

SOCIAL WELFARE IN BRAZIL: THREE HISTORICAL PERIODS AND DIFFERENCES FROM THE EUROPEAN SOCIAL DEMOCRATIC MODEL

Regime de Bem-estar Social no Brasil: Três Períodos Históricos, Três Diferenças em Relação ao Modelo Europeu Social-democrata

Abstract

The social welfare system in Brazil could be compared to the European social democratic model over three historical periods despite the details and differences acquired. The essay will address the period between 1930–1964 to investigate the importance of the concept of citizenship as regulated by the definition of social rights in Brazil, and the comparison to the development of national citizenship and the role of trade unions in Europe's welfare state. The discussion of the period between 1964–1985 will be concerned with the structure of the military government's social policy, while a democratic environment characterized by universal social rights and social participation as the basis of the system of social welfare prevailed in Europe. The discussion of the period after 1985 will emphasize the second phase of social reform that was initiated after the Real Plan (1994), and will highlight the generous and universalizing vision of social rights. For this period, it will be important to point out that, compared to Europe, the foundation and design of the welfare state were questioned with the aim to review at the same time some of the fundamentals to maintain it as standard of social solidarity.

Keywords: Citizenship; rights; equality; democracy; inequality.

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Resumo

O regime de bem-estar social no Brasil pode ser comparado com o modelo social-democrata europeu em três períodos históricos, apesar das especificidades e diferenças que aqui adquiriu. No período 1930-1964, serão abordadas a importância da concepção de cidadania regulada para a definição de direitos sociais no Brasil e a comparação com o desenvolvimento da cidadania nacional e o papel dos sindicatos no welfare state na Europa. No período 1964-1985, será apresentada a forma como se estruturou a política social do regime militar; enquanto, na Europa, havia um ambiente democrático, com direitos sociais universais e participação social como bases do regime de bem-estar social. No período após 1985, com ênfase na fase da segunda reforma social iniciada pós-Plano Real (1994), será destacada a visão mais generosa e universalizante de direitos sociais. Para esse período, será importante apontar como, na Europa, nesse momento, se questionaram as bases materiais e a concepção do welfare state, visando, ao mesmo tempo, revisar alguns fundamentos para mantê-lo como padrão de solidariedade social.

Palavras-chave: Cidadania, direitos, igualdade, democracia, desigualdade.

1. Introduction

The debate on social rights and democratic government is an important part of the citizenship development agenda in Brazil. However, did the citizenship development agenda reverse its order and create a social rights system before consolidating civil and political rights? Such a reversal would generate what Carvalho (2006, p. 221) referred to as “stateship,” the result of “a culture more oriented towards the State than representation [and] ... opposed to citizenship.” This essay discusses how, compared to the European social democracy welfare state, according to Esping-Andersen (1990), the evolution of Brazilian social welfare occurred at three different moments from 1930. More specifically, the essay compares two realities after 1990.

From the perspective of the types of welfare state proposed by Esping-Andersen (1990), for analytical purposes in this text, the most universalist or redistributivist models will be regarded as synonyms. This welfare state model, which is typical of Scandinavian countries, should not be confused with more conservative (e.g., France or Germany) or

more residual models (e.g., Great Britain or United States). Therefore, the term “welfare state” will be used to refer to the social democratic model proposed by this author. This allows us, therefore, to compare this concept of the social welfare state and its most advanced “type,” in terms of social rights and how it suffered changes in Brazil and in some European countries, where they were adopted under three opposing angles: (1) non-existence in Brazil until 1988, as it was closer to the conservative social welfare government model; (2) the development of a social policy system in Brazil after the 1990s on more universal bases; and (3) progressive deconstitution as a public system of social rights in socially democratic European countries.

The purpose of this essay is not to generate analytical inferences, but to present a general overview that, comparatively, indicates inflexions in social welfare in Brazil and Europe. Therefore, the essential dimension to generate this discussion focuses on the ways that, in both experiences, social policies promoted by the state changed through its evolution. In Brazil, social policies advanced from a restrictive model to a more generous universalization of rights after 1985. In the classic case

of the more universalistic European welfare state, there was a gradual reduction in the offering of this public policy.

Since this is an exploratory essay with comparative purposes, it is limited in its presentation of similarities and differences between the two contexts. Analytical inference based on political, social, or economic variables is beyond the scope of this essay. Therefore, the research aims to contribute to comparative analyses by suggesting topics and raising issues that could be used to develop hypotheses for future qualitative and quantitative research. Since this is an essay based on the relevant literature, the suggested interpretations aim at pointing to the possibility of comparative studies on social welfare.

Nevertheless, this method of discussing the literature aims to link economic development to social development and the relevant consequences regarding social rights. Other aspects such as the design of political institutions or the building of sociopolitical pacts dedicated to favoring or reducing the universal welfare state were not considered. In the Brazilian case, the Federal Constitution of 1988 greatly broadened the social policies, from the 1990s, and this institutional background was adopted as a contextual variable to promote policies. Since there are already many studies on the “citizen” aspect of the Constitution of 1988, it is not relevant to mention this subject in this essay. For the European case, considering the classic welfare state typology in the terms proposed by Esping-Andersen (1990), in addition to the possibility mentioned in this essay, would be an analysis comparing Europe’s political institutions and constitutional designs. This is because it would be necessary to discuss the

peculiarities of the countries, Scandinavian in particular, serving as references to this welfare state typology.

