The transition of the Social Policies in Brazil Since the Old Paradigm towards the Unique Register

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Introduction

The ‘90s were prosperous of innovations in the social area, not only in Brazil, but also in several countries of Latin America. The indicators of poverty and income distribution of the region did not seem to be compatible with the degree of development reached and the resources invested in the social area. The quantity of goods and services produced by the economies of the region and the public resources applied in this area should allow that fewer families would live underneath minimum levels of material welfare. That consciousness of the feasibility of reducing the poverty, in a more or less drastic way and in a relatively rapid form, happened in a frame of increasing fiscal restrictions and of economic contexts where the dynamism of the imports substitution period got lost. Thus, it should be achieved better results with the same resources, according to the best hypothesis. In other terms, it was becoming necessary to raise the efficacy and the efficiency of the resources applied in the social area.

In that context, the debate and the emergence of new offers of intervention forms in social areas were reasonable. If previously the social policies adopted were around universal programs, especially in education and health areas, with slightly stable budgets, strong centralization in the State, limited coverage, combined with assistance programs of food distribution with strong customized characteristics; in the ‘90s a new paradigm was consolidated. The search of more efficacy and efficiency, added to other not economic aims as the search of a higher autonomy of the citizens, produced an institutional design with very different singularities comparing with the previous model, which included relatively stable and not residual budgets, decentralization, monetary benefits not in kinds and articulation with the civil society. Logically, the transition between paradigms of intervention in the social area is not linear and every country presents its specific characteristics. The formation processes of public policies are complex. In addition, traditions, culture, pressure of social actors, etc. offer as a corollary a design that, preserving the central points of the new paradigm, obtains national singularities.

Our aim in this document is, exactly, to present this transition between the paradigms in the case of Brazil, and to develop a central point in this transition: the construction process of the Unique Register (RU) [Cadastro Único] for the families placed under the poverty line. In case of Brazil, the transition had its origins in the beginning of the ‘90s, it was extended during this decade, it was accelerated between 2000 and 2003, and it still continues today. Thus, the temporary horizon of our study will be the changes operated on the ‘90s, emphasizing the transformations verified after 2000. In order to place the reader, however, we will present some references to the previous historical context (especially the institutional structure introduced by the 1988 Constitution). The aspects we will

* Translator note.
study do not include the processes in terms of public policies formulation. The variables studied will be: programs, institutional design (who manage, decentralization, beneficiaries’ identification, etc.), legislation, financial resources and amounts.

According to this aim, we will organize the document as follows. In the next Section, we will present a brief history of the social protection systems in Brazil. The changes introduced by the Constitution of 1988 will be our object of analysis in the 3rd Section, because of the fact that we can already identify in it certain aspects that will be crucial in the new paradigm (as defined financing sources with specific assignment). In the 4th Section, our object of study will be the new paradigm profile and the aspects that distinguish it from the previous one. In the 5th Section, we will mention the financing sources of the social programs, which is a particularly relevant aspect in the construction of a modern social policy. The incipient formation of a social protection net in the current decade will be the topic of the 6th Section, where we will analyze the programs that were at the forefront in aspects like transference of income, beneficiaries’ election, integration, legal and institutional design, its references about the new paradigm, etc. In the 7th Section, we will approach to the elements of the transition (coordination tests of the programs, substitution of food distribution for transference of income, etc.). In the 8th Section, our attention will be limited to the typical programs of the new paradigm, which were implemented between the end of the previous decade and the beginning of the present one. The configuration of the social protection net in the case of Brazil (the unification of the registers and the forms of payment, its aspects, limitations, fragilities, etc.) will be the topic of the 9th Section. The modifications after 2003 (when the administration of the country changed) will deserve our attention in the 10th Section. Finally, we conclude the document in the 11th Section, with a balance of the Brazilian experience and the future challenges.

A brief history reference

The origins of the social security system in Brazil date from the ‘20s and ‘30s of the last Century3/. In these decades, the initiatives to establish protection forms were multiple: Work Accidents Law (Nº 3.724, 01/15/1919), Eloy Chaves Law (Legislative Decree Nº 4.862, 01/24/1923), Paid Holliday Law (1925), etc.4/. The Eloy Chaves Law (1923) is generally pointed as the beginning of the Brazilian social protection system. This law arose as Eloy de Miranda Chaves’ initiative, who was a federal parliamentarian of the Paulista Republican Party that, in this year, achieved to establish the Retirement and Pensions of the Railroad Workers Fund, which is the more distant precedent of the INPS (National Institute of Social Security). This pensions fund contemplates benefits of retirement for disability, ordinary retirement, and pension for death and medical assistance. These funds were

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3 / Nevertheless, the precedents in the previous century are numerous. The first mutual funds which assured coverage against certain risks can already be identified in the second half of the XIXth century. Mutual funds associations of public employees (1835), of railroads workers (1888), of post office workers (1889) are examples of this trend.

