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THE BRAZILIAN PLAN TO REFORM THE STATE

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1. INTRODUCTION

The Brazilian directing plan to reform the state machine was developed by Ministry of the Federal Administration and the Reform of the State and approved, after many discussions, by the Chamber of the Reform of the State - CRS, in September of 1995. The plan was also approved by the President and published in November of the same year.

The basis of the plan comes into view in its introduction, in which are presented the three kinds of public administration as Patrimonial, Bureaucratic, and Managing.

According to the point of view of the current government, we have in the Brazilian public administration, nowadays, some structures pertaining to the first kind, and most of all related to the second, the bureaucratic public administration.

The main objective of the plan is to change the existing culture in the public administration to a managing one, which should be centered in the need to reduce costs and increase the quality of the public services offered to the citizens, which means to focus in two main points: efficiency and quality.

In this paper, we will describe the main points of the Brazilian Directing Plan to Reform the State Machine. After that we will develop some general comments about the basis used by the government in the conception of the plan and the points judged essential to its entire comprehension.

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2. HISTORIC

In the 30's, when the industrialization process increased in Brazil, the government began to intervene directly in the productive sector of goods and services. At that time, the public administration suffered a rationalization process. So, it was easy to perceive that the bureaucratic public administration in Brazil was born as a consequence of the emerging of a modern capitalism in the country.

In 1936, the government created the Administrative Department of the Public Service - ADPS (*Departamento Administrativo do Serviço Público - DASP*) to improve the administrative modernization in Brazil. The project included the rationalization of processes, review of the structures and the use of methods in the definition of procedures.

In the administration of human resources, the ADPS tried to form the bureaucracy based on the principle of professional performance. Some important instruments were used in this try to update the public administration,

such as public selection and training, but they couldn't achieve a human resources policy that could respond to the needs of the State.

There were many tries to reform the bureaucratic model implemented in the 30's, but this projects concentrated in the creation and extinction of institutions or in the creation of parallel structures to diminish the rigidity of the model.

The reform implemented in 1967 through the Decree-Law 200 was the most important try to overcome the rigidity of the bureaucratic model. The government promoted an enormous functional decentralization, transferring activities to autonomous government agencies, foundations, public companies, and mixed-capital companies.

However, the reforms operated did not change the central bureaucratic administration and allowed the coexistence of centers of efficiency and competence in the indirect administration with archaic and inefficient structures in the direct administration.

In fact, instead of developing careers of well qualified public servants, the military government opted to hire the senior administrators through the state companies.

More or less in the middle of the 70's, another try to modernize the public administration began when the Secretary of Modernization (*Secretaria de Modernização - SEMOR*) was created. A group of young administrators, many of them having master-degree courses abroad, worked in this body to introduce new techniques of administration, specially in the area of human resources.

In the beginning of the 80's the government made an effort to guide the existing bureaucracy in the direction of a managing public administration. The goals were the revitalization and the development of the government entities, the decentralization of the authority, the simplification of the administrative processes, and the achievement of efficiency in the public sector. Afterwards this program was used to restrain the expansion of the decentralized administration, stimulated since the DL 200/67.

3. THE CONSTITUTION OF 1988

In the democratic transition of 1985 the actions to reach a managing administration stopped. Besides this transition represented a great victory to the democracy in Brazil, it had one cost. The public positions in the entities of the indirect administration and in the representations of the ministries in the states were shared among the politicians of the winner parties.

On the other hand, the high bureaucracy became the main target of the conservatives accusations of being the culprit of the State crisis. According to their point of view, this group favored the excessive growth of the State.

So, as a response to these two factors, the constitution of 1988 came to restrict the freedom of the public administration in the federal, state, and municipal levels. It determined an enormous reduction in the autonomy of the executive power to decide about the structure of the public bodies, the obligation to put all civil servants under one unique regime, and a reduction in the operative flexibility of the indirect administration by attributing to the foundations and the public autonomous government agencies the same rules that disciplined the direct administration.

