

# State and civil society in times of counter-reform: perverse logic to social policies

Estado e sociedade civil em tempos de contrarreforma: lógica perversa para as políticas sociais

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**ABSTRACT** – The goal of this article is to analyze the development of the "reform" of Brazil in the field of social policies, within a municipal sphere. It approaches the policy of health and social welfare in the city of Chapecó, located in the western region of Santa Catarina (SC), in relation to the institutional design and the outlook of management and execution, with the participation of civil society. By means of qualitative documental and field research, the redirecting of State practices will be shown, in the scope of social policies, through the introduction of managerial principles and the decentralization of actions to non-governmental public and private organizations.

**Keywords** – State. Civil society. Social policies. Counter-reform of Brazil.

**RESUMO** – Este artigo tem como objetivo analisar os desdobramentos da reforma do Estado brasileiro no campo das políticas sociais na esfera municipal. Aborda a política da Saúde e da Assistência Social no município de Chapecó, localizado na região Oeste de Santa Catarina (SC), em relação ao desenho institucional e à perspectiva da gestão e execução, com a participação da sociedade civil. Por meio de pesquisa qualitativa documental e de campo, evidencia-se o redirecionamento das práticas do Estado, no âmbito das políticas sociais, mediante a introdução dos princípios gerenciais e a descentralização de ações para as organizações públicas não estatais e privadas.

**Palavras-chave** – Estado. Sociedade civil. Políticas sociais. Contrarreforma do Estado brasileiro.

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Under the auspices of neoliberalism, the strategies of large capital in the 1990s were not limited to reforms of an economic nature. Sociopolitical restrictions included, in the same proportion, the reform of the state apparatus and its relationship with society. The word reform, historically linked to the struggle of the subaltern classes and the outlook of expanding rights, was championed by neoliberal ideology to justify the fight against the presence and democratic dimensions of the State, resulting in a process of “counter-reforms” whose central objective consists of reducing and eliminating rights historically won by the working class.

In Brazil, from the government of Fernando Henrique Cardoso (FHC) to that of Luiz Inácio Lula da Silva (Lula), the reformist project has absorbed society as a whole, in a molecular form, “as a cohesive force of the ruling classes” (GRAMSCI, 1999, pg. 115) and an indispensable condition in promoting economic growth and inserting the country within the framework of globalized modernity. Counter-reforms have been placed on the public agenda, gaining materiality within the different spheres of government, altering State-society relationships, especially within the field of social policies and stripping civil society of democratic participation. The intellectual project of Bresser Pereira (1997) entered the 21<sup>st</sup> century, with its “social-liberal” guise, calling itself social for continuing to protect rights through economic development, and liberal through the fact of doing so by using market controls, conducting social and scientific services through the non-governmental public and competitive organizations. The “reform”, which seemed like a project, was introduced in the Brazilian context with the intention of generating changes in state performance, in view of the insertion of management methods considered innovative and initiatives geared toward fighting a bureaucratic State model, in order to decentralize managerial controls, and to make norms, structures and procedures more flexible. Alongside the state and private spheres, the non-governmental public sphere gained attention, composed by non-profit organizations of public interest, private companies in their social responsibility actions and corporate property, forming, as a whole, the voluntary sector, which, besides completing the State, was also called upon to substitute it in functions and attributions considered “non-exclusive”.

The conception of civil society as an “agent of reform in democratic societies” is derived from this (PEREIRA, 1999, pg. 103), assumed by “social-liberalism” – an association between neoliberalism and social-democracy –, which advocates “more modern” ways to “govern capitalism”, through the introduction of changes in the economic and political spheres. The “new democratic State”, in addition to administrative modernization based on presuppositions of managerial administration, relies on the ample participation of the market and civil society, with the latter outlined as a non-governmental public sphere, self-organized and a collaborator in the harmonization of social classes, a vital element in a new historical rationality.

At the base of the Brazilian reformist project are the presuppositions of the Third Way, systemized by Anglo-Saxon sociologist Anthony Giddens (1999), with the support of international organizations, especially the World Bank, whose ideological and political premises are founded on the “reinvention of civil society” and its ample participation in promoting “governability” and the renovation of the state apparatus, through articulation between the state and private spheres. This proposal was incorporated and put in practice by countries with central and peripheral capitalism, articulated around the so-called “new left”, which defended measures considered innovative in overcoming Thatcherian neoliberalism and the promotion of a new social cohesion. The “multiplication of providers” would instigate competition, the enhancement and efficiency of social services, through pressure for better performance, as users would be able to compare the quality of the service provided by a range of non-governmental organizations, or those with the State agencies in similar functions, promoting the assimilation of successful models and the diffusion of so-called “best practices” (NAVARRO, 1999).