4 / The Eloy Chaves Law (1923) is generally pointed as the beginning of the Brazilian social protection system. This law arose as Eloy de Miranda Chaves’ initiative, who was a federal parliamentarian of the Paulista Republican Party that, in this year, achieved to establish the Retirement and Pensions of the Railroad Workers Fund, which is the more distant precedent of the INPS (National Institute of Social Security). This pensions fund contemplates benefits of retirement for disability, ordinary retirement, and pension for death and medical assistance. These funds were
In the decade of ‘30s, the Institutes of Retirement and Pensions arose, each one articulated with a professional category. In these years, the incipient system of protection changes from a net linked to companies, to other one linked to professional categories, acquiring a more national character5/.

Between 1930 and 1960, phase during which Brazil transformed itself from an eminently agricultural society into an urban-industrial one, the legislation in the social area registered enormous advances. In 1931, the Work Department was created, in 1940 the minimum salary was instituted, in 1943 there was sanctioned the regulation that until today rules the relations between capital and work (CLT-Labor Laws Consolidation), and the LBA was created (Brazilian Legion of Assistance), which purpose was "to attend" the lacking persons. Later it would be identified as the typical institution in which the struggle against misery was carried out in a paternalistic and customerized form 6/. Only in 1960 (Law 3807) there has been sanctioned the first Organic Law of Social Security (LPOS), which tended to unify all the legislation in this area, incorporating freelance professionals, employers and certain specific aids (birthrate, funeral, etc.) . The system of social protection tended to cover the rural workers through the FUNRURAL (Rural Worker Assistance Fund) of 1963.

This period (from ‘30s to ‘60s) can be identified as a phase during which, in spite of the diverse political regimes (that go from Getúlio Vargas' authoritarian populism to democratic experiences of very progressive characteristics, as Juselino Kubichek, up to more radical populisms, as Janio Quadros), Brazil consolidated a system of social protection whose crucial point is the labor formalized relation, with benefits that, except in punctual cases (as the LBA), were fixed to some previous contribution.

Since the middle ’60s, with the political change of 1964, the social protection system tended to suffer transformations that let glimpse its modernization. In 1966, it has been created the INPS (National Institute of Social Protection), which unified administratively all the institutes of pensions and made possible, in fact, the unification aims in the Organic Law of the Social Protection of 1960 (LOPS). The Guarantee Fund for Service Time (FGTS) was created in 1967, with the aim of making the work market flexible and of guaranteeing a financial indemnification to

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5 / The institutes that arose in this decade are of the most diverse categories: maritime (1933), trade workers (1934), bank employees (1934), industrial workers (1936), etc.
6 / The LBA has been a source of traditional accusations of corruption, electoral and personal manipulation, etc. It was administered, traditionally, by the President’s wife. Its extinction, in 1995, has been a frame in the implementation of the modern social policies, because the fact to finish with it implied a symbolic act in the struggle against this form of intervention in the social area. We will return on this point in the 7th.1 Section.
the worker unfairly dismissed\textsuperscript{7}. As a way of offsetting the critiques over the concentrating character that the development model had in the ’70s, the government of that period created in 1970 the Program of Social Integration (WEE) for the salaried employees from the private sector and the Formation of the Public Servant Patrimony Program (PASEP) for the workers of the government sector, which aim was to transfer income to the salaried through the contribution of the companies\textsuperscript{8}. The Rural Worker Statute was created in 1974, and in the same year it was implemented the Department of Security and Social Assistance; in addition, the laws about benefits were generalized (large family, maternity, coverage of benefits for domestic employees, etc.). This diversification in the legislation carried a consolidation in 1976 (CLPS- Consolidation of the Social Protection Laws) and, in 1977, it was created the Security and Social Assistance National System (SINPAS) that, subordinated to the Department of Security and Social Assistance, constituted the first attempt of articulating organically all the bureaucratic structures that managed some segment of the social protection system\textsuperscript{9}. Thus, from the middle ’60s and, especially, in the course of the following decade, Brazil consolidated a social protection system.

\textsuperscript{7} Before establishing the FGTS, the salaried used to acquire stability after ten years of working in the company. Before this period, the worker had the right to a month of indemnification for every year worked. The FGTS is a deposit of 8 % of the monthly gross salary made by the employer into a personal account of the salaried (the account must belong to the Economic Federal Fund, which is a state federal bank) that produces interests. In case of unfairly dismissal, the worker has the right to withdraw the amount of the account. The aim of the FGTS was of granting a minimal financial stability to the persons in transition between an employment and other one. Besides being able to extract the amount, in case of unfairly dismissal, other alternatives to withdraw the money of the account, are the acquisition of an own house and certain diseases (as cancer or AIDS). The resources of the FGTS always were the principal public resources to finance policies in the areas of housing and basic sanitation (water and sewage).