This was a response to the abuses that had been occurring in the public administration of the country in the previous period. It cannot be attributed to a possible mistake caused because of the decentralization programs implemented by the DL 200/67. Although some of these abuses occurred under the effectiveness of this decree-law, such as the excessive autonomy of the state companies or the use of the autonomous government agencies and foundations to hire people (there was no obligation to make a public selection in these entities), it would be incorrect to assure that they happened because of it.

The democratic transition was accompanied by a campaign against the excessive interference of the state in the market, and so there was a tendency to increase the bureaucratic controls over the existing state companies and to establish hard rules to the creation of new ones or subsidiaries.

As a consequence of this process we can observe two results: the abandonment of the try to reach a managing public administration and the of a large amount of privileges. Some of them are the rigid stability to all of the civil servants, which was related to the new unique regime in the direct and indirect administration, and the retirement receiving full pension without any correlation to the period that the server worked to the government or to the contribution to the social security system during this period. All these factors contributed to a bad view of the Brazilian public administration.

The distortions caused by the new constitution came into view in a few months after the promulgation, but almost nothing was done in the coming governments to solve the problems.

However, in 1994 the issue of administrative reform assumed a new dimension. The presidential campaign introduced the perspective of the organizational and cultural change in the public administration to reach managing model.

4. DIAGNOSIS

After the Constitution of 1988, the costs of the administrative machine increased, including the costs with personnel and goods and services. Besides this, public services became more and more inefficient. Data from the tables 1 and 2 confirm this trend. However the number of civil servants of the executive power of the federal government diminished, the percentage of the GNP that costs with personnel represent increased.

The increase on personnel costs in the states and municipalities was higher than in the federal government, because the need of adjustment of the fiscal debt of this last one, added to the percental reduction of its participation on the tax revenue, redirected to the other levels of government (states and municipalities), lead to the suspension of the hiring processes, and consequently to the reduction of the active force, as many servants retired.

In fact, the number of retired servants, when compared to the number of active ones, has increased more than proportionally, because the number of civil servants also have decreased. In 1988 they were approximately 1.4 million, and in 1994 they were about 1.2 million (table 1).

We can conclude, so, that there are no excess of servants in the federal government. They are distributed through the several areas of the government in a wrong way, so we can observe a lack of servants in some important areas, such as health and education.

Table 1. Evolution of the number of civil servants of the executive power

YEAR	CIVIL SERVANTS *	TOTAL **
1988	705,548	1,442,657
1989	712,740	1,488,608
1990	628,305	1,338,155
1991	598,375	1,266,495
1992	620,870	1,284,474
1993	592,898	1,258,181

1994	587,202	1,197,460
1995 ***	580,035	-

* Civil servants from the direct administration, autonomous government agencies and foundations - does not include military servants.

** Adds to the previous ones the public companies and the mixed-capital companies.

*** March, 1995.

Font: SRH/MARE - SEST/MPO

Table 2. Evolution of the expenditures of the Union, States and Municipalities (% of GDP)

ANNUAL AVERAGE	UNION	STATES AND MUNICIPALITIES
1970-1979	3.41	3.87
1980-1987	2.89	4.18
1988-1994	3.17	6.53

Font: IBGE

In the effort of the diagnosis of the Brazilian public administration we may centralize our attention in the conditions of the work market and in the policy of human resources. On the other hand, we may distinguish three dimensions of the problems: (1) the institutional-legal dimension, related to the legal obstacles to achieve a higher level of efficiency of the state; (2) the cultural dimension, associated to the coexistence of the patrimonial and the bureaucratic values with the managing and modern ones in the Brazilian public administration; (3) the managing dimension, related to the administrative practices.

4.1. Institutional-Legal Dimension

The article 48 of the 1988 Constitution made it impossible to the executive power to decide for itself about the establishment, organization and duties of the Ministries and public administration agencies. After that, any change should be submitted to the Congress approval and to the President sanction. This fact raised several obstacles to the modernization of the state organizations.

The Constitution also assured the decentralization of the execution of the social services of infrastructure as well as the corresponding budget revenues to the states and the municipalities. As a consequence, they increased their participation in the share of the tax revenue, while the federal government reduced its participation in the same amount. However, the responsibilities were not transferred as quickly as the revenues.