The essay’s analytical perspective considers Marshall’s arguments (1967, pp. 87–88) on the development of citizenship, taking the English case as an example. The author highlights the problems that occurred in this process because “civil rights granted legal powers whose use was drastically damaged by class prejudice and lack of economic opportunity.” The social and economic structures did not favor effective practices for citizens’ formal equality. They emphasize that citizenship status provided equality to individuals, but the existing social class system generated actual economic inequalities against which the political struggles of the working class sought to increase the recognition of their civil and political rights.

However, social rights aimed at alleviating real inequalities between citizens can only be sponsored by the state, as it has regulatory functions to deal with the question of formal citizenship versus social class status, as proposed by Marshall (1967). The development of democracy and its contradictions between actual and formal citizenship plans demands state intervention to balance the expectations and possibilities of social inclusion. Therefore, according to Marshall (1965), public policies should guarantee a minimum of essential services that enable the real status of citizenship for individuals to benefit from the social and economic heritage of their country. The state should act to regulate social order and guarantee the minimal conditions for individuals to compete for economic opportunities. In doing that, the state intervenes to recognize and extend so-

cial rights.

In essence, social rights equalize individuals through the possibility of providing legal and common freedoms. Political rights guarantee equal participation for individuals to choose their governments. Social rights define the minimum extent of equality, considering economic and opportunity inequalities. Responding to this model in an integrated way and approximating citizens' expectations of social reality seems to be the challenge for European democracies. In Marshall's model, this gives the state and its public policies an important role besides consolidating its social and political legitimacy.

However, when the same model is used to analyze the evolution of social rights in Brazil, nothing seems to suggest the same developmental trajectory. Especially, as will be seen, there was a long historical delay in Brazil's achievement of universal rights. Before guaranteeing minimal rights to large portions of the population, the country created a system that deepened social inequalities and exclusion. This system was based on formal incorporation in the labor market, despite being legally supported. This mode began after 1930, and it served to increase actual inequality among societal groups because it was based on social stratification and the job market/labor force. In Brazil, at least until the mid-1980s, formal citizenship status did not correspond to the actual social situation, as the reality was characterized by low rates of inclusion. By comparing three historical periods, this essay considers the ways that social rights evolved in Brazil and in the classic European model until the late 1990s. The first part of this paper concerns the period between 1930 and 1964

when Brazil's military coup occurred. Then, the military government, which ended in 1985, is discussed. The third section focuses on the transition to democracy through the early 2000s.

2. National Citizenship and Regulated Citizenship: Social Policies in Brazil between 1930 and 1964

Advocating for equality was paramount in the European working-class struggle of the 19th century. According to Bendix (1996), providing public education and the right to vote materialized such claims and contributed to the consolidation of national citizenship and political participation. In Brazil, illiterates could not vote until 1985, and it was not with universal public education that citizenship was developed. Education and the right to vote were not particularly relevant to the development of "national citizenship."²

In Europe, particularly in England, industrial expansion influenced the political actions of working class people seeking social rights. In Brazil, with industrialization, only the segments included in the labor market had recognized rights. Before universalization, a "state-regulated" political community developed, and this was restrictive in the sense that it granted only some rights as the translation of functional occupation into the job market (Santos, 1979).³ People at the bottom of society did not struggle to gain rights, but there was a policy implemented by ruling elites to create limited citizenship.

In Europe, the working class struggled to guarantee the right of association and organize trade unions (Bendix, 1996). In Brazil, the state regulated social conflict by creating legally and financially dependent trade

unions. The “public trade union” and the regulation of professions were the legal parameters of citizenship and its incorporation into the national community (Santos, 1979).⁴ Functional stratification legalized the foundations of regulated citizenship, and the trade unions were key to gaining recognition of citizenship rights, which created unequal incorporation when controlling the workers’ formal access as citizens.

To analyze the way that countries implement their social policies, Haggard and Kaufman (2008) proposed the concept of critical realignment: historical and political interruptions that subsequently influenced the path to social welfare. This concept is applied in Brazil to analyze the effects of regulated citizenship in the long term, since recognized professions and formal employment were the criteria for the recognition of social rights until the 1970s. Social insurance, derived from waged employees’ tax payments, but not from social security as a universal right, set the tone (Marshall, 1965). After the 1930s, the objective conditions for social policy were created, and became stratified and dependent on trade union patronage and political leaders (Haggard; Kaufman, 2008). In effect, national citizenship and universal social rights did not support such critical realignment.

According to Haggard and Kaufman (2008), in Brazil, social policies served the purposes of the ruling elite by providing social support in the cities, as they were the centers of formal employment. Social policies and regulated citizenship did not conflict with accumulation patterns promoting capitalist development (SANTOS, 1979). This was pivotal to the critical realignment of the pact be-

tween the ruling elites and syndicated urban working class after 1930. In Europe, the recognition of social rights that became universal resulted from political struggle. In Brazil, the cost of policy options, according to Haggard and Kaufman (2008), was restricted resources to the poor.