\textsuperscript{8} Today, the PIS/PASEP is unified and it is popularly known as PIS. We will return on this contribution because today it is the main source of financing for the social programs directed to the work market (like the unemployment insurance). As the time went by, the sources of contribution and the form of operating have changed. Those sources of contribution are diverse and can go, according to the activity area of the company, from the amount invoiced to prescriptions and transferences of capital, passing through the paid salaries. We will return on this subject in diverse opportunities.

\textsuperscript{9} The SINPAS was integrated by: the INPS (National Institute of Social Security), which granted the pensions; the IAPS (Financial Administration of Social Security Institute), the entity which collected the security contributions; the INAMPS (National Institute of Social Security Medical Assistance), that managed the average services; the FUNABEM (National Foundation of Child Welfare), which implemented all the decisions directed to the child protection; LBA (Brazilian Legion of Assistance), which aim was to give assistance to the lacking persons; CEME (Head Office of Medicines), whose function was to distribute medicines to the lacking persons, and the DATAPREV (Processing Information Company of the Social Security), a government’s company charge of processing the set of information of the whole system.
The 1988’ Constitution

There is a general agreement on interpreting the year 1988 as the beginning of a new cycle in the Brazilian social protection system, because of the numerous social security policies produced by the promulgation of the new Constitution.

In a global conception, the new legislative frame sanctioned the universalization of benefits that, in many cases, are interpreted as rights and, thus, scarcely linked to the contributions. The floors of benefits were unified and a wide financing system was defined. If the social security system was previously strongly linked to the legal placing of the workers in the work market (formal segment), the Constitution tended to extend the coverage to all the citizens, that is, to the universalization.

In the 1988’ Constitution (Chapter II, Article 6) education, health, work, housing, social security, etc. are defined as social rights. A whole part of this legal frame (Title VIII, Chapters I to VIII) is dedicated to topics linked to social aspects. The Social Security is composed by Social Security, Health and Social Assistance. The only one where a link between benefits and contributions is established is the Social Security.

Parallel to these three action areas, the Constitution establishes a system of financing, with an own Social Security’s budget. The financing resources are: COFINS (Contribution for the Social Security Financing), INSS collection, CLSS (Social Contribution to the Liquid Profit) and PIS/PASEP. In this respect, we already find in the 1988’ Constitution tendencies that characterize what we will call

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* This fragment is not present in the Spanish version. Nevertheless, I decided to include it in order to give sense to the sentence. [Translator note]

10 / That definition of benefits as rights is evident in diverse Constitution’s parts. We are going to give an example. In Article 196 (Title VII, About the Social Order) it affirms that “the Health is a right of all and a State obligation...” In addition, the Constitution established another series of characteristics of the benefits, specially the equality between urban and rural citizens, a minimum value that cannot be inferior to the minimum salary and nominal values that cannot be reduced.

11 / We have already mentioned the PIS/PASEP. With regard to the CLSS, it is a percentage, which has changed in time, of the companies’ gross invoicing. With regard to the COFINS, the calculation is based on percentages of the invoice amount or the invoicing originated on the goods or services sale that, as in the previous case, have also changed in time. Nevertheless, it is necessary to perceive that these contributions are not accumulative on the aggregate value. In Brazil, it always existed a polemic against the negative effects of this type of contribution on the general efficiency and, specially, on the national products competitiveness in the world. In 2002 and 2003, several modifications were done in the calculation bases in order to prevent them from being cumulative and to take the aggregate value as a reference. Not to lose collection, in general, the aliquots were increased. In December, 2003, for example, by a Provisional Decision, the Executive Power raised the percentage of the COFINS from 3 % to 7.6 % (with exceptions to companies which work in education, health, public transport, etc.), but it can be discount the payments made in the previous phases. In order not to be cumulative, the variation of the PIS' calculation base has been done on December 1st, 2002, because from that date the payment is done over the aggregate value.
the new paradigm of the social policies: definite and stable financing sources and, therefore, not associated to periodic negotiations 12/.

The diverse benefits established by the 1988’ Constitution were taking shape in a set of legal instruments that were sanctioned in the ’90s and that established guidelines both for the definition of the benefits and for the identification of the sources of financing (Organic Law of Health, 1990; Organic Law of Social Security, 1991; Benefits Plan of Social Security, 1991; Organic Law of Social Assistance, 1993; FAT- Worker Protection Fund, 1990). Thus, we are in front of a contradictory movement. On the one hand, the general principles that were outlined in the 1988’ Constitution has stopped to be the expression of desires and in the posterior decade the legal mechanisms gave concrete shape to these principles. Nevertheless, in this decade there were also manifested some pending questions (especially financial), that induced the sanction of other legal instruments which altered this legal frame. In 1994, for example, the Emergence Social Fund was established and, in spite of its name, its aim was to cut off the 20% of the collection (included the social area), in order to contribute to the public financing balance13/.

We are, thus, in front of a pendulous movement. On the one hand, the attempts that seek to establish links between the benefits and the contributions are increasing (consider, for example, the successive reforms of the Security). On the other hand, a system of social protection where the benefits do not have relation with the contributions is being outlined. In all the cases, the tendency was to establish definite and relatively stable financing sources. In this way, between the promulgation of the 1988’ Constitution and middle of the ‘90s, it was formed a system of social protection that adopts many of the characteristics of the new paradigm in social policies.