4.2. Human Resources

It is easy to notice that there is no human resources policy assured in the Brazilian legislation. This is one of the weaknesses of the public administration, subject to the fiscal crisis and to the adjustment policy.

The legislation in this area is remarkable for its protectionist character. One example of this is the generalized concession of stability to all the civil servants. This was only one of the mistakes committed in the elaboration of the text of the 1988 Constitution.

Other mistake in the area of human resources administration was the institutionalization of a sole juridical regime, that lead to a uniform treatment of all the civil servants, no matter if they were from the direct or indirect

administration.

The limitation to the investiture in a public office or position only by passing an entrance examination also represented an obstacle to the management of personnel in the public administration. It would be possible to create other kinds of selection, as a public selection, to make it easier and more flexible to the government to hire people, without allowing the abuses occurred before the current constitution sanction.

On the other hand, there is no criteria to the realization of entrance examinations. There is no evaluation of the quantity of servants needed, which sometimes leads to an excessive hiring process, in general followed by a long period without any examination. This fact make it difficult to establish careers in the public service.

More than that, the extension of the sole juridical regime to all civil servants increased enormously the number of stable servants and consequently the costs of the administrative machine.

After this change, many servants began to devaluate their public offices or positions, in the way that the distinction between efficiency and inefficiency became irrelevant.

As the positive incentives are also limited, seen the difficult to establish performance bonus and the small difference between the highest and the lowest wages in the careers, the public administrators had no instruments to motivate their servants.

It is also remarkable that there is no policy or any kind of incentive to the continuous development of the technical, managerial and operative servants.

4.3. Labor Market in the Public Sector

The conditions of the labor market in the public sector also have an important role in the administration of the human resources of the State and in its process of modernization because it can define the degree of stimulus to well formed and competent professionals to enter this market.

The participation of the expenditures related to personnel in the Union revenue has been increasing in the last years, as we can observe in Table 3. We can attribute part of this increase to the changes promoted for the Constitution of 1988.

Table 3. Participation of the Expenditures with Personnel in the

Available Revenue *

PERIOD	PARTICIPATION (%)
Average 82-84	38.4
Average 85-87	40.6
Average 88-89	50.9
1990	60.1
1991	57.9
1992	57.2
1993	60.4
1994	56.1

* Gross Tax Revenue (-) Fiscal Incentives (-) Legal and Constitutional Transfers.

** Accumulated until July.

Observation: this calculus does not correspond to the criteria established by the Complementary Law 82/95, which also considers, among others, the revenues and expenses of the social security, not included here.

Font: Financial Execution of the National Treasury

The data of Table 4 show us the increase in the Union payment roll and the participation of active and retired/pensioner servants on it. These expenses include the payment of the servants of the direct and indirect administration, public companies, mixed-capital companies, and transfers to the states and to the Federal District - FD (*Distrito Federal - DF*).

Table 4. Expenses with Union Personnel (R\$ billions - april/95)

Servants	Average 91-93		1994		1995 *		1996 **	
	R\$	%	R\$	%	R\$	%	R\$	%
Active	14.1	69.6	18.1	64.0	22.2	63.4	24.2	59.8
Retired/Pensioner	6.2	30.4	10.2	36.0	12.8	36.6	16.3	40.2
Total	20.3	100.0	28.3	100.0	35.0	100.0	40.5	100.0

* Estimate

** Prevision

Font: Planning Ministry

It is easy to observe in this table that the evolution of the expenditures with retired/pensioner is proportionally higher than that one with active servants. These reflects the increase in the number of retirements in the last years, that was not accompanied for the number of new servants, as well as the average increase in the salary of the retired servants (about 8.3%) in relation to the last salary received as active.

The government estimates that 36% of the expenditures with the Union personnel in 1995 will be used to pay the retired servants. More than that, there is a crescent tendency of this percentage in relation to all other expenditures. So, the reform of the public servants' social welfare system is crucial to solve the fiscal crisis and to the reform of the State.