From FHC to Lula and in the wake of the Third Way presuppositions, the reconfiguration of the State and civil society has been permeating Brazilian society in an accelerated process of “counter-reforms”, especially in the field of social policies, in which entrepreneurship and rephilanthropization

have begun to outline ways of facing social issues with policies of privatization, outsourcing, public-private partnerships and foundations, practices ingrained in the current scenario, within the different spheres of government, especially in the municipal spectrum. In this paper, “counter-reform” is characterized by the elimination or reduction of subaltern class achievements, a perspective inherent to neoliberalism and the conditions imposed by capitalism nowadays.

In this article, priority is placed on the developments of Brazil's “counter-reform” in the current context of social policies, empirically based on health and social welfare policies in the city of Chapecó, located in the western region of Santa Catarina, the scope of which has a major influence over a significant number of cities in the state's interior. The analysis approaches the alterations that have taken place in relation to institutional design, the perspectives of management and the execution of health and social welfare with the participation of civil society, identifying the close relationship to the theoretical, ideological and political concepts within Brazil's reform project, the Third Way and international organizations. Research was developed through the collection of documental data in municipal management from 1997-2004 and 2005-2010 and interviews with managers, technicians and institutions called “partners”, which are involved in health and social welfare policies. The aim of the paper was to identify the presence of civil society's participation in the perspective of Brazil “counter-reform”, in other words, resulting from functions being transferred from the State to civil society, including the non-governmental public organizations, foundations and private initiative. The research managed to unravel how, in a municipal sphere, a group of non-profit goods producing and social service organizations, governed under private law, with prominent roles in the execution of public projects and actions and in the scope of superstructure, have been reducing the value of the State before society and overinflating the value of civil society, which has been reduced to a partner and fulltime collaborator of public authority.

### **The State, civil society and social policies: realignment in the face of capital requisitions**

The expansion and increased value of the non-governmental public sphere, represented by advocacy groups or, in the words of Gramsci (2000) private apparatus of hegemony, did not only occur at a global or regional level. In the scope of the State-nation, the emphasis on the so-called “active civil society” has become part of governmental proposals, through a moral appeal for participation regarding active citizenship and actions aimed at overcoming poverty and inequality. This participative pedagogy articulated men and women around the demands most costly to the societal project of the major capital, and support for ideological and political strengthening of bourgeois hegemony (NEVES, 2005). It is according to this logic that city administrations have been creating their procedures for the management and implementation of programs and social services, with ample participation of the non-governmental public sector, whose actions from individuals and groups have contributed directly and indirectly to the materialization of the perspective of decentralization, focalization and privatization of social policies and, on the same course, to the depoliticization of civil society.

This context reflects Brazil's “counter-reform” developments, which have led to a vast reconfiguration of the public sector, on course since the governments of FHC (1995-2002) and Luís Inácio Lula da Silva (2003-2010), through a set of federal normative acts, sanctioned as from the 1990s (MACHADO, 2010, pg. 334), which have begun to legitimize the participation of civil society in the execution of services of a public nature. The State-civil society relationship, based on this collaborative philosophy, gained impetus with the Programa Comunidade Solidária (Solidarity Community Program), fostering the emergence of citizen companies geared toward sustainable social development. By means of the Grupo de Institutos, Fundações e Empresas – GIFE (Institutes, Foundations and Companies Group) and the Instituto Ethos de Responsabilidade Social (Ethos Institute of Social Responsibility), respectively created in 1995 and 1998, social responsibility companies began appearing that, under the notion of “ethical capitalism” and “citizen” company, have been acting with the UN to make the market and

capitalism more humane. Also emerging within this context, through the Publicization Program the Social Organizations (SOs) and Public Interest Non-Governmental Organizations, are entities that constitute new institutional modalities of private law within Brazilian reality, supported through tax stimulus (exemptions) in order to divide responsibilities through partnerships with state apparatus in the areas of education, health and social welfare. This new architecture of civil society accommodated “a social service provider associativism of ‘public interest’, in opposition to the widely popular protest associativism of the 1980s” (NEVES, 2005, pg. 95).