Linking developmental accumulation, co-optation of the urban working class, and stratified social policies were central aspects of Brazil’s welfare state between 1930 and 1964. There was no relationship between democracy, electoral participation, and social policies. The Brazilian corporate system can also not be compared to the role of the trade unions in the classic social democracy model of “social partnership” that brought industrial relations close to interest representation (Esping-Andersen, 2000). Even further away was the Brazilian case of the social democratic model of workers’ trade unions that financed workers’ parties on the political scene. For being the majority and having their own parties, workers would be the greatest beneficiaries with the occupation of public offices to implement social welfare policies (Amenta; Skocpol, 1986). In Brazil, even between 1945 and 1964, despite the Brazilian Workers Party’s activities within the urban working class trade unions and the bureaucracy of the Labor Ministry, these ideas did not become the model.

From 1930 to 1964, the process of social regulation and state intervention began to structure the social welfare regime in Brazil (Draibe, 1994). However, regarding the “logic of industrialism” and the welfare state as social evolution (Draibe; Riesco, 2006), Brazil would have to wait. However, a peculiar synthesis emerged between developmen-

talism, political co-optation of trade unions, and restrictions on democracy. Unlike the European experience, regulated citizenship was the way to merge the political community and a meritocratic-individualistic model of social solidarity. Along with the corporatism of the job market/labor force, this was the conservative solution for social policies (Draibe; Aureliano, 1989).

3. Expansion and Consolidation of the Social Welfare State in Brazil (1964–1985)

The consolidation of the welfare state in Europe occurred during the 1960s, when social rights were universalized (Esping-Andersen, 2000) and democratic governments and citizens' civil rights were supported. There was an economic base that sustained the provision of social services, which was financed by full employment. In Brazil, the consolidation and expansion of social welfare began after 1964 under an authoritarian government. There was no universalization of social rights or respect for civil rights. An economic model that concentrated wealth and was socially exclusive financed the broadening of social services.

Draibe (1994, p. 271) stated that social policies were anchored in wage squeezes, restraints on organizations and social exclusion. There was a connection between political regime, the capitalist accumulation pattern, and social policy that lacked criteria to universalize rights. The social agenda was subordinated to economic modernization, which Draibe (1994) referred to as the “conservative reform” of post-1974 social policies. The military government sought to balance expenditure reduction and the broadening of redistributive objectives when

“rediscovering” poverty (Fagnani, 1997).

According to Santos (1979), understanding the social policy of the military government requires noting that regulated citizenship became incompatible with balancing various social groups' increasing demands. “Apparently and, again, as in the 30 [1930s], it was a matter of reformulating the institutions where accumulation and compensatory distribution were processed, and again through an authoritarian path” (Santos, 1979, p. 82). The authoritarian alternative, in 1964, derived from the inability to balance democracy, capitalist accumulation, and social conflict. The institutional breakdowns and the lack of balance among economic development, social demands, and democratic normality did not occur during the post-1945 consolidation of the welfare state in Europe.

In 1964, the economy, democracy, and society saw a mismatch incapable of being answered by that current political-institutional design (Draibe, 1994). Breaking with the democratic rules, the military government sought answers to deal with a complexification of social structure distinct of those aimed at consolidating a welfare state adopted in Europe, and seeking to establish a state without social mobilization. There was nothing similar to the “struggle of the democratic classes” between trade unions, political parties, and the government that formed the political basis of the European welfare state. The antagonism between economic expansion and the design of social policies was solved in a conservative way (Draibe; Aureliano, 1989).

Social policies had a low redistributive impact; they were not very inclusive and offered

restrictive universal programs that lacked selectivity and were not very focused on the societal groups most in need (Draibe, 2003; Draibe; Aureliano, 1989). Unlike the social-democratic European model, the social policies of the military government were not universal and inherited regulated citizenship and occupational stratification. Social policy was not defined as a right, and social participation and democracy were not integrated in the development of national citizenship. If, until 1964, there was regulated citizenship, in the military regime citizenship standards were below the minimal levels of justice (SANTOS, 1979).

Social policy during the military regime was bureaucratically devised. Therefore, to the syndicate control, the administrative wage control was added with no interference from a “democratic class struggle.” Even programs like the Funrural, built on non-contributing but universalizing principles, were implemented by the state bureaucracy. Without allowing political conflicts to generate some social consensus, the military regime expanded bureaucratic centralization. A “bureaucratic welfare state” was organized without politics as a channel to express social demands.

According to Draibe (1994), the central structures that coordinated social programs were repoliticized with an increased autonomy of technicians. Representative politics was replaced by “bureaucratic policy” (Lindblom, 1981). The “bureaucratic rings” legitimized the bureaucracy to define social policies as interlocutors, particularly before private groups.⁵ For example, after 1988, expanding the provision of healthcare services favored the private sector to the detriment of universal public policies such as the Unified Health

System.