The civil servants remunerative policy during Collor government was remarkable for a generalized decrease of the real levels of wage, which aimed the reduction of the expenditures of the treasury with personnel. As we can notice in Table 5, the wages of the selected careers suffered a significant reduction when compared to the ones earned before 1990. After 1993, the government tried to recover the wages of the servants, which nowadays are almost in the same level they were in the end of the 80's.

Table 5. Evolution of the Wages of Public Servants (R\$ - june/95)

Annual	Fiscal	Analyst	OCP ***	OCP ***
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Average	Auditor	SBF **/Treasury Administration	Superior Level	Auxiliary Level
1989	3,528	4,778	1,171	201
1992	3,852	1,698	723	134
1994	3,314	1,408	1,158	168
june/95 *	4,719	3,497	1,363	191

* Value in the month

** Secretariat of Budget and Finances

*** Offices and Careers Plan (*Plano de Cargos e Carreiras - PCC*)

Font: MARE - DOU

The main characteristic of the remuneration system of the Union is the unbalance. A bureaucratic system of remuneration would have all the salaries organized in a unique table.

In Brazil, there is nothing seemed to an universal and standardized system of remuneration of the public servants as the ones existing in the developed countries, where the bureaucratic public administration achieved a complete development.

In general, what exists in the Brazilian public administration is an extremely distorted remuneration system in which some careers, specially the law and the economic ones, are well remunerated because of some bonus created to reward the servant for his/her performance, in the same time that some other superior level careers are poorly remunerated, as the ones pertaining to the Offices and Careers Plan - OCP (*Plano de Cargos e Carreiras - PCC*). The operative functions, which require low levels of qualification, when compared to the private sector, are also extremely well remunerated.

In Brazil, there is a generalized belief that the civil servants remuneration is too low. This is not exactly the truth. The remuneration levels are low to some sectors and high to others. Table 6 compares some salaries of the public and the private sectors, in which were contrasted the salaries of positions having similar attributions in both markets.

Table 6. Average Salaries: Public and Private Sectors (R\$ - may/95)

Offices	Private Sector	Public Sector	Difference Public/Private
Executive	7,080	6,069	- 14 %
Superior Level	1,899	1,814	- 5 %
Medium Level	926	899	- 3 %
Operative	437	635	+ 45 %

Font: MARE - SIAPE and Coopers & Lybrand

The results show that while the executives and superior level professionals receive higher salaries in the private sector, the less qualified ones receive substantially higher salaries in the public sector. The main consequence of this situation is the difficulty to hire qualified people to work in the public administration, who would be extremely important to the renovation, creation and dissemination of methods which contribute to the managing modernization of the State.

Concluding, the absence of an adequate remuneration policy, as well as the lack of a structure of offices and salaries, compatible to the functions of the servants, and the excessive rigidity in the processes of hiring and dismissing civil servants, recognized as the remarkable characteristics of the public sector labor market, end up to inhibit the development of a modern public administration, which emphasizes the managing aspects and the search for results.

4.4. Cultural and Administrative Dimensions

The bureaucratic culture do not recognize that the patrimonial culture is not important in Brazilian public administration anymore. It also does not recognize that in a democracy, the politicians are controlled by their electors. Because of it, that culture considers that the politicians always tend to subordinate the public interests to their owns, and so appear the excessive means of control.

This obstacles to an efficient public administration will be surpassed when occur a cultural change together to the institutional-legal change, in the direction of a managing public administration.

The institutional-legal dimension and the cultural dimension of the obstacles to achieve a modern, managing and efficient public administration, concerned to the welfare of the citizens, are complemented with the administrative dimension. In fact, it is in this last dimension that the public administration shows its efficiency and effectiveness, that will depend on the administrative capacity of public service.

The good administration is the one which defines objectives clearly, select the best servants through entrance examinations and public selective exams, prepare permanently these servants, develop motivation systems, confer autonomy to the executives, and ask for results. All of this does not exist in the federal public administration because of the bureaucratic model implemented in the ongoing administration.

The diagnosis bring to view that to reform the state consistently, the government needs more than a simple structural change. The surpassing of the traditional forms of state action imply decentralize and redesign structures, and more than that, develop managing models to the public sector, capable to generate good results.