In the city of Chapecó, the analytical scope of this research, the political and administrative direction during the period between 1997 and 2004 was governed by the Partido dos Trabalhadores – PT (Labor Party). The group of intellectuals in power implemented an essentially democratic character in their management, with expressive popular participation according to the parameters of the Charter of 1988. Besides the positive experience of Participatory Budgeting (PB), in the scope of social policies, especially in the areas of health and social welfare, this process occurred following the increase in value of the councilist sphere, with the councils taken up as legitimate spaces for channeling the “desires” of the community and inspectors of social policies.<sup>1</sup>

The data collected in documents and interviews with managers and technicians showed that, in the city of Chapecó, the team sought to strengthen ideas and values associated to the defense of health and social welfare as public policies, in the sense of being the right of each citizen and the duty of the State. Even already having noted the complementary participation of the non-government public sphere and private initiative in the implementation of programs and services, as stated in federal legislation, what predominated in this period was the view of a civil society with a strategic place in the expansion of the public sphere, highlighting the State’s primacy in the management and implementation of social policies. In fact, according to Dagnino (2000), these new associative dynamics, that more clearly mark the decade of the 1990s, offer a view of civil society’s movement, even though by means of heterogeneous configuration, to new practices related to the construction of a non-governmental public sphere of active citizenship to exercise control over public policies<sup>2</sup>.

This scenario suffered alterations of great relevance between 2005 and 2010, when management of the city of Chapecó was the responsibility of the coalition led by the Democrats (DEM) party. In 2003, Lula reached the Presidency of the Republic, hugely supported by social movements, which had placed all their hopes of a government that would promote a strong progressive reform on him. However, even before the election, faced by the pressure posed by the correlation of national and international efforts, Lula committed to respecting the contracts signed by the previous government, above all that signed with the International Monetary Fund (IMF), which resulted in the maintenance of the neoliberal macroeconomic policy as a form of guaranteeing governability. The Social Security reform, initiated in the FHC government and approved at the start of Lula’s mandate, the regression of labor protection laws, the privatization of public companies, sanctioned the breakdown of labor rights in a true process of “counter-reform”, in which the dominating classes and the government ignored the requirements and demands of “the lower classes” and restored “the conditions suited to a wild capitalism” (COUTINHO, 2010, p.37). The “regressive character of the Brazilian tax system” (BOITO, 2003) remained untouched, which continued to favor the economically elite, through a State that works to guarantee a set of conditions necessary to the accumulation and increased value of monopolist capital.

Even though the subject of State reform seems exhausted in both academic and political debates, the conservative reformist agenda has gained substance, with developments and arrangements in different spheres, reaching society as a whole. In the field of management, the institutional design was altered based on the presuppositions of management and reengineering, according to premises of the Bresser Pereira reform project, the basis of the new political-administrative rationality. In the city of Chapecó, between 2005 and 2010, the management structure redefined the organizational chart for health and social welfare and the managerial approach became part of the “new public administration”, recognized as the most effective in the formulation and implementation of strategic public policies, within the social area and in the scientific and technological areas, too. The consequence of bolstering

managerialism included flexibility in administration and the employee hiring modalities, the breakdown of services and work conditions and the introduction of market practices in the scope of the public sector. As affirmed by Nogueira (2005), the managerial perspective has been emphatically inserted in the State's reformist context, as it places priority on the control of results in detriment of process oversight, the concession of greater autonomy for public bodies, the decentralization of structures and activities, increased flexibility of procedures with the intention of encouraging competitiveness and a supposed agility in the provision of services, with the principles of private initiative serving as parameters.

