

O autor responde

The author replies

What are our disagreements on social policy in Brazil? A retort

Quais as nossas divergências sobre a política social no Brasil? Uma réplica

The comments from Maria Lúcia Vianna, Eduardo Fagnani, Jeni Vaitsman and Carlos Pereira bring extremely enlightening elements to the debate on the formation of the social protection system in contemporary Brazil. The complexity and astuteness of the observations greatly add value to the objectives of my text, stimulating debate on some of the theoretical and methodological problems of contemporary social sciences. I thank the authors for their careful reading of my text, which fundamentally discusses the nature of recent Brazilian social development. When I agreed to submit my text to critical reading, I did not expect a consensus. I knew that I would have additional work in trying to maintain my arguments and evidence after the expected sharp criticism from the debaters. I would like to highlight that, in answering some of the questions pointed out by the commentators, I essentially aim to make my arguments more precise and not to rectify unilaterally the comments on my text.

My retort

On institutionalism: Maria Lúcia Vianna questions the validity of the choice of the “instituted rules” argument to explain public policy processes. I clarify that the methodological option used in my text is anchored in a dialogue implicit in the comparative and historic institutionalism theories¹. The authors of this line have been trying to explain the dynamic of “medium level” political processes in contemporary societies. This search for alternatives to structural and functional answers seems to me to be somehow useful for explaining sector policies and organizational experiments. There are few rival options that are as or more satisfactory applied to concrete cases.

Medium level organizations can be political parties, economic interest groups, and syndicates and associations. In my text I identify the Brazilian social protection system, in its diverse sector configurations, as a set of institutions that mediate, on a public sphere level, between public financing and the supply of public goods.

As I understand it, this mediation allows this social protection system to be represented as a specific research object which, while constrained by the dynamic of capitalist accumulation, presents a development of its own ideas and interests.

Specifying the scope of the analysis helps to identify how a medium level organization – the social protection system – constrains the macrostructural trends, for example, the structural interests of a portion of the elite interested in monopolizing the destination of public resources to the direct accumulation functions.

This was a conscious option against excessively structuralist arguments, especially defended by economists concerned with social policies in Brazil, who have been excessively subordinating the Brazilian social area to the accumulation dynamic or to the immediate interests of the dominant elite. This is one of the important points of my disagreement with the Fagnani comments, which I will discuss further on.

There is no evidence that proves the Brazilian dominant classes have a homogenous pattern of deciding about public expenditure based exclusively on market logic. On the contrary, the decision-making process in the public sphere is strongly measured by the calculation of patronage and the search for political survival. Patronage and political exchange strategies favor the creation of public organizations, for service and goods providing, in most cases subordinate to the calculation of the survival of electoral coalitions or the success of management of the executive branch. The Brazilian social protection system presents, effectively, this structural feature of connection with patronage. It is still not properly understood what the negative effect of patronage on the efficiency and quality of public goods supply is. The national elites would act, in this context, as a force obstructing the initiatives to modernize the organization conditions of public goods supply. The theoretical perspective that highlights the elites’ veto power is quite attractive, in my view, to understand the organizational dynamic of the public sector. For this reason, even if the physical supply of public services grows constantly, this expansion does not generate public benefits.

For this reason, I do not at any moment imply that the creation in Brazil of a complex social protection system solves the problem of inclusion and overcoming the Brazilian social debt. There remains the question of the structural quality and efficiency flaws of public supply, which is one of the fundamental threats to the country’s sustainability.

The Pyrrhic Victory – More disturbing than

the restrictions to the institutionalist model is Vianna's question about the nature of the victory of the 1988 Federal Constitution's institutional arrangement. Vianna says: "There is no denying that the Brazilian social protection system resisted the pressures to be dismantled in the 1990s. Compared to the reforms carried out in many other countries in Latin America, those performed in Brazil were mild. Social security continued to be written in the law, it remained public, health care retained its universal character and the constitutional assistance benefits remained. In this sense, the institutionalist agenda won the battle against the macroeconomic adjustment agenda. However, could it have been a Pyrrhic victory?"

The author answers that the implementation of the social protection system in Brazil was inconclusive because the arrangement of unified social security did not go ahead. The author states: "without general coordination, with no integration body – the National Social Security Council became extinct in 1999 – and without its own body, social security stopped existing concretely. Still, the resources that the constitution attributed to it continued to flow to the public coffers".