The modernization of the state machine needs also mechanisms to allow the integration of the citizens to the process of definition, implementation, and evaluation of the public actions. Through the increasing social control, it will be possible to guarantee qualitative services.

5. OBJECTIVES

Considering the crisis of the state, it is necessary to reconstruct it in a way that it guarantee not only the property and the contracts, but also assume its complementary role in the market to coordinate the economy and to reduce the social inequalities.

Reform the state means not only increase not only the organization and the personnel of the public administration, but also its finances and all of its institutional-legal system, in a way that it will have a harmonic and positive relationship with the civil society.

The state reform will allow that its strategic nucleus take more correct and effective decisions, and that its exclusive or competitive services become more efficient.

To reform the state machine means to guarantee to this machine better capacity to govern and better conditions to implement the laws and public policies. It means to make more efficient the state exclusive activities and also

the competitive social services.

6. TRANSITION STRATEGIES

The strategy to the reform of the state machine was created based on three dimensions. The first one, the institutional-legal, is related to the reform of the juridical system and of the property relations. The second one is cultural, and is concerned about the transition from a bureaucratic culture to a managing culture. The third dimension addresses the public administration by the development of the ongoing bureaucratic administration and by the introduction of the managing administration, including the aspects of modernization of the organizational structure and of the administration methods.

These dimensions are independent but they may be implemented in a complementary way. The first will allow structural changes in the operation of the state machine because it is related to the elimination of the main obstacles of the legal system. The second, however, will guarantee the implementation of the managing culture, centered in the achievement of results in effective partnership with the society, and the cooperation between administrators and other civil servants. Finally, the third one will permit the achievement of new managing practices, and so reach significant advances, even though the legal obstacles cannot be entirely surpassed.

6.1. Institutional-Legal Dimension

The proposed strategy in this dimension is oriented to allow the main changes in the state machine in three directions. At first, permitting the state to focus its actions to support the basic social demands. Second, facilitating the change in the traditional way the state acts, turning from executor to manager of the social and economic development. Finally, the proposed strategy may create the conditions to implement the managing administration model in the state services sector.

It is important to stand out that the main objective of the state is not to realize directly all the functions demanded by the society, but assure or facilitate its realization when it is possible, what may imply the adoption of innovative mechanisms of operation.

To operate the wanted changes it will be necessary to improve the juridical-legal system, even in the constitutional level, in a way that it will remove the existing obstacles which avoid the adoption of an agile and autonomous administration, capable to face the challenges of the modern state. So, the reform also proposes constitutional amendments, some of them already sent to the congress, such as the ones related to the economic order and the tax reform.

6.2. Constitutional Amendments

The two amendments related to the administrative reform, as well as the social security amendment (the part related to the civil servants), also sent to the congress. These amendments, in the short-run, will facilitate the fiscal adjustment, mainly in the states and municipalities, where there is an excess in the number of civil servants, but also in the union, in relation to the social security system. In the following period, will allow the modernization of the existing bureaucratic administration in the strategic nucleus and the introduction of the managing administration in the services sector of the state. It will also eliminate privileges and unbalances, characteristics of the Brazilian remuneration system, through the definition of limits to the remuneration of the active and retired servants, and the pension receivers, as well as the need of law project to increase of remuneration in the three powers.

The amendments to the chapter of the public administration are essential to the transition process to a managing public administration because they favor a new perspective in relation to the administration and to the control of the state machine.

The topics of the project have an strategic importance to the improvement of the administrative reform because they have in their body the principles and rules of administration, the juridical relations between the servants and

the administration, and the prerogatives of the three powers to organize their administrations and to establish the remuneration of its auxiliary and administrative offices.

The social security amendment is essential to the public sector because it will be possible to eliminate the integral and premature retirements, which turn the Brazilian social security system in a privilege system. The civil servants retirement will occur basically throughout age, but it will be possible to have a correction related to the time he/she has been working for the government, and it will be proportional to the servant contribution.

These two principles also apply to the private sector. The public social security system, however, will continue to be separate from the private system, in the way that the state will continue to guarantee the servants social security system integrally, no matter his/her standard of remuneration.