Managements were assumed and implemented as an important means to efficient and effective budget management, which is reminiscent of the configuration of a State that can be nothing more and nothing less than a strong State, "managerial" or "necessary", in which its function is "to administer socials, financial and environmental risks, induce economic development, organize a 'society of well-being' (an active civil society) and produce a new sociability, committed to the renovation of a civic culture of society, through a broader social and political arena" (MARTINS et al., 2010, pg. 143). A present State, though rational in terms of social spending, that is more an administrator and less an implementer, a partner in the construction of consensus between the left and right and convenient to the interests of bourgeois domination. Pragmatism gains relief in the management of demands and in the delimitation of the population to be reached by social programs, or still, in relation to those that can be "included", not through their necessities, but through the cost they could mean to the public coffers. Any outlook linked to hard-fought social rights achieved and ensured in the Charter of 1988 rapidly fades as the market's logic prevails in the management and execution of social policies. Social demands and necessities are reduced to a question of a technical nature, which leads to consequences both in that which touches on the formulation of public policies and the expansion and consolidation of democratic processes (BEHRING and BOSCHETTI, 2006)

Dealing specifically with the issue of the institutional design of the social welfare policy, in accord with gathered data, it is noted that the Department of Social Welfare has become a management body called *Fundação de Ação Social de Chapecó* – FASC (Chapecó Social Action Foundation), created in 2005, part of right public administration, with its own budget and management, associated to the municipal executive power. According to a statement from an interviewee, the dissolution of the Department of Social Welfare and the creation of FASC "was a parting of waters" between the public political outlook and its denial, provoking the reestablishment of values of the so-called *primeiro-damismo* (duties usually performed by first ladies), of voluntary work and religious heritage, which, for example, are manifested in the creation of a Voluntary Action Management Board and philanthropic entities, such as "Anjos do Bem" (Angles of Good). Such programs reinforce the breakdown of the social welfare policy, revealing the deresponsibilization of the State and the re-philanthropization of the social issue (YAZBEK, 1995), with actions that revitalize the practices of charity and clientelism, of benevolence and philanthropy, normally influenced by a valuation ideology of a "solidarity society" and expressive permeability in both public and private political marketing. In this sense, as large sectors of the population will no longer be covered by state-run welfare and will also not have the conditions for access to private services, it will become the duty of civil society to aid them, by means of charitable practices, mutual help and self-help.

FASC did not only introduce alterations in the field of management and the distribution of human resources necessary to the different social welfare services and organizations, according to that advocated by SUAS, but reintroduced ideas and values of a political culture typical of patrimonial archaism and rooted in the field of welfare, which, in Brazilian reality, is presented as one of the major hurdles in the construction of a democratic and participative policy. The conservative welfare practices run under the logic of favor are still traits that conflict in a large number of Brazilian municipalities with the possibility of effectively implementing social welfare from the viewpoint of the rights of active citizenship, under the responsibility of the public sphere. It is worth reiterating the analyses of Couto, Yazbek and Raichelis (2010, pg. 263), to which "in many cases, there is a prevalence of historic activism and improvisation of this area, but which in the process underway collide and can no longer sustain themselves", in view of the demands imposed by the implementation of a complex system of services,

programs and benefits designed to firmly establish the levels of basic and special protection that comprise SUAS.

Furthermore, it is worth pointing out that the design proposed by the State Foundations Project, currently under debate by the federal government through PLP 92/2007, and which can already be identified in the scope of the FASC, induces significant changes in the manner of hiring a work force, which, even with the maintenance of admission via public contest, can be submitted to the legal system of the Consolidação das Leis de Trabalho – CLT (Consolidation of Labor Laws), that is, with no guarantee of stability. The argument of the highest salaries for workers is an appeal to the justification of the proposal, which contributes to weakening the organization of the collective struggles and promotes its domestication on the level of subjectivity, through open or veiled threats due to the interests of capital (GRANEMANN, 2008). Immune to the tax burden, state foundations, in the project under debate, also have the right to not contribute to the formation of a public fund that sustains social policies. According to Granemann (2008, pg. 37), “by subverting the institutional form of the State, the State Foundation myth absorbs the material “skeleton” of the market’s interests and, ideologically, affirms the non-differentiation between public and private”. By emphasizing management and placing excessive value on technique rather than politics, the managerialist policy of large capital is reinforced, depoliticizing class relationships and the dispute within social policies.

Within the specific context of FASC, it can be noted that, even though it was constituted in 2005, it operates in molds similar to the proposal by the State Foundations Project, in view of the use of public resources for the development of its services, the search for financing from other bodies and, equally, the establishment of partnerships within the non-governmental sphere for meeting the needs of the population using social welfare in its various dimensions.