These are really provocative and important arguments. What is at stake, in the author's statement, is taking the exact measure of what can be considered a good social protection system. Two points should be considered:

First, I think that the existence of unified coordination and an own budget for social security – integrating the management of the health, education and social security sectors, for example – cannot be the only indicator of the strength of a social protection system. Even economies with protection systems that have substantial redistributive features do not present the pattern of social security unity suggested by Vianna. Maybe it is also necessary to assess the social protection system through other complementary dimensions, such as the social inclusion level, equity in access to benefits and readiness and quality of services provided independently from market logic. Cohen and Franco present extremely interesting arguments for assessing social public policies². I believe the final expression of a Pyrrhic victory of the institutional social protection arrangement in Brazil may be more associated to supply flaws – resulting from the under-financing or the inefficiency of the public sector – than to the coordination deficit planned by the original arrangement of social security. The low ability to provide quality may explain, in part, the excluding universalization characteristic of health care and education assistance supply.

Secondly, the general coordination of social security would not prevent distributive conflicts among the different sectors due to the difference in the form of supply of benefits, clientele, specialist communities, professions and federative commitments. It could substantially increase the transactional costs of implementing innovations in these sector policies.

Continuity: Eduardo Fagnani's argument against my thesis of continuity between the FHC and Lula administrations in social protection goes for a broader target: the negation of universality in Brazil by the presence of focalization. Fagnani says: "firstly, it is not adequate to consider focalization as the continuity of the redemocratization agenda. The redemocratization agenda was based on the social welfare state and focalization is the antithesis of this paradigm. Instead of continuity, focalization was an instrument created by market forces in order to put the minimal state on the agenda".

Contrary to the author's understanding, I do not associate focalization with redemocratization in my text. I defended that focalization is a direct result of the macroeconomic adjustment agenda and not of redemocratization. The greatest paradox – the central object of my analysis – is its permanence and amplification in the Lula administration, generating the complex protection arrangement that exists in Brazil. I do not disagree with the author about the negative effects of the adjustment paradigm on localized sector policies. Sanitation and housing policies are good examples of stagnation, however, there is no evidence to support, as Fagnani concludes, that the Brazilian social protection system was successfully mutilated by the Brazilian economic authorities, nor that universalist policies were entirely obstructed. Even the hypothesis of the existence of an explicit and active public policy to disorganize the labor market must be regarded with great caution. It is equally unsustainable to say that a liberal agenda radically altered the foundations of social security in Brazil.

Macroeconomic strategy versus social development strategy – Fagnani argues that the macroeconomic structure adopted in Brazil is essentially inimical to social development. In his own words: "the central argument I defend is that, in the period 1990-2006, there was extreme incompatibility between the macroeconomic and state reform strategy, central and hegemonic in the governmental agenda, and the effective possibilities of social development and inclusion."

This is an extremely complex argument because it contains the implicit idea that there was discontinuity in the macroeconomic strategy after 2006

in Brazil. In this case, there would have been a profound change in the macroeconomic management conditions of Lula's second term. This thesis is not supported by Brazil's recent economic history.

In any case, the author, when he states that "stagnation was an implicit variable in the stabilization model adopted by the Real Plan", creates a questionable discontinuity between the structural reforms of the FHC period and the performance seen in the Lula administration, which registered significant job creation and poverty reduction, especially in the period from 2004-2007.

Of course, international economic conditions were also favorable and the Real Plan arrangement does not work in any context due to the instability inherent to the global economic system³. The fundamental point of the debate is that there were no substantial changes in macroeconomic conduct to differentiate the Lula administration from the FHC administration in the 1990s and 2000s. On the contrary, the literature tends to converge on the thesis that the changes were residual or nonexistent.

Fome Zero and Bolsa Família: Jeni Vaitsman's text brings an interesting perspective by associating income transference programs to the universalization agenda. She says: "what is seen as an advance in the health care and education areas in the 1990s, 'the increase of federative decentralization in health care and education', in my view, is similar to the process that took place in the social assistance arena in the 2000s, especially after 2004. The national expansion of the Bolsa Família Program and its convergence with the Unified Social Assistance System increased federative decentralization to include social assistance, the component of social security that had been neglected until then."

In this context, according to Vaitsman, the social development agenda from 2004 did not break with the tradition of the fight against hunger and food security movement that guided the social agenda in the first year of government, but rather, it redirected it. The fight against hunger and food insecurity began to be treated as part of an integrated vision of social development. The unification of income transference programs and the areas of food security, income transference and social assistance under the Social Development Ministry signified a new direction for confronting the problem of the large and diffuse set of assistential benefits and the redundancy of programs and superposition of beneficiaries. I don't want to deny, with the thesis that the Bolsa Família Program had priority in the Lula administration's second year agenda, that significant changes occurred in the way social assistance policy has been dealt with since then.