Meritocratic and peculiar aspects as well as corporatist bias and favoritism in granting benefits were preserved (Fagnani, 1997; Draibe; Aureliano, 1989). It was sought to adjust the coexistence of regulated citizenship and expanded social services. Draibe (1994, p. 305) argued that “such policies tended to reproduce and reiterate initial inequalities.” While the social-democratic model was being consolidated in Europe on universalizing bases, in Brazil, social services were expanded in a restrictive way to affect inequalities. The terminating character of technical education is an example of something that reduced “lower class” pressure for vacancies in universities and reproduced the social order through teaching.

A more comprehensive model of the welfare state had to wait for the democratic period to start in 1985, and especially after 1994, as discussed below.

4. The “Mismatch” between the European Welfare State and Brazil during the 1990s

Esping-Andersen (2000) pointed out that the welfare state faced new problems when the post-industrial economy stopped providing full employment and equality. Changes in the labor market influenced the trade-off between employment and equality, creating family instability and loss of social integration. Although the historical development of the welfare state showed that there is no incompatibility between capitalism and citizenship, the solidarity pattern, based on full employment, began to crumble. The contract between the state and society needed to be reviewed in order to redefine new social risks

to be faced while not questioning one basic principle: citizens need to have recognized rights. Hence, “decommodification” gained importance as a public policy offering social services as a citizens’ right, for people needed to support themselves without depending on the market. With this concept, we have a guideline to assess welfare quality (Esping-Andersen, 1990).

However, considering structural unemployment threats caused by technological modernization, how would it be possible to create economic bases to support “decommodification”?

If the new economy of the services increased the number of low-paying jobs, this situation would negatively influence governmental tax revenues. The full employment model, with quality-based social policies and supporting “decommodification,” has new financial challenges to maintain its solidarity. Esping-Andersen (1990) argued that the answer to limited market opportunities would be that families search for alternative ways to survive, although the author is not clear on how this option could be materialized and be sustainable.

Esping-Andersen (2000) further argued that unemployment might oppose insiders (men) and outsiders (young people and women), emphasizing the long-term risks of the welfare state’s coexistence with unemployment, low wages, and poverty. For the author, the social welfare regime consists of reconstructing the “democratic class struggle” and a “win-win” strategy to avoid the emergence of a model formed by insiders and outsiders. However, in the proposed balance between politics and the job market, it is unclear

whether trade unions would be privileged actors in relation to the state, as in the “golden age” of the welfare state.

As discussed above, in Brazil, regulated citizenship and formal employment were the foundation of social policy until the mid-1970s. Brazil’s capitalism never aimed to create a trade-off between equality and employment, but, rather, they aimed to regulate the bases of capitalist accumulation. Capital reproduction has historically coexisted with social exclusion and low wages. There has never been a “democratic class struggle” in Brazil because, as found in the literature (Santos, 1979; Draibe, 1994; Fagnani, 1997), highly regressive social policies based on individual contributions set the tone. The system was little concerned with expanding the incorporation of citizens in a more universal pattern of solidarity, at least until the second half of the 1980s, when we slowly started to see changes in that direction.

In the European case, when tackling poverty, Esping-Andersen (2000) highlights public policies that aimed to protect the state and avoid this temporary and conjectural risk. Developing familial skills would be a way to deal with this problem.⁶ In Brazil, as will be seen, poverty is treated as a structural malaise derived from the historical pattern of capitalistic development. Therefore, programs such as “Family Welfare,” do not seem to fit Esping-Andersen’s (2000) argument, as they are wealth-transferring initiatives for family survival. In this case, decommodification should not apply, since families are not given the option to move away from the job market as a recognized right. In addition, it can be said that this not a temporary program to combat poverty. The “Family Allowance program can-

not be compared to the process of “decommodification,” as stated by Esping-Andersen (2000), because between the objectives of the program, there is no strategy with which the state can provide services such as day-care centers to facilitate, for instance, women’s participation in the labor market. Due to the difficulty of using Esping-Andersen’s model (1990, 2000) in Brazilian reality, a new concept is needed. Thus, Draibe and Riesco (2006, p. 21) proposed that “the focus of social welfare regimes has contributed decisively to avoid two common risks [the inappropriate generalization and historical simplification] in historic comparisons of complex socioeconomic development processes.”

The analysis of these authors is useful to understand the social policy system⁵ that existed in Brazil after 1988, particularly after Plano Real in 1994. The social policy system started to be seen from a positive perspective that considered its contributions to economic development. The state promoted public programs to stimulate a virtuous cycle between economy and social policy with citizens’ direct participation (Draibe; Riesco, 2006) so that social policy would lead to greater equality (Draibe, 2003). According to Draibe and Riesco (2006, pp. 13–14):

Social policies systems or, more precisely, the welfare state are the starting point of the analysis to articulate economic development and social policy. Despite the fragmented view of a few social programs, it is the social protection system perspective as a whole that enables [one] to examine the dynamic effects of social policy over time, accompanying the same dynamic treatment with which economic develop-

ment is examined.

In the next section, this idea is further examined to analyze the social policy system in Brazil after 1994.