In what concerns the policy on health, institutional design, as from 2005, also based its actions on the managerial viewpoint. The Municipal Health Department, according to the organizational chart consulted, is composed of the following management boards: Administration, Finance and Infrastructure, encompassing Governing Bodies for Work and Education in Health and Operational Support; Management Board for Attention to Health, composed of Governing Bodies for Primary Health Care, Pharmaceutical Assistance, Oral Health, Specialized Attention and Surveillance in Health; Management Board of Regulation, Control, Appraisal and Auditing, with Governing Bodies for Regulation and Control and Authorization and Treatment Outside of the Home. The Project and Planning Governing Body is directly associated to the Department of Health, as is true for the Adjunct Department of Health.

In relation to the participation of private initiative, it is necessary to point out that the health policy in the city of Chapecó has always relied on services offered by private providers or non-governmental organizations, through the establishment of contracts or agreements with the intention of complementing the municipal public network, as stated in Federal Law n° 8.080/1990. However, research has shown extraordinary growth of the private sector based on the mechanism defined and demonstrated in Bresser Pereira's reform project, with serious consequences on the guarantee of health as a universal right and duty of the State. Under this perspective, the health policy began to be influenced by processes of privatization, outsourcing and “publicization”, with the logic of reducing public social spending, in selectiveness, in focalization, in welfarism and the privatizing focus.

In the management of 2005 to 2010, an expansion is noted in the participation of the private sphere in the scope of the health policy at the core of the actual legislation, reinforced by the ideology of the World Bank. From a complementary perspective, opening up to private providers provoked the appropriation of health services as a possibility of mercantilization and profitability, introducing the logic and rationality of the market into the area. The preferential fields of this process, health is constituted as one of the areas of greatest technological investments in the world, thus offering great opportunities for its expansion through the private sphere geared towards highly profitable market niches situated in the field of basic human necessities. Furthermore, the transfer of public resources to private initiative, by means of the SOs, is being debated by the federal government and taken up in a number of Brazilian

states, especially in the scope of public hospitals. The projects that involve the SOs lead to: a) destabilization of the labor force and demobilization of the working class, in view of changes in the manner of hiring, which influence political autonomy; b) flexibility in the ways of contracting services, which limits democratic transparency; and c) impact on management and social control, considering the replacement of the centrality of municipal, state and national committees with a structure comprised of managing, administrative and fiscal committees, in accord with the operating methods of large transnational companies. These elements broaden the discussion surrounding the transfer of public funds to owners of large capital and situations in which private administration ends up benefiting from public physical structure, servants and budgets, while with a management that follows market parameters, conferring legality and legitimacy to the public fund considered “surplus” and not employed with the intention of guaranteeing rights.

Considering the effectiveness of these legal milestones, it is worth pointing out that social organizations have been an important privatist model that, employed in a few states and municipalities, has led to increased breakdown in working conditions and service provision to the population. Instigated by the aforementioned scenario, within a national scope, forums have been constituted that are opposed to the transfer of State responsibility services to social organizations geared towards the privatization of health and its marketization<sup>3</sup>.

In the city of Chapecó, resources aimed at paying for services provided to the public authorities in 2010 reached a total of around BRL 3 million per month, with BRL 2 million of the value that passes through the city and over BRL 1 million that arises from the complement transferred by the state sphere to cover services conducted that exceed that defined in contract. Here, as shown by Neves and Sant’Anna (2005, pg. 33), the State, from a “producer of goods and services”, assumes the “role of a coordinator of private initiatives of civil society [...] provider of social services for a part of society now defined as ‘excluded’”, and, for the “rest of the population, the State is transfigured as a stimulator of private initiatives for the provision of social services and of new methods of social organization that disassociate the various forms of discrimination from the inequality of classes”.

Civil society, reduced to a group of non-governmental public and private organizations, was also emphatically mentioned in the scope of the implementation of the health policy, in view of the existence of partnerships for the development of services, programs and projects. These partnerships are directly triggered with private initiative, through calls to tender, and indirectly, by means of access to the Consórcio Intermunicipal de Saúde da Associação dos Municípios do Oeste Catarinense – CIS-AMOSC (Intermunicipal Consortium of Health of the West Santa Catarina Municipality Association), as well as with non-governmental public organizations, public bodies and sectors, in view of intersectoriality. With regards to the partnership established via CIS-AMOSC, one of the projects prioritized by the Plano Básico de Desenvolvimento Regional – PBDR (Basic Regional Development Plan), in existence since 1996, this occurs through the transfer of the value called the monthly fee, which defines a determined quota of services. The transfers are made by the municipal public power to the private sphere, in accord with the number of procedures conducted and authorized, according to the demand registered by the Department of Health, up to the monthly limit established in the contract. According to data supplied by a technician from the health area, often amounts far higher than the fixed monthly rate are paid, due to the vast demand for services provided by means of consortiums, which, in 2010, enjoyed the benefit of a network of 283 professionals and laboratories part of the private sphere, encompassing innumerable specialties<sup>4</sup>.

