

## For a SUS career to advance Health Reform

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**WORKERS' RIGHTS IN THE UNIFIED HEALTH SYSTEM (SUS)** are a blind spot in the Brazilian Health Reform. Working on this problem opens the way for reflection in several ways. On the one hand, it helps us advance in the broader assessment of the era we live in, of the invisibilization and structural downgrading of work as a place of rights. On the other hand, it helps to pinpoint the limits of the journey towards building the SUS – and, as such, to advance the ideology and practice of Health Reform in the 21st century. As part of these reflective entries, the historical updating of the value of work requires locating the opposing program, which has its highest point of affirmation in the managerialist culture of New Public Management.

The problematization of the construction of the SUS from the point of view of the labor issue informs us about the very terms in which democracy was forged in Brazil, where the unprecedented expansion of social rights (to education, health, and social assistance) was associated with a persistent decline in the institutionality of labor rights. This being said, the health sector is perhaps the most emblematic case of this contradiction, in which the extraordinary expansion of the SUS was based on the ‘thin ice’ of a managerialist agenda that led to the radical degradation of employment relationships in all services and levels of care<sup>1</sup>.

Under the auspices of the managerial culture, the upward curve of the degradation of work in the SUS can be traced back to three moments: in the 1990s, when managerial reforms gained constitutional form in the Brazilian state; in the first decade of the 2000s, when the career agenda lost programmatic space in the way of thinking about management within the health field itself; and after the 2016 coup, a moment in which, even under the astonishment of the pandemic that exposed the profound deterioration of outsourced working conditions, managerialist premises continued to guide the imagination of health policy design.

## The managerial incursion into the institutional birth of the SUS

As Theodoulou and Roy pointed out<sup>2</sup>, the spread of New Public Management is one of the significant political phenomena that swept contemporary states in the last decades of the previous century. From a marginal and obscure principle present in the debates of the Mont Pelerin Society in the 1950s and 1960s, the managerial culture, inspired by the formulations

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of the public choice theory of James Buchanan and Gordon Tullock, reached the center of the English Welfare State with Margaret Thatcher (1979-1990), becoming organic to the ultra-conservative program of Ronald Reagan (1981-1989) in the 1980s.

The documented reactionary liberal origins of this ‘new management model’ did not, however, prevent it from being translated into the agenda of a renewed left in the 1990s. By abandoning its supposedly outdated sectarianism, the left updated itself to the demands of a capitalist modernization that was rising internationally<sup>3</sup>. Along these lines, Giddens<sup>4</sup> formulated that the ‘new left’ pursued a balance between orthodox economic policy and progressive social policies, experimenting with a third way between the pure market and the outdated bureaucracies of the welfare states.

Under this new ideological guise, the managerialist program was definitively disseminated as a left-wing ideology in the governments of Bill Clinton (1993-2001) and Tony Blair (1997-2007). From then on, well-positioned at the center of international capitalism, New Public Management consolidated its political strength and began a systematic process of global expansion. In Brazil, as Fernando Henrique Cardoso prefaced Bresser-Pereira’s book<sup>5(7)</sup>: “the inspiration for managerial reform is much more republican than liberal.” Rather than privatizing the state, Cardoso pointed out, the aim was to promote “public action on the part of citizens”<sup>5(8)</sup>

On the way to this unprecedented imbrication of business principles into public administration, two aspects of the managerial reforms are essential to note: the fight against the foundations of public planning, replaced by a management doctrine guided by austerity and cost-effectiveness principles; and the promotion of a silent and profound labor reform within public administration. Based on a deterministic theory of historical processes, the managerial *ethos* took the argument of modernization as its authority and imposed the principles of federative decentralization,

administrative flexibility, publicity and transparency (accountability) as its prescription, among others, always equated with the thesis of an austere state that should be oriented towards results.

When you put the various ends of this program together, the point of gravity converges on a frontal attack on labor rights. These, taken as a purely corporate agenda, are elevated to the status of enemy number one of the public interest – and, as such, adversaries of the demands of the new citizenship. Due to its political implications for the union struggle, the labor stability statute became the central object of this persecution. In the case of the SUS, this synthesis came to be expressed in the association between expanded access to healthcare and outsourced forms of labor contracting.

By placing work in this interpretative key, the managerial culture promoted an acute transformation in conceiving the construction of social rights in a democracy. In health, this programmatic transition to managerialism disputed and lateralized the value of work in Health Reform, with each step taken in the struggle to expand the SUS having an increasing impact.

## **The centrality of labor struggles in guaranteeing the public right to health**

In addition to identifying in the New Public Management the central thesis opposing the relationship between labor rights and the expansion of the SUS, another necessary step is to delimit how this condition is at the root of impasses present in at least three health agendas: for the federative structure of financing; for the public-private relationship of interests present in management; and, finally, for the implementation of a Regionalized Care Network in the SUS. The effort to reconstitute this mosaic of agendas, placing work at the

center of attention, should be understood not only as a theoretical-analytical method, but as a way of reconstituting the program and political identity of the Health Reform in the 21st century.

In the case of financing, the growing impact of personnel costs on municipalities is already widely known. In 2023, municipalities with up to 20,000 inhabitants – representing more than 70% of Brazilian municipalities – spent an average of 45.3% of their budget on personnel costs. In the same year, for municipalities with more than 400,000 inhabitants, 31.2% was spent on the same item<sup>6</sup>. Not counting inactive workers, R\$110.4 billion was spent, with an increasing transfer of these public resources to outsourced management contracts in the private sector. As part of this trend towards expanding the privatization of the public budget, there is a combination of lower wages and working conditions.