To the private sector, the expectation is that the state will guarantee the retirement until a certain amount, and the complementation may be provided by a private complementary retirement system, which may be contracted by the citizen for himself/herself.

6.3. Infra-Constitutional Legislation

After the approval of the constitutional amendments it will be immediately necessary to define various complementary and ordinary laws, which may regulate the subjects related to the amendments, such as:

- definition of the specific process to dismiss civil servants because of insufficient performance;
- definition of the reimbursement in the case of dismissing because of insufficient performance and in the case of dismissing because of the excess in the number of civil servants, previewing a higher value to the second case;
- definition of the exclusive careers of the state, integrated for the servants who practice the state power and who cannot be dismissed because of excess of civil servants;
- definition of the general criteria to dismiss because of the excess of servants;
- definition of the rules to the public selective process;
- definition of the new social security system of the civil servants, which will be guaranteed by the state, based in the retirement for age and in remuneration proportional to the contribution or to the time the servant has been working to the state;
- definition of the health system of the civil servants;
- revision of the juridical statute of the civil servants;
- definition of a general law about the union remuneration system which will increase the transparency of the remuneration and give effectiveness to the limits of remuneration;
- elaboration of laws to simplify and deregulate the public services;
- revision of the public social security law.

6.4. Cultural and Administrative Dimensions

The cultural change from the bureaucratic public administration to the managing one is crucial to the implementation of the institutional-legal reforms. In the same way, without that cultural change it will be impossible to go ahead in the administrative dimension. These three changes, however, will not occur in a sequence, but at the same time.

The concrete reform of the state machine occurs in the administrative dimension. In this dimension the public administration became effective and efficient, the needed cultural changes take place, and the managing administrative practices really occur.

The administrative change depends on the institutional-legal reforms, but does not limit to or wait for them. It is imperative to implement in the public administration a new philosophy, a new managing culture, and its respective practices.

Concluding, the reform strategy in this dimension also has to bring to view the quality program, which may emphasize not only the total quality aspect, but also the participation aspect, essential to the increase of the services efficiency in the operational level. The program of quality and participation in the public administration will focus the development and increase of quality and efficiency of the services offered by the public sector.

7. MAIN PROJECTS

The reform of the state machine, in the administrative dimension, will be performed through several projects conducted by the Ministry of the Federal Administration and the Reform of the State - MFARS (*Ministério da Administração Federal e da Reforma do Estado - MARE*). The MFARS role will be only to stimulate the reform. The effective work may be performed in all the ministries, which will develop its own projects, always aided by the MFARS.

In the administrative dimension there are three basic projects that will allow the implementation of the managing public administration in the Brazilian public service: (1) the project of structural evaluation, which will examine in a global way the structure of the state; (2) the project of autonomous agencies will operate deeply in the level of the exclusive activities of the state; and (3) the project of the social organizations and publicity will act in the level of the non-exclusive services.

7.1. Structural Evaluation

This project is essential to the development of the autonomous agencies and the social organizations. Its objective is to analyze the missions of the governmental entities, identifying duplicity and inadequacy of functions, as well as the possibilities to decentralize, to give to the state a modern organizational structure.

It begins from a discussion about the role of the state in its different levels, and after that it may analyze the attributions and the organizational structures from the direct and indirect administrations. This analysis will be made to adequate the programs e priorities of the state to the institutional structure of the federal government.

7.2. Autonomous Agencies

The responsibility for the results and the administrative autonomy inspired the formulation of this project, which purpose is to transform the present autonomous government agencies and foundations that perform state exclusive activities into new autonomous agencies which may focus the administrative modernization.

The project of the autonomous agencies will be operated in two dimensions. At first, legal instruments will be elaborated to allow the implementation of the needed changes and a study will be done to identify and surpass the existing obstacles in the current legislation, rules and regulations. Second, the new approach will be applied in some selected autonomous government agencies which will be turned into experimentation laboratories.

7.3. Social Organizations and Publicity

The transition strategy to a managing public administration may contain in the institutional-legal dimension the elaboration of a law project to allow the publicity of the non-exclusive state services, which implies their transfer from the state sector to the non-state public sector, when they will be turned into social organizations.