The partnerships created in the scope of the health policy with private initiative, whether directly or indirectly, are almost completely relative to access to medical specialties not available or insufficient to the public network of services. According to the Manager of Health, in the period from 2005 to 2010, while the area of Primary Health Care was offered by the municipal sphere, High and Medium Complexity Care occurred through the purchase of private services. Regarding this aspect, Correia (2007, pg. 30-32) points out the tendencies present in the health policy, indicating its relationship with the “counter-reforms” recommended by the World Bank and clearly assumed in Brazilian reality:

- a) The rupture with the universal character of the public health system: the World Bank places emphasis on services in the area of Primary Health Care, recommending its universalization, in view of the call for a lower amount of resources, in detriment to the Middle and High Complexity services. This way, the State is only responsible for Primary Health Care, which is less profitable to the capital expanded by means of the creation of programs like Agentes Comunitários de Saúde – PACS (Community Health Agents), Saúde da Família – PSF (Family Health) and Piso de Atenção Básica – PAB (Minimum Financing for Primary Health Care);
- b) Flexibility of management according to the cost/effectiveness logic, privatization and outsourcing of health services, with the transfer of public services and resources: this trend became evident with the State's administrative reform process with the creation of the SOs, OSCIPs, Support Foundation and medicine professional cooperatives and, with the implementation of double access in public hospitals and co-payment mechanisms and flexibility of hiring in the area of health, leading to a breakdown in work relations;
- c) Stimulus to the private sector in the offer of health services: the new health management methods, interlinked with the World Bank recommendations, with a focus on the cost/benefit ratio, are configured as an incentive to private participation in the offer of health goods and services and, consequently, to a restriction of state intervention in promotion and prevention programs.

The research revealed the increasing expansion of public authority partnerships with private initiatives, as well as its interest generated due to this “good business opportunity”, with the State seen as an “excellent payer”. Serving the “clients” is “our compensation”, there being no “complaints from the parties”. The users aided by the partner institutions receive the name “clients” and not citizens, recalling the logic of the market, in which the individual is no longer a bearer of rights, but rather the consumer of goods. In line with this, the State is the guarantor of private service provision and, furthermore, an exemplary payer. Implicitly, within this context, there is a dispute for the public fund and to whom it is destined, that is, if it is to be used to meet the demands of the working class or the interests of the accumulation of capital. In this sense, the increase of private spending is effectively constituted by a constant threat to the universalization of social policies (SALVADOR, 2010), in other words, health, in the scope of Middle and High Complexity, is seen as a market issue, in which the State is considered the biggest competition in the provision of services. Thus, the pressure established on a large scale affects the interests of the powerful private groups, boosting the establishment of guidelines for the privatization of the most profitable services, building on the idea of health as a product immediately available to those who can pay, with the rest left standing in line for the contracted services. Notwithstanding the governmental discourse that this means the expansion of access to health services, “the SUS (Single Health Service) expansion mode is directly related to the trends of public health privatization and welfarization” (SOARES, 2010, pg. 372), part of the set of alterations implemented by the State's “counter-reform” in the area of health.

At a municipal level, in the city of Chapecó from 2005 to 2010, the area of social welfare, non-governmental public organizations and private initiative, were equally mentioned as fundamental partners in the execution of programs and services, with highlights including philanthropic entities, churches, service groups, neighborhood associations, local companies and the S System – SEBRAE, SENAI, SENAC, SESI, in the provision of the following services: people with disabilities; social and educational actions for children, adolescents and the elderly; sheltering of the elderly; chemical substance users; shelters for the homeless, among others. In 2010, the amount transferred to associated philanthropic organizations was BRL 435,615.20, in addition to providing personnel and resources such as food stuff and hygiene and cleaning materials. Not included here are the donations made on behalf of companies, which is also seen as great business, as, with the tax waiver being part of law, a culture has been created of co-participants for social causes, a marketing strategy in which organization receive specific help, but those most benefiting are in fact corporate groups.