12 / The only financing source that involves some type of periodic negotiation is the CPMF (Provisory Contribution on Values and Credits Movements or Transactions and Rights of Financial Nature), that in general appraises the financial movements. It was instituted in 1996 and, as its name indicates it, it would be transitory. Initially, the percentage that would be collected is of 0.002% on the transferred amount and the collection directed to the financing of the programs in the health area. As time passed, the percentage has changed and the destiny has been extended for other areas of the social programs. Today the percentage is of 0.0038%, with the following distribution: 0.002% is destined to health, 0.001% to social security and 0.0008% to feed the Fight and Eradication of Poverty Fund.
13 / This detachment from the recipes was called Social Stabilization Fund between 1994 and 1997. From there, in a more appropriate form, it was called Fiscal Stabilization Fund and then returned to change its name in 2000 to DRU (Recipes Detachment of the Union). In December, 2003 the Government managed to extend the DRU until 2007, which allows him to apply freely 20% of the budget until this year.
The Singularities of the New Paradigm

The disposition of the social protection system which was implicit in the 1988’ Constitution had strong universalistic characteristics, with financing sources defined but without establishing (or opening) a link between benefits and contributions. Since the benefits were considered "rights" or "government bonds", it is complex and polemic to determine a "right" to a financing source, to a previous contribution or to the existence of budgetary funds.

On the other hand, many of the benefits seem to have a universal character when actually its public potential is much more limited. Let’s take the case of the unemployment insurance. Theoretically, considering certain requirements (time of employment, unfairly dismissal, etc.), this insurance should have all workers as public aim. However, since it is required that the salaried has his work relation legalized, the potential public is restricted to the formal segment of the work market. On an EAP (Economically Active Population) of approximately 86 millions people, the formal workers reach around 23 million (i.e. 27 %). Since the poverty is strongly correlated by the informality of the labor links, a program like the unemployment insurance has been very questioned in relation to its aptitude to reduce the poverty and the concentration of the income14/.

This kind of question fed the debate about the system of social protection in Brazil and, in some way, it have been the window through which they deposited the first offers with a different institutional profile, some of which main characteristics include:

a) Decentralization

If in the previous model of social protection, the management of the actions (its definition, design, execution, control, etc.) was centralized in the federal government authority, in the new paradigm, we observe a clear trend to the decentralization. A major flexibility depending on the local characteristics has diverse justifications. Those of economic order tend to emphasize the maximum efficacy and efficiency of the resources assigned to the social programs when these have the decentralization as a characteristic. This maximum efficacy and efficiency would be achieved as by the concrete form of the intervention it has considering the singularities of the region, so, as by a further proximity of the community in the control of the execution, reducing (theoretically) the deviation of resources and the customerized relation, among other distortions.

14 / We are just introducing the polemic, illustrating some of the aspects that gave origin to policies inspired by the new paradigm. Thus, our aim is not to debate on this aspect. Actually, this polemic is much more complex, provided that it would be necessary to ask in what sense a program can or must be evaluated depending on aims that not belong to it. The unemployment insurance, for example, was not created to reduce the poverty but to provide a minimal level of income in the transition from an employment to other one. As well, to discuss these aspects exceed our aims in this document.
b) **Technical Criteria in the Distribution of the Resources and Election of the Public Beneficiary**

In the former paradigm, the distribution of the resources did not obey to definite criteria, and it was influenced by the pressure power of every region, social group, political party, electoral cycle, etc. This lack of definition was spreading to the beneficiaries, who could be chosen by political affinities, religious identities, or other characteristics. In the new social policy generation, the distribution of the resources (for example, in the place) and the definition of the potential beneficiaries are carried out by considering technical criteria. For example, in the case of Brazil, it is common to use the HDI (Human Development Index) of every State / municipality to rule the spatial distribution of resources. In case of the beneficiaries, it gives priority to the same rationality: defining criteria in which the candidates must be fitted. For example, continuing with the case of Brazil, the familiar income per capita (generally 0.25 or 0.5 of the minimal salary) is a parameter that allows giving dimension to a program’s clientele.

c) **Programs’ targeting**

In the former paradigm, the universality was the programs’ trend. Thus, every citizen had right to certain benefits or services. The typical cases are education and health. The programs of the new paradigm tend to define the public by a more restricted way, using technical tools. Reducing the potential universe can deserve diverse justifications. We find in this case, again, aspects linked to the efficacy and efficiency. Given limited resources, the program should favor (or directly should be restricted) certain public. In this way, the impact of the project would be greater, because of the fact that there would be minimized the "escapes" (giving benefits to a public who, for example, presents an income level capable of satisfying their requirements on the market). In the targeting principle, it can also give priority to an equity criterion. Considering that the resources are scarce, those more unfavorable individuals / families should be privilege to access to the programs’ benefits.