This project is based on the decentralization of the non-exclusive state services sector, in which the use of the state power does not exist. From the believe that these services will be more efficiently performed for the non-

state public sector.

8. COMPLEMENTARY PROJECTS

Besides the three main projects, several others are crucial to the implementation of a managing administration in the Brazilian state. The most important ones are:

- Citizen Project - to improve the relations between the public administration entities and the citizens, following one of the directives of the project of state reform, which is the allocation of the efforts according to the needs of the citizens;
- Performance Indicators - a systematic effort to define quantitative performance indicators to the state exclusive activities;
- Quality and Participation - basic instrument to the modernization of the public administration, focusing the principles of quality and participation of the servants in the operational level;
- New Human Resources Policy - will be formulated to attend the additional roles of the state and to improve the public services;
- Servants Valorization to the Citizenship - will search and recognize the individual talents and promote concentrated effort of the groups and entities which are the components of the federal public administration to offer to the Brazilian citizens better services;
- Development of Human Resources - its main goal is the education of the civil servants to reach higher levels of agility and efficiency in the public administration;
- Review of the Infra-Constitutional Legislation - all the infra-constitutional legislation may be reviewed to adequate its rules to the new concept of managing public administration;
- Government Network - may provide a modern communication network, linking in a safe and agile way all the entities of the public administration;
- Public Administration Systems - may improve the transparency in the implementation of the various actions of the government, allowing its accomplishment and evaluation.

9. CONCLUSION

The Brazilian Directing Plan to Reform the State Machine contains in its basis two big mistakes. The first one is to consider that there is a bureaucratic administration in Brazil. The second one is to consider the changes operated by the Constitution of 1988 as a problem. That means to say that the plan was built over a weak basis, that is not strong enough to explain its own need.

There has never been implemented in the Brazilian public administration a bureaucratic model in its complete sense. The existing problems, faced by this and the previous governments are related to the lack of rationality in the laws and in the actions of the administrators in the key-positions of the government during the last years.

The bureaucratic process came to the scene as a response of the society to the abuses of authority occurred in the past. It was common to see the families and friends of the ones who took part in the government to take advantage of that. Jobs and favors were distributed among them, instead of being given to the ones which were more capable to the existing positions.

The Constitution of 1988 was part of this response. After its edition, it was not possible anymore to hire people to the public entities without an entrance exam. This is a fair way to distribute the public positions. They have to be fulfilled by the more qualified ones. The government needs qualified people to offer better and more efficient public services.

It is true that the response maybe was bigger than the problem. An unique servants regime is a hard obstacle imposed by the Constitution, which may be changed to diminish the expenditures of the government with the payment of the civil servants. But there is no serious study about the subject, and because of this, its so difficult to reach a consensus to approve the Constitution amendments. The government says that its expensive the way it is but does not prove it.

In fact, one of the basis of the plan is the most important issue to change the Brazilian public administration: the culture has to be changed. Not the culture as it is addressed in the plan, from the patrimonial and bureaucratic culture to the managing culture. The existing culture among the Brazilian administrators has to be changed. Protectionism and convenience have to be placed by justice and rationality in the administrators actions.

The question of servants stability needs no change in the Constitution to be solved. When the public administrators begin to assume their responsibilities, they will perceive that there are many ways to get rid of non-productive workers. It depends basically on the way they face the problem. The tools to solve these problems just exist, it depends only on the will to use them.

In a way we need to agree that the 1988 Constitution brought some problems to the public administration. It turned thousands of government employees in civil servants, which became stable from one day to the other. This was a mistake and it is the key for the government to solve the excess of personnel in the public administration. One more time, it depends only on the political will to face and solve this problem.

In conclusion, the Constitution of 1988 is not a problem to the public administration in the way the government shows it. There are many possible solutions under the existing Brazilian legislation to solve all the problems described in the plan to reform the state, but the political cost is huge, so he question is: how much does the government admit to lose in the political scene, in the middle of a reelection campaign, to face these problems?

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