In the statements, entrepreneurship and welfarism, considered relevant in the act of “caring” for people who require services, in addition to reinforcing the regress in the construction of universal rights, strengthen the depoliticized manners of dealing with the social issue. Entrepreneurism and welfarism, in the view of Vianna (2008, pg. 150), “constitute the pillars of a ‘new’ conception of social policy, seen in these troubled times as being able to replace the supposedly Jurassic State of Social Well-Being and its universal standard of social protection with advantages”. To the author, the two strategies converge to bolster trends like “no longer holding the State responsible for the maintenance of republican order and for delegating tasks to combat exclusion from the market or society itself”. Here the tendency of re-philanthropizing the social issue is recurring, constructed not based on political references, but rather “on moral initiatives to aid the needy. It is a process characterized by the defense of privatist alternatives, which involve family, social organizations and the community in general” (YAZBEK, 2010, pg. 63).

It is worth pointing out that the participation of private initiative in the scope of health and social welfare policies is nothing new to Brazilian reality. The Holy Houses of Mercy can be taken as an example, which as constituents of the non-government public sphere, harking back to the 16<sup>th</sup> century and existing to the present, and the *Instituto Nacional de Previdência Social* – INPS (National Social Security Institute), created in the 1960s, which, in spite of being public, purchased services related to private initiative medical assistance. In the field of social welfare, in the 19<sup>th</sup> century the actions of benevolence and aid to the poor were exercised by philanthropists as a way of “improving the lives of similar people”. As expressed by Raichelis (1998), outsourced practice in the field of social welfare and the transfer of public funds to welfare institutions was always implemented by means of agreements, grants-in-aid and contracts, following tax exemption for organizations running social programs. Since the last decades of the 20<sup>th</sup> century, however, excessive State spending has been blamed for a good part of the capitalist crisis, with calls for a reduction in spending in the social area through the restriction of services, the strengthening of the “spirit of self-help” with tax cuts, the stimulation of the insertion of individuals in more informal solidarity networks, recalling what Neves (2005) called the formation of a political-ideological trend of “right to the social”, that is, a shift from the social issue to the so-called more “clarified” sectors with programs aimed at the masses, developed through citizen companies, corporate representative entities, NGOs and corporate foundations, in the most varied areas such as employment, income, security, education, sports, health, social welfare, culture etc. (LEHER, 2010, pg. 12).

Concerning the policy of social welfare, growth is evident in the participation of civil society from the viewpoint of the transfer of the functions of the State to an immense range of organizations, which includes everything from churches to service clubs and companies, whose actions “legitimize the changes required by the productive restructuring process and the disassembly of social protection mechanisms” (DURIGUETTO, 2007, pg. 172). Under this perspective, there is a broadening of the assimilation of elements isolated from civil society or entire groups to, later on, place them at the service of the capitalist order (COUTINHO, 2006), in a true process of transformism and cooption to the governmental ideology, which, following an “active consensus”, contribute to the strengthening of bourgeois hegemony. This is the case verified in the present research that noted the increase of civil society’s participation in the city of Chapecó, especially in health and social welfare policies, by means of associative methods of a sectorial, corporative and private character, reiterating what Gramsci (1999) astutely called “small politics”.

## Final considerations

With the significant alterations noted in the last decades of the 20<sup>th</sup> century and expanded on in the present decade of the 21<sup>st</sup> century, there has been a noted change of direction in the relationships between the State and civil society, not only theoretically, but practical-political, too. The different governments under the fundamentals of neoliberal ideology, have expanded the hegemony of “small politics” through a process of “counter-reforms”, consolidating the deresponsibilization of the State and

the transfer of its duties to civil society in a hegemonical manner. From an arena of the class struggle and dispute of societal projects, civil society has been converted into a space of “social cohesion” and harmonization between the social classes at the service of capital.

Based on the evaluations of managers, technicians and institutions called “partners”, research showed the centrality remitted to the sharing of responsibility in the management and execution of health and social welfare policies with civil society, understood as the group of organizations from the non-governmental public sphere and from private initiative, geared toward a managerial and substitutive view of the State. The institutional limits of the State identified in the investigation are part of a discussion constructed and disseminated in the context of societal transformations of the general capital crisis and the corresponding neoliberal ideology, in which it is no longer directly responsible for the execution of social policies, transferring part of its responsibility to civil society, by means of so-called non-governmental public organizations and private initiative.