5. The Social Policy System and Economic Development in Brazil after 1994

From 1994, when the Real Plan was already a reality, a social development strategy was created based on universality, solidarity, equal opportunity, participation, decentralization, and partnership with civil society. The structuring axes were the reform of basic public social services, improvement in the quantity and quality of job opportunities, increases in wealth, increases in opportunities to access productive assets (such as land and credit), short-term initiatives to alleviate acute poverty, and improvement and direct transference of wealth. This plan was developed considering macroeconomic stability, seeking to protect its continuity against cyclical variations in fiscal and budgetary performance (Faria, 2002).⁷ Thus, the social policy system was conceived based on a more universalizing ground.

In this period, while in Europe the challenge, according to Esping-Andersen (2000), was to respond to the welfare state crisis in the post-industrial economy, in Brazil there was advancement toward a more generous social policy system. However, the expansion of democracy and social participation started to be key tools to implement social policies since the late 1980s (Draibe, 1998). This institutional engineering has two differences in relation to the “State, Market, and Family” model of Esping-Andersen (2000):⁸ a) participation of civil society through non-

governmental organizations (NGOs) and other partnerships; and b) decentralization of public policies, which is not addressed as a political-organizational form of the welfare regime in the European case. Other distinctions of Brazil's social policy system have emerged since 1995 when compared to the social-democratic European view that sought to break the "social deficit" cycle. Some of the characteristics of the implemented model and its differences from the "pure" European social democracy model are described below.

First, the strategic choice made during the government of Fernando Henrique Cardoso (1995–2002) was, according to Draibe (1998), focused on actions in vulnerable groups within universal programs, and broadened the redistributive impact on the low-income portion of the population. Selecting relatively more vulnerable groups was expected to improve social justice with increased spending per capita. With sectors of the population at the margins of the job market and unable to obtain protection from all types of social risks, the state, before universalizing a social service, should raise the quality of life of these groups to at least the poverty line (Barros; Foguel, 2002). Poverty was a structural problem that never fit to the European social democracy perspective because full employment was always the material and political base of universal social rights.

According to Barros and Carvalho (2003), fighting poverty involves reducing social inequity. To that end, the effectiveness of social spending must be increased without increasing the public budget. These authors argued that focused programs are more ef-

fective at reducing poverty and are essential to altering the profile of Brazilian social poverty, qualifying spending, and directing funds to the neediest groups. They further pointed out that there is a gap in social programs, which marginalizes poorer people regarding access and benefits. Faria (2002) also argued that the major obstacles to implement social development strategies are institutional and organizational, despite economic and fiscal limits. Among these factors, institutional and corporate fragmentation, high costs and inefficiency, bureaucracy, political and service providers' interests, and the regressive benefit structure stand out.

Neri (2007) highlighted that poverty and social inequality after the Real Plan almost continuously declined until 2005, benefitting in particular the poorest sectors in the population. Despite the fact that the Real Plan lacked a focus on wealth redistribution and instead focused on macroeconomic stability, there were positive effects for redistribution policies. With a more predictable economic environment, the capacity to plan public policies improved. The government intensified the strategies that focused on the most vulnerable segments and on conditioned wealth transfers (Bolsa Escola - 1998/2002 - and Bolsa Família - since 2003). However, guiding actions for the poorest people does not provide a clear timeframe for public action or a line between compensatory and structural aspects.

As Neri (2007) pointed out, public policies do not aim to reduce inequality per se, but to improve the levels of public wellbeing, which depends on economic stability and job generation to sustainably combat poverty. Considering the historical deficiencies in the ed-

educational development of the country, how could the workforce be qualified and reduce its structural dependence from compensatory public policies? What is the limit of public expense for supporting this group without incorporating it into economic activities? According to Haggard and Kaufman (2008), East Asia had a different experience when combining educational policy and economic development. Reducing wealth inequality and creating formal employment depend not only on the economy's performance, but also on the conditions of competitive ways to insert people into the workforce. Thus, the final question is whether the attacks on compensatory effects would generate sustainable changes in the long term.

Barros and Foguel (2002) found that there were challenges to access and difficulties in obtaining benefits existing until the late 1990s for the poorest people who were receiving benefits from public policy. In their opinion, most governmental social services were not well-focused on priority customers who were most vulnerable to social risk. Therefore, it would not be necessary to increase social spending to eradicate poverty if such would be directed at the poorest to improve efficacy. Poverty also could be combated through universal programs, as they are not discontinuous and they offer improved quality of service. Therefore, focusing on the universal by merging universality and selectivity could be a central strategy to combat poverty (Draibe, 1998).

A program with these characteristics, at least normatively, is far from the social democratic model, as "focus" is a strange concept to a system whose basic principle is to universalize citizens' social rights. Historically, Bra-

zil had social and regional inequality that negatively influenced redistribution policies. Universal in access and benefits, Brazil's social policies must deal with this historical and institutional weight, which leads to an important question: how can the levels of social integration be increased considering the structural characteristics of social exclusion and the low level of effective recognition of citizens' rights? Of course, the social programs seem to reduce the fragmentation and dispersion of the social programs and improve the intergovernmental coordination and regional flexibility of actions, as Faria (2002) emphasized. However, the reproduction of poverty will not be eliminated without productive social insertion. Therefore, it is not enough to invest in social policy without a development agenda for the relatively poor regions (DRAIBE, 1998). Therefore, improving equality and equity in national collective life remains an unfinished Brazilian welfare task.