d) **Participation of Civil Society**

As the decentralization and the targeting, the introduction of civil society organizations in the conception, design, execution, monitoring and evaluation of the social programs can deserve diverse interpretations. Also in this case, aspects linked to major efficacy and efficiency in the resources application can be a way of justifying the cooperation with unions, churches, universities, NGOs, etc. For example, these organizations would be less bureaucratic than the State authorities. This would raise the quickness in the program implementation. On the other hand, as the decentralization, the active participation of the civil society would reduce the detour of resources.
and the customerized practices, helping to improve the quality of the political processes.

e) Counterparts (Combining compensative and structural aspects)

One of the current critiques to the traditional "Welfare-State" is based on the identification of elements that induce a relation of structural dependence of the beneficiaries on the policies and programs. Because of diverse reasons (stigmas that impede the rehabilitation, few encouragements to change the situation that carried to be a beneficiary, etc.), the social protection system's clientele would be carried to an inertia situation, without granting its mechanisms that allow the beneficiaries to revert the structural reasons that took them to this system dependence. The new conception of social policies tends to grant an "exit door" to the present generation (courses of professional training for the beneficiaries, access to micro-credit lines, etc.) as well as to the future generations (school frequency obligation of the beneficiaries' children, for example). This way is an attempt to break the structural circle of poverty reproduction, inclusively between generations. Thus, every beneficiary must give a counterpart (literacy, courses of professional training, frequency of children to school, medical examinations), that allows him in the future to do without the benefit.

15 / Maybe the most famous vicious circle is the trap of the poverty through generations caused by the education. It is convenient to stop briefly on its arguments, because of the fact that this interpretive frame led diverse programs of the social protection net in Brazil. The poverty situation could induce the families in this condition to introduce their children in the market of work at an early age, compromising their education (not only in terms of years of study but also in the quality of learning) and their yields during their active age (supposing, as the empirical evidence indicates, that exists a narrow correlation between education and income). Thus, the poverty of the present generation is explained by the poverty of the generation, which preceded it (that is the trap of the poverty between generations). In these circumstances, to raise the offer of schools or of places in the schools turns to be insufficient, provided that the children who belong to poor families are in the margin of the school system, not because they do not know the benefits of frequenting the school, but because of the fact that (given the high rate of their preferential intertemporal or preference to the present, which arises, exactly, from their situation of misery) the greater future yields (given the high rate of discount) present a limited present value. In this way, the more offer of places in the schools should be complemented by a transference of income that compensates the families for the opportunity cost of the boys who now study and do not work (i.e. the income they stop earning). This way would break the circle of structural reproduction. This diagnosis, in spite of its elegance of arguments, must be submitted to an empirical monitoring. In the case of Brazil, for example, the data indicates that among the young population of the first stages, the percentage of children (7 to 14 years old) that neither takes part of the market of work does not even frequent the school is high. Among the poor families, up to 0.5 minimal salary of familiar income per capita, 3.5 % of the boys neither studies, not even work or search a job. The percentage of boys that only work does not come up to 1 % (0.75 %). That implies that the non-frequency to the school would not be given by the participation in the work market. On the other hand, we must perceive that the benefit of a program must be correlated with the children income in the work market.
f) Stable Budgets

The fonts of resources of the social traditional programs, in general, were not definite and there were fed by the general resources (taxes). In this context, the annual amounts destined to the program financing were a motive of periodic negotiation, so there were influenced by numerous factors as the electoral and macroeconomic cycles. In periods of crisis, for example, when the collection sources decreased because of the fall in the activity level, the dispute for the scarcest resources increased, exactly when the demands for compensations in the social area were rising. In general, the resources destined to the social area were residual, turning into the "variable of adjustment" when it was necessary to make clippings. In the new paradigm of public policies in the social area, the financing sources are more or less stable, the origins are clearly defined and, therefore, the amounts are not tied to annual processes of negotiation or correlated to the politic cycle.

g) Monitoring and Evaluation

The practices of monitoring and evaluation of the programs are frequents in the new paradigm. Controlling the financial and physical goals, determining the fulfillment degree of the aims and the relation cost / benefit are current activities in the modern forms of intervention in the social area. These activities are carried out by sectors of the State bureaucracy (especially in the monitoring), as well as by external organizations (universities, research centers, etc., in case of the impact evaluations), and the results are useful as a way of account presentation to the society and of input to re-feed the design and the execution of the programs.

