, bounded rationality, systemic and self-disequilibrating processes, the risk of self-collapse because of exarcebation<sup>136</sup>. Patronage is still alive outside and, specially, inside the public sector, because of the recurrent practices of transforming contracted and appointed employees in civil servants. The simultaneous challenge of building managerial and bureaucratic core structures face attention sustainability problems of co-ordination. The systemic attributes of the countries that first adopted NPM suggest caution in importing those experiences. Mutual repulsion vectors and self disequilibrating pressures<sup>137</sup> derived from disruptive tensions between conflictive values can also produce unstable and vulnerable institutional arrangements as in the past. Pursuing compatibility it is not a simple task because it requires intense co-ordination capabilities to manage and combine heterogeneous organisational designs. The sustainability of heterogeneous institutional arrangements is a critical issue. Holmes and Shand<sup>138</sup> argue that:

“Successful management reform is driven from a recognition that the symptoms are a function of the incentives in the system. (...) It is the addressing of the interaction between these incentives and the ‘what’ of government which is essential to successful public sector reform.”

Brazil’s history of administrative reforms reveals that building incentives systems has been a recurrent bottleneck both in managerial or bureaucratic reforms. If the state’s apparatus is to acquire a pluralist character, the problem will have to be faced in the core and in the managerial borders. And the core will be mission oriented by its own definition. Bureaucratic reform requires persistence and, specially, institutionalisation of cumulative learning capacities, beyond the rhetoric of reform. As Rhodes<sup>139</sup> states: “there are no solutions to problems, only a process of policy succession which requires the capacity to learn from mistakes.” Re-organisational efforts reflect interests conflicts and cannot ignore rooted networks of power and interests build up through decades of patronage, taking the risk of becoming inconsequential.

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<sup>135</sup> Perelman (1982: 23)

<sup>136</sup> Wildavsky (1987)

<sup>137</sup> Hood (1991 and 1996)

<sup>138</sup> Holmes and Shand (1995:562)

<sup>139</sup> Rhodes (1994: 151)

The clash between a “logic of appropriateness”, that emphasises stability and adaptiveness, and a “logic of consequentiality”<sup>140</sup> that points out the importance of consistency between behaviour and derived consequences, reveals the predominance of the former at the expense of the latter throughout Brazilian history. The WP per se is an open discourse, which does not commit itself with emphasis and priorities once it was oriented to build support and persuade, rather than to establish priorities and conflicting positions. It admits a resilient room of manoeuvre. Bresser Pereira<sup>141</sup> is aware of the potential problems as he stated recently:

“The new public administration cannot limit itself to effectively avoiding nepotism and corruption, it has to be efficient in providing public and semi-public goods that the state was committed to produce directly or finance indirectly.”

Nevertheless, it runs the risk of coming to believe in the solving-problem mechanisms of its own rhetoric, a distinct world from the complexities of reality. Tension-ridden processes in developing countries tend to be potentially disruptive. Catching up efforts by developing countries need to take into account what those countries are, their identity given conditions, and their feasible alternatives. The political context of the developed countries is democracy and even in these cases there are conflicting values in check. Shortcuts, in the context of patronage, inequalities, unstable regimes, macro-stabilization processes, should be avoided. The strength of Brazil path dependent agenda should not be underestimated. The mirror of history<sup>142</sup> should as far as possible highlight, instead of distort, the shadowy places created by institutions and interests that take advantage of these memory lapses.

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<sup>140</sup> March and Olsen (1989: 159),

<sup>141</sup> Bresser Pereira (1997:12)

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