As discussed, Brazil retains a perception of citizenship that is different from various programs of effective universalization of access and benefits. Effective public spending on social policies has yet to deal with the legacy of historical exclusion, aiming at universalizing citizenship. In this case, social policies seem to create a feedback effect that could change existing policies, so the government has doubts regarding the ways to improve them with new policies. This political and institutional learning process had to wait until the late 1990 that policies were more universal in their structure and attended customers.

The second aspect of the reform of the social policy system in Brazil after 1988 was the

challenge of financing and regulating it. The key change was employing decentralization, democratization, and social participation as new management methods. However, in the context of the federal government, a central problem was the horizontal coordination among entities acting in the social area. This problem had a direct influence on the effectiveness of public spending due to the overlapping responsibilities or the conflict of goals among the different programs directed at the same beneficiaries. Barros and Carvalho (2003) describe this situation, emphasizing that families could be doubly stimulated in two contradictory ways. While one program encouraged school attendance, the other program could provide professional education for labor force participation. It seems that this inability of intergovernmental coordination did not change until the late 1990s, as mismatched stimuli still occurred for social programs.

The aforementioned reality shows that the Brazilian social policy system, after the period indicated, lacked more effective operational management. Both in terms of design and implementation, the federal government's task as financier and regulator of the system did not fill the gap. As discussed above, the binomial to increase the equity and effectiveness of public resources was considered essential to the social area. However, for progress in that direction, improved organizational management of programs, considering the above-described duplicities, was an unfilled gap. Corrective or mitigation measures pertaining to this reality had to wait until the united registration of social programs was implemented.

Except for the effort to unify the social poli-

cies' customers, after the Brazilian experience and until the early 2000s, some authors suggest measures to improve program management. For Neri (2004), measures such as social credit between the federal government and the municipalities would serve to condition the transfer of funds into results, and not only to legal requirements. According to the author, if the social policy core are funds transferred from the federal government to the municipalities, there should be monitoring to verify not only proper budgetary uses but, in particular, the results obtained by the poorest. On the other hand, Barros and Carvalho (2003) investigated the flexibility of the federal program to regional realities that demand greater capacity for policy leaning to make program adjustments.

Nevertheless, from 1995, in relation to the methods of executing federal programs, two vectors were intensified: the decentralization of public policies for municipalities and NGOs. As discussed above, these institutional innovations were not considered by Esping-Andersen (2000), as his welfare state model is limited to the state, market, and family.

Analyzing the decentralization of public policies, Arretche (2002) found that in federative countries such as Brazil municipalities are politically autonomous and have veto rights. The federal government created political and financial induction strategies to deal with issues that vary according to social policy for the local sphere to accept new assignments. For the author, the success of decentralization in policies such as healthcare and education is due especially to the ability of the federal government to guarantee incentives for the municipalities to assume new responsibilities. Thus, having overcome the initial

challenges, the welfare regime in Brazil started to be implemented in a decentralized manner; the federal government financed and regulated policies. Unlike what was stated by Haggard and Kaufman (2008), social policy reform in Brazil was efficient, although the political system must deal with veto points in the federal arena.

Arretche's (2002) solution to the problem was that after the laws passed, the authority pertaining to policy implementation fell to the federal government. Bureaucracies start to decide, regardless of legislative power, to translate laws into effective policies through the implementation of rules such as the health Basic Operational Norms (NOBs). The bureaucratic actions in the context of the decentralization of social policies, combined with federative arenas of decisions such as the Tripartite Intermanagerial Committee in Public Health rallying federal, state and municipal levels of government, generated a peculiar institutional design. Not only was social policy decentralized, but control mechanisms emerged from society's democratic pressures and bureaucratic policy learning (Arretche, 2002; Amenta; Skocpol, 1986).

Unlike the European model, a peak associations' model (trade unions and parties) to determine welfare policies for the government was not established, as was the social-democratic experience in Europe. In Brazil, the decentralization of social services' implementation and management to municipalities increased. Federative articulation mechanisms comprising several actors and interests could be devised to act as veto points. Once again, the political-institutional design of the European welfare state seems

to have been different: social policies have been made in a centralized manner.

In Brazil, decentralization was coherent, with greater universalization and increased access and benefits for a large portion of the population. Decentralization was the political and administrative format of the federative welfare system in Brazil. There are no references to a process with these characteristics in Esping-Andersen (2000) to propose, for example, a reorganization of the welfare state in light of new challenges in the post-industrial economy. Ultimately, what can be concluded from Esping-Anderson's (2000) perspective is decentralization for society based on his suggestion that families could be relevant actors, aiming to guarantee their rights and maintain social solidarity.

However, there are problems with the perspective that links decentralization to more democracy at the local level, increasing equity, reducing favoritism, and diverting public funds destined for social causes. The organization of public policy counsels was, according to Draibe (1998), one of the strong inflections articulating societal interests in decision-making and developing policy. This "counsel" type of municipal public policy should be able to exert social control on public power and channel democratic energies. According to Draibe (1998), these forums were limited to control politicians' actions vis-à-vis their dependence on public power and their low technical capacity. Considering the historical relationship between favoritism and social assistance in Brazil, it is possible to admit a distortion in the democratic concept of the counsels in front of the influence of local governments, particularly because these are instances of authorizing or vetoing

public funds.