The Financing Sources in the Social Area

As the time went by, there were created funds with aims and resources fonts well defined, partly because the necessity of regulating the Constitution’s devices and to consolidate the new paradigm. Re-assigning these resources was turning difficult as inside the Executive Power, as between this one and the Legislative Power, because it implied the alteration of the in force legal frame. Among them:

a) FAT: Worker Protection Fund

The FAT is a fund that finances all the policies directed to the work market (unemployment insurance, professional training, intermediation, etc.), and an income policy whose beneficiaries are the formal sector employees who
earn up to 2 minimal salaries of average monthly income\(^{16}\). The financing source of the FAT is the PIS/PASEP collection that, for the 1988' Constitution, stopped being credited to individual workers' accounts and starting to constitute a collective fund to finance the Employment Policies. A part of this collection (40 \%) is directed to the BNDES (Economic and Social Development National Bank) to finance projects with positive impacts on the employment level\(^{17}\). The FAT is an example of the funds with relatively stable resources that made possible the implementation of policies in the social area. The collection of the FAT turns in a percentage slightly lower than 1\% of the GDP\(^{18}\).

The FAT and all the policies that it finances are administered (on its big lines) by councils, where civil society representatives take part. In the federal level, the FAT is managed by the CODEFAT (Deliberative Council of the Workers Protection Fund), a tripartite and equal council where three government representatives, three workers' unions representatives and three of the businessman sector take part. This modality of management happens in the States and Municipalities through the States and Municipalities Commissions of Employment.

\[ b) \quad \text{FUNDEF: Subsistence of the Fundamental Education Development and of the Appraisement of Teaching Fund} \]

The FUNDEF is a fund created in September 1996 (Constitutional Amendment N \( \circ \) 14). After diverse regulations (Law N \( \circ \) 9.424, 1996, and Decree N \( \circ \) 2.264, 1997), it was implemented in 1998, constituting a font of stable resources directed to the basic education financing. By means of the 1988' Constitution, 25\% of the resources collected by the States and Municipalities are going to finance the educational services and, by the Constitutional amendment that the FUNDEF instituted, 60\% of this flow

\(^{16}\) / The so called Salary Credit consists on the payment of a minimal salary to the formal sector workers who earn, as monthly average, up to two minimum salaries. This benefit is established in the Federal Constitution (Article 239, § 3 \( \circ \), that was regulated by the Law N \( \circ \) 7.998, January 11\( \text{th} \), 1990). According to this Law, the requirements, beside winning as monthly average up to two minimal salaries, is to have had activity for 30 days in the reference year and to be registered in the PIS/PASEP at least five years ago.

\(^{17}\) / This transference of resources to the BNDES (40 \% of the collection) is actually a way of application of the FAT resources. The BNDES "administers" this money and must pay the interests to the fund. Thus, as a part (the interests) of the collected funds, it is increasing the importance of the interests' payments for the BNDES and, as the time goes by, it could manage to overcome the PIS/PASEP as financing source. On the other hand, the resources applied in the BNDES are FAT property and, in this sense, it can be requested in case of need. We say that, in theory, it should finance projects that induce the employments creation, because in the '90s there was a lot of polemic about the real unfolding of the BNDES financings with FAT money on the employment. Diverse social actors (especially unions) affirmed that, having financed the modernization of the companies and the introduction of intensive-capital technologies, the BNDES credits finished to have a negative impact on the employment.

\(^{18}\) / Already discounted the 20\% retentions, because of the disconnections (DRU- Recipes of the Union Disconnections).
destined for the Education (that is 15% of the collected resources) must be destined for the financing of the primary education.

In addition to that entailment to specific aims, the FUNDEF has a distributive characteristic. That fund is fed by a percentage (15%) of specific sources (ICMS- Merchandise Circulation Tax, FPM- Municipalities Participation Fund, FPE- States Participation Fund, taxes on certain exports, etc.) that, in other way, it would thicken the States and Municipalities’ coffers. That percentage feeds the FUNDEF and the Federal sphere complements the States’ resources in case that the amount applied in the primary education would be smaller to that established by the President of the Republic. That complement is given by means of the FNDE- Education Development National Fund- resources. The minimum value by student was of R$ 315 in 1998 and 1999\(^{19}/\). From 2000, the government introduced values differentiated for first and second half of the first level\(^{20}/\). In 2003, the amounts were of R$ 446.00 and R$ 468.30 (US$ 145 and US$ 152.04 or 1.85 and 1.95 minimum salaries). In real terms (deflated by the INPC- Customer Prices National Index), in 2003 the amounts were similar to those observed in 1998.

Summarizing, the Federal Government distributes the FUNDEF resources according to defined technical criteria. Those transferences are complemented by the resources that each State/Municipality must invest in Education (15% of the collected resources), and if the minimum established by student that year is not reached, the federal government completes the resources\(^{21}/\). In general numbers, it is estimated that Brazil assigns 2.5% of the GDP to the primary education\(^{22}/\).

\(^{19}/\) It is difficult to choose a parameter to give an idea of the magnitude of those values. We could take the dollar value. In that case, the amounts would be of US$ 271 (1998) and US$ 174 (1999). Nevertheless, in January, 1999, the regime of exchange rate was altered (from the use of the exchange rate as nominal anchor of the stabilization policy to a regime of free exchange rate) and this alteration caused a strong devaluation of the national currency (the Real). Thus, using the dollar as a parameter to transmit an idea of the amounts can deserve critics. Another parameter can be the minimum salary. In that sense, the value established in 1998 was of 2.5 Minimum Salaries and 2.35 in 1999.