The editorial limit for my text has not allowed me to go into more detail on specific policies, as I had originally intended. The example given by the author, of adapting the cooperative and agreed decentralization model of the UHS to Brazilian social assistance policy, is extremely promising and advanced. This reproduction would be interesting for the Brazilian experience because social assistance would be able to benefit from the many virtues of UHS decentralization and correct the abundant errors observed in the delegation experience of the health care sector.

I believe, in any case, that Vaitsman's implication that the Bolsa Família Program was a trivial intervention in the Lula administration's political agenda is not very sustainable. This goes against the evidence gathered by domestic and international studies. Hunter and Power's work is a good example of this type of reflection; they place the Bolsa Família Program as the main mark of the Lula administration⁴.

The Losses and Gains: Jeni disagrees with my numbers on losses and gains in the implementation of the BFP. She says: "I disagree that the unification of the income transference program in the Bolsa Família Program produced a reduction of 4,722,031 beneficiaries of income transference programs between 2003 and 2006. The total number of beneficiary families in the year 2003 (16,335,596 families) is distorted, because it expresses doubled families. When the Bolsa Família Program was created in October 2003, several registers coexisted and overlapped and the same family could be listed in different registers. The unification of the programs also meant registration unification, under the Unified Registry System for Federal Government Social Programs, which was gradually – and with countless operational difficulties – filtering the inconsistencies and repetitions and incorporating in the same database the beneficiaries of the programs before the Bolsa Família Program."

The data I used in the article is essentially secondary and was published by the Federal Executive authorities. Vaitsman's objections must be seriously considered. An additional path to clarify the disagreement could be a revision, by independent research, of the information that led to the federal government's Unified Registry System for Federal Government Social Programs.

Vaitsman adds additionally that "beyond the question of quantity, there is a problem of quality, or meaning. The Auxílio-Gás (Gas Voucher) inflated the reach of social programs, as although coverage was 8 million families, the benefits were limited to R\$ 15,00 every two months. The unifica-

tion of these programs elevated the average value of the income transference benefits from R\$ 23,24 to R\$ 68,13 in October 2004 values." The author's observation does not negate my arguments in the article. On the contrary, it serves to confirm my thesis of quantitative losses in coverage as a result of the unification created by the BFP. Regardless of what the judgment is on the pertinence or scope of any social program.

Macroeconomic Management Virtue: Carlos Pereira's comments follow a singular line that is diametrically opposed to the arguments about the perverse results of macroeconomic management defended by Fagnani. Pereira's thesis is that the stabilization generated by the Real Plan brought benefits for the poor and, therefore, favored social development. Pereira says: "Inflation control and fiscal balance were real gains that society obtained with the adjustment agenda, including social repercussions on the quality of life and income of the poorest." Many recent studies confirm Pereira's thesis.

Comparative Studies Agenda: Carlos Pereira's comment opens an interesting perspective to test the hypothesis on the effects of stabilization in different national contexts. Pereira says that austerity in public expenditure was a threat to the social programs in countries that opted for a macroeconomic adjustment agenda. Even so, it generated, according to Pereira, "real gains in the quality of life of the poorest as a result of macroeconomic balance." The Brazilian experience shows that stabilization had to accept a complex institutionality of the social protection system. The advancements in the quality of life of the poor resulted from stabilization combined with the social protection system. The redistributive effect of the BFP in the poorest social strata was very significant.

Pereira confirms the thesis that I defend for Brazil when I point out that "the macroeconomic adjustment agenda did not counteract the social protection agenda, especially in health care and education policies".

To sum up, Pereira's reading can be discussed from another perspective: the availability of resources for social expenditure in Brazil may also have been a direct result of the stability and the economic growth of recent years. The availability of resources cannot be seen as a variable disconnected from macroeconomic management. It is possible to argue that Brazilian social expenditure has had an important and positive growth in general – even considering that not all social sectors gained with this growth, as I have shown – as a direct result of the governmental decisions to stabilize macroeconomic management and maintain

the growth of the fiscal load. The notable adherence of sub-national governments to the social agenda additionally strengthened the social protection functions in the country. Now it remains to be discovered why the aggregate social results – if the BFP's redistributive effects are disconsidered – of this resource availability in the social area have been so mediocre when compared to the results seen in countries with similar social expenditure conditions.

References

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