Another decentralizing factor in the 1990s was broader participation channels in relation to civil society. Barros and Carvalho (2003) pointed out that community participation better adjusted the programs to local needs, and increased their operational efficacy. Decentralization and social participation were, as highlighted by Draibe (1994, 1998) and Fagnani (1997), ways to counter the centralized social policy decisions that were in effect during the military regime. Partnership mechanisms with civil society, NGO support, and support of entities with the direct participation of the beneficiaries, such as school-based parents' organizations and teachers' associations, comprised the governmental options for decentralizing social policies. In the late 1990s, institutional innovations became closer to civil society to increase public policy capacity, particularly because of the decentralized social programs of regional governments, namely those of the municipalities.

In some sectors such as healthcare, education, and social services, decentralization and social participation expanded services in response to state restrictions on provisions. The decentralization of social services configured what Bresser-Pereira (1997) defined as a "public, but not state" provisional model. Draibe (1998, p. 119) contended that there was an "understanding that the State, despite not abdicating of its responsibility and identity, neither should nor must do everything on its own, which is a formula reflected in the strengthening of its partnerships with non-profitable private sectors...." Thus, NGOs began offering services such as social assistance (partnerships for daycare

or elder care) and healthcare (Family Health Program teams and community agents).

Compared to the state-centered social democracy model, as proposed by Esping-Andersen (2000), the Brazilian model is innovative. However, there are two caveats: a) inefficient state managerial control for assessing public funds' management and whether NGO services were efficient and in agreement with the demand profile; b) responsibilities were delegated, such as giving NGOs the responsibility to plan public policies, which might not stimulate the development of more qualified bureaucracies, particularly at the local level, if such services were procured.

The Solidarity Community Program is an example of this partnership concept. Draibe (1998) described it as focused on combating poverty. Its innovations were integrated social actions, with the territorial limits of the poorest people and private and philanthropic support. Draibe (1998) stated that the goal was the universalization of social rights that shun favoritism. However, this program was markedly different from the universalizing welfare state design in which the state is the central provider of social services. It aimed at needy areas that were selected according to the Municipal Human Development Index (M-HDI), which might not create universal programs. In addition, the priority of combating poverty might not have set social rights as a priority how is that the centrality in the European welfare schemes.

The program characteristics differed from the social democracy model, because the "democratic class struggle" and the social risk policies depended on the government, entrepreneurs, and syndicates. Initiatives such as the

Solidarity Community Program focused on non-organized beneficiaries who were more affected by social exclusion. The Brazilian state's decisions needed to be based less on "democratic class struggle" and more on filling the social and territorial voids not occupied by socioeconomic development in Brazil. On the other hand, in the classic welfare state, although the state is the service provider, united workers always acted as stakeholders and important actors in the development of pacts between the private and public sectors. Emphasis on social participation and the development of a space that includes public power, as proposed by the Solidarity Community Program, are not comparable to the European welfare system's triad model of trade unions- governments-enterprises.

6. Final Remarks: The Evolution of the Brazilian Welfare System after the 1990s

At the beginning of this essay, the paper's goal of presenting three historical periods of Brazilian social welfare governance was stated as a way to highlight the Brazilian case's key features and peculiarities compared to the European social democracy model. To develop hypotheses for future research, this paper attempted to demonstrate the evolution of social policy systems, comparing the Brazilian reality and the social democratic welfare state, following different trajectories. The choice of comparing three important historical periods served for this goal, as it distinguished the paths that suffered through social policy systems in two realities. More than distinct, in the three time periods, these paths opposed one another regarding political choices. Although the period after 1990 was prioritized to put the

theme into a broader perspective, the time period between 1930 and the beginning of the 21st century identifies the changes that occurred and their probable directions. In sum, a synthesis is useful to align research questions and make general observations about each period.

First, from 1930 to 1964, the negative legacy of the "critical realignment" of options was chosen by political elites considering the corporate model anchored in regulated citizenship. The effects of this political-institutional design generated significant delays in expanding citizenship on universal foundations. This slow and contradictory expansion, which began during the military regime, changed only after the second half of the 1980s. In Brazil, social rights concerns were restrained because large portions of the population were excluded from the labor force. The Brazilian government did not take responsibility for offering services to the marginalized population, which was not represented by the political and social co-optation model of trade unions, governments, and enterprises.

During that period in Europe, a pattern of universalization of rights and national citizenship was consolidated. It differed from the social stratification determined by the job market and functional occupation. Trade unions, enterprises, and the state were a triad that brought about a political and institutional arrangement on generous grounds to ensure wide access to society for social policies. The period after 1945 was characterized by increasing franchise expansion for social sectors to access welfare state offerings regardless of employment status. Thus, the "critical realignment" that occurred be-

cause of the organization of the social democracy model was the development of a social pact based on increasingly universal foundations in terms of social rights.