\(^{20}/\) In terms of the Brazilian system, 1\(^{a}\) to 4\(^{a}\) series and 5\(^{a}\) to 8\(^{a}\) series of the first level. The rural establishments of special education and schools have differentiated values.

\(^{21}/\) The technical criteria for the transference of resources are determined on the number of students registered in each sphere (State or Municipality) the previous year. The number of students arises from the Scholastic Census made by the INEP (National Institute of Studies and Educational Searches), an organism of research and statistics production related to the Education Ministry. The 60% of the total transferred by FUNDEF must be assigned to the payment of the teachers in effective exercise of pedagogical activities.

\(^{22}/\) About the amounts of the social invest, see Fernandes et alli (1998) and Abrahão et alli (2003).
c) **FNDE: Education Development National Fund**

The FNDE is a financing source administered by an autarky within the Education Ministry which aim is to guarantee to all the young people, basic education. The programs which it manages are several: Scholastic Feeding National Program, Didactic Book National Program, Direct Money in the School Program, Library in the School National Program, Scholastic Health National Program, and Scholastic Transport National Program. Other more specific programs (as indigenous education, special education, etc.) complement the objectives of the FNDE. The beneficiaries are the students of public schools of the different areas (Federal, State and Municipal), always from basic education.

The financing source is the contribution denominated Salary Education. It represents approximately the 60% of the federal resources destined to the basic education. This contribution goes back to the '60 and consists on a tax of 2.5% on the salary amount paid by the companies with more than 100 workers.

d) **FNS: Health National Fund**

Despite to be created in 1969, the FNS was structured in their present bases in 1993 (Decree N° 806) and 2001 (3774 Decrees N° and N° 3964), with the aim of make financially viable the SUS (Unique System of Health), public, universal and gratuitous health service. In other terms, it is the financial manager of the resources of the SUS. The Decree N° 3964 sustains the transferences of resources to the State and Municipal Health Funds, and other public organisms and, inclusively, civil society organizations. Like other programs, the National Health Fund is controlled by the National Council of Health.

e) **FNAS: Social Assistance National Fund**

This fund has been instituted by Law N° 8742 (December 7th, 1993) and regulated by Decree N° 1606 (August 25th, 1995). It traditionally finances the denominated programs of social assistance, which do not demand previous contributions and are destined to the populations of smaller resources (programs that, hypothetically, should be focused very well). Among those programs, the Continued Lending Benefits stand out, which was the first antecedent destined to guarantee a minimum income to some segments of the population. This fund is fed by means of diverse origins sources, as resources from the games of chance, managed by the Federal Economic Box, the contribution of CLLS (Social Contribution to the Liquid Profit) and others. As the one already mentioned, it is supervised by a Council (the Social Assistance National Council -CNAS) and it will only be
able to transfer resources to the States and Municipalities if these also have a Council, a Social Assistance Fund and a Social Assistance Plan 23/

f) National Fund to Fight and Eradicate the Poverty

In December, 2000, by means of Constitutional Amendment Nº 31, was created the National Fund to Fight and Eradicate the Poverty (Transitory Constitutional Dispositions, Articles Numbers 79, 80 and 81). This fund arises from an increase of 0.008% of the CPMF-Transitory Contribution on Financial Movements, an increase of 5% of the IPI-Products Industrialized Tax, donations and a possible tax on the great fortunes (in case of being implemented).

The public beneficiary of this fund are families with an income per capita of average minimum salary, that is the line of poverty generally used for operational aims in Brazil24/. The potential beneficiaries of the programs financed with this fund are not only defined in terms of monetary income, but also geographically, according to what the Presidential Decree that regulates the Fund established (Decree Nº 3997, of December of 2001) 25/. In January 2003, the Extraordinary Ministry of Feeding Security and Fight to Hunger is designated as the organism responsible for the fund management. With the extinction of this Ministry in February, 2004, the fund returned to be managed by the Social Assistance Ministry, at the moment called Social Development and Fight to Hunger Ministry.

23 / Federal programs (like the Lifelong Monthly Income) are logically outside these requirements. All the actions in the Social Assistance area are regulated by the LOAS (Organic Law of Social Assistance), which was sanctioned on December 7th, 1993 (Law Nº 8742) and that is assumed in Brazil as a frame in the modernization of the social assistance policies. On its text is defined not only what is understood as social assistance, but also the characteristics that the policies must lead (decentralization, social control, etc.). In addition, it defines the CNAS as the Council that will supervise the actions in the area, will define the criteria for the federal transference of resources to the States and Municipalities, and will grant the philanthropic character to organisms and organizations that act in the social area, etc.

24 / We are not going to enter here into the methodological consistency merit of establishing a poverty line, having as a reference the minimum salary. In general, the social programs in Brazil use 0,25 of minimum salary of familiar income per capita to define the indigents (extreme poverty) and 0,5 minimum salary to define the lumbral of the poverty.