The field of dispute in the relationships between the State and civil society is articulated in the city of Chapecó, in the polarization between the public, non-government public and mercantile spheres, which calls for the reestablishment of the State based on rights and their increasing universalization and the strengthening of the participation of civil society, not in the uncritical and amorphous voluntary sector view, but as a space for discussing class interests and major politics. Through the research conducted, this perspective, however, seems to distance itself increasingly from the horizon outlined for the city and, consequently, for other realities, in which civil society is increasingly seen and assimilated in the view of State “reform”, that is, as substitutive of public duties, especially in the scope of social policies.

With the intensification and legitimization of the transfer of State services to the non-governmental public sphere and private initiative, the management of social policies takes on a fragmented perspective, in view of the fact that the execution does not originate from the same place in which they are conceived, there being an instance of planning actions and another of executing the services, autonomously, almost free of State interference, portraying the fragmentation existent in this process. Management, however, refers both to the technical issue of controlling work – its organization, material resources and actual work –, “in view of productivity and efficiency”, and the “materialization of relationships between the different agents of the service productive process and from the more encompassing area in which it is inserted” (BARBOSA, 2004, pg. 67), involving not only technical and economical dimensions, but also political and ideological modes of organizing work, relationships between workers and their relationships with the managers and the population making use of said services.

It thus results in a “counter-reform” of the Brazilian State, a perverse logic to social policies, especially at the end of the system (municipal sphere), driven by the private interests of social groups and segments that reinforce focalization, selectiveness and a “progressive mercantilization of meeting social needs” (IAMAMOTO, 2007, pg. 206). The services offered by the State “no longer express rights”, being converted instead in to goods acquired in the market by those who can afford them. The same perverse logic is found within civil society, which is gradually losing its perspective as being critical and a founder of new homogonies and becoming a pro-active society, in favor of capital, which keeps it isolated and under control to be used in the establishment of its interests. The State, civil society and social policies are thus moving in the opposite direction of the political project for expanding citizenship, of a strong State for the subaltern classes and of a civil society with an important political agenda, founder of new hegemonies and new States.

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<sup>1</sup> In the area of health, the increase of Health Locations stands out, which, during the period, went from two to thirty-four.

<sup>2</sup> The non-governmental public sphere can be analyzed based on two theoretical-political tendencies: one "regressive" (inspired by liberal and neoliberal principles, in which the defense of the market as a regulator of social relations is the central tonic) and the other of "(supposed) progressive intention", which sees civil society as "a new, non-governmental and democratic public sphere" (DURIGHETTO, 2007, pg.204).

<sup>3</sup> Examples of such organizations can be seen in Health Forums in the states of Paraná, Alagoas, São Paulo and Rio de Janeiro, culminating in the struggle in favor of Direct Action of Unconstitutionality – ADIN 1923/1998, against Law 9.637/1998 and in favor of alteration of Clause XXIV of Article 24 of Law 8.666/1993, recorded in Article 1 of Law 9.648/1998, which allows for the tender exemption in signing contracts for the provision of services with SOs. In this sense, one may mention Law Project n° 45/10, approved by the São Paulo State Chamber of Deputies in December 2010, which allows 25% of public hospital beds administered by social organizations to be destined at services for clients with private health plans and agreements, which was pointed out by the Public Prosecutor's Office of the same state as being unconstitutional.

<sup>4</sup> The specialties that are part of the consortium include the following: pathological anatomy, angiology and vascular surgery, audiometry and imitanciometry, bera, biopsies, prostate transrectal biopsies, cardiology, surgical oncology, general surgery, colonoscopy, cryocauterization of the uterine cervix, dermatology, dual-emission X-ray absorptiometry, Doppler echocardiogram, endoscopy, eletroneuromiography, electrocardiogram, electroencephalography, physiotherapy, speech-language pathology, gastroenterology, gynecology, obstetrics, gynecological obstetrics, clinical analyses laboratories, ophthalmology, orthopedics, otolaryngology, pediatrics, proctology, polypectomy, psychiatry, psychology, psychopedagogy, X-ray, removal of foreign body, rectosigmoidoscopy, magnetic resonance, ergometric tests, tomography, ultrasounds, urodynamic, urology and videolaryngoscopy.