The absence of a tripartite fund to help create a career, with national parameters for hiring, salary, and job progression, is a solution to the pressure hiring health personnel puts on municipal budgets. Moreover, in the absence of a federal agreement on careers in the SUS, the regressive nature of decentralized spending on hiring workers increases the regional inequalities between municipalities, directly affecting the scope and quality of health care.

Many national health policy regulations define guidelines and parameters whose fulfillment by municipalities is conditional on the transfer of federal funds. The most successful health policies obey this principle. However, this structure has never been formed in the field of labor, showing that a policy of valuing labor through a state career in health points to overcoming an important deficit in the Brazilian federative pact.

In addition to this financial impact, the municipal decentralization of the employment relationship in SUS management has also produced other significant externalities: the reduction in the number of public-sector workers and the pulverization of hiring

methods. The backdrop to this structure is the managerial thesis that the new legal forms for contracting services and carrying out management allow for faster service delivery and, consequently, lower costs for civil servants.

When considering the period from 2018 to 2023, it is possible to see that all regions of the country have reduced the number of public-sector workers and increased the number of outsourced workers, with the Consolidation of Labor Laws (CLT) as the basis of the employment relationship. Considering the data from the National Register of Health Establishments<sup>7</sup> for this period, the Midwest and Northeast were the regions that most reduced the number of public servants, from 60% to 47% and 45% to 36%, respectively.

The beacon for this transition continues to be the Southeast region, which had 32% statutory employees in 2023, with the state of São Paulo leading the way with only 29% of these jobs in the SUS network. The new jobs were concentrated mainly in intermediated contracts, which include Social Health Organizations (OSS), Civil Society Organizations of Public Interest (OSCIP), and Public Private Foundations (FPDP). To get an even more accurate picture of the drama of work in the SUS, it would be essential to dissect the contracts by Autonomous Payment Receipt (RPA), by legal entity – also known as pejetization – and workers with ties through scholarships, which together add up to 7% of hirings<sup>7</sup>.

Without any federal coordination, this dispersed reality has multiplied according to Brazilian municipalities' economic reality and political context. The number of OSS contracts in the public administration has grown consistently since 2008, reaching a peak in 2015, when it was present in 20 Brazilian states in addition to the Federal District. In this context, São Paulo, Rio de Janeiro, and Minas Gerais are at the forefront of this diffusion, forming an intensely concentrated market in the hands of a few OSS<sup>7</sup>.

It is only possible to understand and overcome the fragmentation of services within

Brazilian municipalities and states with a clear understanding of the spread of outsourcing. It has become common for the same professional category to have more than one contractor within the same service, whether in a family health team or health surveillance, in urgent or emergency units. In a state-owned FPDP, workers can coexist with simplified public tenders, temporary contracts, and workers as legal entities<sup>8</sup>. In terms of sociological structure, it is not difficult to see how the principles of managerialist outsourcing support the reproduction of racial and gender inequalities, based on this persistent weakening of work.

Without a SUS career path, this pulverization of jobs and its mosaic of partnerships with the private sector, which is endemic in municipalities, states, and the federal government, has hindered the agenda of building a regionalized health network. High turnover and the fragility of the incentives created to retain professionals, especially in the poorest, most vulnerable, or hard-to-reach municipalities and localities, are the antithesis of the minimum predictability needed to plan the provision of networked services.

In the absence of a structured career with stability and well-established horizontal and vertical progression, the loss of professionals to the private sector is yet another perverse aspect that works against network planning. Once again, by clashing with public planning, the managerial paradigm acts against the implementation of the Care Network, which continues to be boycotted by the outsourcing agenda present within the public administration.

The discontinuity and fragmentation of services, the long waiting lines, the public difficulty in retaining professionals and the competition with the private sector all show how the deconstruction of public labor rights is directly linked to systemic problems in the SUS. The challenge is to reconstitute the agendas that deal with these challenges, placing work as the analysis principle.

## Labor rights and the future prospects of the SUS

More than a transformation in the state's institutional structure, the most significant victory of the managerialist culture in the health area consisted of convincing a segment of managers that the fight for a state career in the SUS is an agenda that is adverse to expanding and accessing health services. In this sense, the statutory civil servant has become a rigid obstacle to expanding the network; moreover, their functional stability and the constitution of representative unions would form a resistant nucleus, a barrier to the demands for flexibility required in day-to-day management.

The incursion of these fundamentals into the field of Health Reform itself produced a phenomenon in which the new public management adapted to the purposes of the SUS, progressively replacing the culture of public planning, which had public careers as a pillar of support. In this process, managerial premises, in principle exogenous to the Health Reform struggle, ceased to be just a temporary resource, given the fiscal constraints of the Brazilian state, but became an end in themselves – therefore, not just a possible and circumstantial way of managing and expanding the SUS, but the only and best option.

In the history of political ideas, the rise and fall of values is relatively common, or even the recombination of ideas that, opposed in a given period, become a synchronicity in other contexts. In Gramscian terms, this phenomenon has been described as political transformism or 'passive revolution.' Its most damaging aspect consists in fragmenting the coherence of transformative political programs and disorganizing the political identity of opposing segments.

In 2024, the year of the 4th National Conference on Labor Management and Health Education, the debate on the career of the SUS will take on a decisive historical power. Many social movements understand this urgency and are formulating an alternative program to the managerial field. In sync with

this political temporality, the Brazilian Center for Health Studies (CEBES) held its first Free Labor Conference this year. In its program, it reaffirmed the thesis that the various fronts of the health program require a recomposition of the value of work and that the direction of the SUS is directly associated with the daily challenges its workers face. This editorial is

a fraction of the energy and hope gathered at this meeting.

## Collaborator

Teodoro R (0000-0002-0125-7700)\* is responsible for preparing the manuscript. ■

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