Second, during the Brazilian military regime, expansion and consolidation of the welfare state did not use political interference to reach collective consensus on the social solidarity model to be implemented. Bureaucracy became a privileged actor defining policies and social interlocutors, particularly in the private sector. Instead of a pact between government and trade unions to create social policies, as in the European social democracy model, in Brazil, the bonds between bureaucracy interests and the private sector were strengthened. Before fostering universal social policies that, in the social-democratic European experience were completed during the 1970s, the Brazilian welfare state had a different characteristic. The economic model of wealth concentration and social inequality were central aspects despite the expanded social policies.

In the European social democracy model, politics stood out as a mediator of agreements among capital, employment, and public power, particularly for peak associations, for their ample and corporative representative natures. Thus, the economic face of capitalism did not develop to the detriment of possibly extending a network of social rights to reduce the deleterious effects of a wealth-concentrating focused logic. Instead of being an institutional and political actor focused on guaranteeing the bases of economic exploration and the repression of political representation of the working classes in their syndicates, the state acted to promote social consensus. Consequently,

during this period, the welfare state reached its apex as a generous social policy system based on compassionate grounds that promoted the universalization of rights.

Third, after 1994, a comparison of the European democratic model with social policies in Brazil takes on a different connotation. In Europe, the challenge, according to Esping-Andersen (2000), was to recreate the bases of the universalizing societal model despite economic and social changes, particularly family disruption. Changes in society's economic bases (technological production, new players in the global market, and so forth) gradually weakened the material pillars of this model. Emphasizing "decommodification" to guarantee universal rights provided by the state gave way to social survival strategies less dependent on public power, particularly in families, with protagonism assumed by them. The private and domestic spheres, guaranteeing the ideal model of the welfare state centered on the job market for men and prioritized as a space for family life development, underwent deep changes: first, due to transformations in the job market/labor force and increased structural unemployment, women were more likely to enter the labor force; second, new responsibilities were assumed by the state to guarantee social rights, which changed the lifestyle dynamics of this social group.

In Brazil, social welfare governance was based on comprehensive values in the defense of rights and citizenship through a generous social policy system. However, debates that focused on programs to combat poverty and social inequality were unusual from the European social democracy perspective, because this model assumes that, above all, the welfare state is a policy system based on citi-

zens with recognized universal social rights. Although the social policies established by the state aimed to expand rights and access for marginalized social groups, detachment from the labor force persisted. The “pro-social” choice adopted in Brazil after the 1988 constitution was far from a system anchored in classic relationships among capital, employment, and universal rights to mitigate structural social inequality problems and lack of labor force participation. The economic foundation of this new social policy cycle in Brazil was far from making economic pacts despite having been a relatively more equitable choice of Brazilian society toward less predatory patterns of citizenship.

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Notes

1. I am grateful to the anonymous reviewers for their valuable comments, which contributed to clarifying the fundamental points of this paper.

2. Although Draibe and Aureliano (1989) emphasized that, after 1930, education became a national issue for the federal government, the system was mostly urban. However, until 1960, 55% of the population lived in rural areas, and, until 1950, 51.6% of the population was illiterate (Santos, 1987).

3. The federal government legislated citizenship regarding professional activities in certain technical, scientific, and liberal occupations and regulated the other professions through labor laws. This indicates the state's monopoly on the people's access to organized society and social rights (Santos, 1987).

4. The comparison with England is less about history and more about the way that workers and syndicates struggled, and their incorporation into national citizenship.

5. The relationship between expanding state bureaucracy and privatizing public space is explained by Fagnani (1997), who proposed that centralized policymaking emerged with the development of large bureaucratic structures such as *Sistema Financeiro de Habitação*–SFH (National Housing Financial System), *Sistema Nacional de Previdência e Assistência Social*–Sinpas (National Social Security and Assistance), and *Sistema Financeiro de Saneamento*–SFS (Sanitation Financial System). These agencies developed and implemented public policies with decision-making autonomy and financial resources. The links between bureaucracy and private interests were manifested in several social policies that did not consider the relevant criteria or focus on the

most needy people. Little importance was placed on the long-term capacities for sustainability to facilitate financial mechanisms, which could create gaps in many governmental projects such as housing and basic sanitation that did not attract investment again until the 1990s.

6. The term “social policy” is used in this essay to refer to welfare in the Brazilian case as a translation of the literature’s term “welfare state.” This option was chosen because, according to Esping-Andersen (1990), Europe has three types of welfare state, and Brazil identifies with none of them.

7. Draibe (2003) argued that the social democracy foundation of the programs during the first Fernando Henrique Cardoso tenure (1995–1998) was based on three pillars: social rights, equal opportunities, and protection of the most vulner-

able groups. Basic social services broadened their redistributive aspect, decentralized, and increased social participation. Poverty was dealt with through the Caring Community program in partnerships among states, municipalities, the private sector, and society. The main difference of Cardoso’s second tenure (1999–2002) was the direct transfer of wealth programs to focus on the poorest families to lower their social risks. 8. Apparently, this would be a family survival strategy to deal with market rules and the increasing exclusion from the labor force during the post-industrial society that was mentioned by the author.

9. Although parliamentary democracies prevail in Europe, the decentralization of public policies does not seem to be intrinsic to federalist countries.