25 / In terms of space, the beneficiaries would have to reside in Municipalities members of the Project, the Solidarity Community Program and Living-together with Semi-arid and Social Inclusion Plan. We are going to analyze some of those programs ahead, as the Alvorada Project. Anyway, all programs are concentrated in the more marginal areas of the country.
The immediate background

As we already affirmed, the modernization process of the Social Policies has precedents in the ‘80s, but it gained impulse in the ‘90s. The singularities of what we call new generation of Social Policies were in a set of programs that, in some way, stimulated the process.

i. Minimum Income Guaranty Program (PGRM)

At the beginning of the ‘90s, the Senator Eduardo Suplicy, pioneer in the debate of programs of monetary transference that could assure a minimal income to the whole population, presented a Law project, approved without opposite votes, which proposes a social benefit that: a) it benefits the individuals whose income is placed under a certain limit (targeted), and b) the benefit is in cash and not in services or goods 26/.

In its beginning, Senator Suplicy identified the program as revolutionary in the social area, due to the fact that: a) the autonomy of the beneficiaries raises, provided that they might spend the benefit according to their preferences; b) it reduces the possibilities of corruption, detour of resources, bureaucratic steps, etc., potentially feasible when the lending are in goods and services; c) it raises the efficacy and efficiency of the investments made in the social area.

The project, whose main characteristics included the benefit in cash (monetary transference) and the not universal character, received three principal critiques: the first one linked to the characteristics of the beneficiary. As it was directed to individuals, it would allow “escapes” that would benefit non contemplated segments of the population. A person with low yields (specially the young men), can be a part of a family with high income. The poverty, in general, has to take as a reference the family (the family income per capita, more specifically), and not the individual.

26/ We could add another characteristic: it would have incentives to work. As the theoretical base of reference is the negative tax of income of Milton Friedman, the benefit varies according to the income originated at work. So as big is the income, bigger will be the total income (benefit value + work income). In this way, it would always be an incentive to offer more possibilities of work in the market. In fact, that absence of incentive lack to the work is controversial, since it is going to depend on the preferences (marginal) of each individual between the valuation of the leisure and the valuation of the money (or of the goods and services that can buy with that money). Without entering into that controversy, the concrete is that a minimum income is not assured exclusively for everyone who is under the line of that minimum. Let’s imagine that the minimum income is 100. An alternative would be to complement the income of the person in order to assure him 100. In that case, the person who earns zero receives a 100 benefit and the one who earns 99 receives one. In that alternative, the incentive lack to work is total. The proposal of Senator Suplicy does not fall in that mistake and proposes a more sophisticated calculation method of the benefit in which the transference is variable, despite being decreasing according to the beneficiary’s salary.
The second critique is associated with the excessively compensatory character of the offer. Specifically, it is not linked to any decision that would allow the beneficiary family to break the multiple mechanisms that propitiate and transmit the poverty through the time (inclusively to the next generations).

Finally, it is mentioned the "complexity" of the amount calculation of the benefit, although it is similar to the applied in case of the income tax. Since the beneficiaries are families / individuals of low education, in the majority of the cases, with incomes obtained in the informal circuits (of difficult checking), conceptually, the calculation formula of the transfers was acting against the project, provided that it was making difficult its implementation.

Despite those restrictions, the project obtained an ample welcome in the Brazilian society and it initiated a debate that contemplated the incorporation of alternatives that allowed considering the mentioned critics.

What concerns to the unit in order to define the beneficiary, the alternative did not have great controversies, changing from the individual to the family. From there, a more or less general consensus existed, considering the families with familiar entrance per capita up to 0.5 minimum salaries as the potential public of the effective social programs.

Respecting to the calculation of the benefit, in order to maintain the simplicity, a consensus settled down about the convenience of a fixed amount by family, with certain adjustments in some programs according to the number of children\textsuperscript{27}.\textsuperscript{27}

The combination of welfare aspects and others of more structural kind, was possible through the introduction of "counterparts". For example, the obligation of the scholastic attendance of the more little children, the professional training courses for adults or the obligatory support of health for pregnant women and children\textsuperscript{28}.\textsuperscript{28}

Finally, the project has been seen as excessively centralized in the federal level, without considering the complements or association forms with the States and Municipalities.

\textsuperscript{27} This way of calculating the monetary transference does not manage to hold the incentive to the work, a constant worry in the project of the Sen. Suplicy. Only in very particular situations it is possible to imagine that this could occur.

\textsuperscript{28} To follow this profile of structural and not merely compensatory change in the social programs led to another polemic. Originally, the project of the Sen. Suplicy proposed a gradual implementation, beginning from the most aged population. In this case, to think the aspects of structural change was becoming difficult. So, introduce this profile required that the programs considered the families with home chiefs especially young men-adults. This was the criterion later adopted, as we will see afterward.
Then, it is beginning to rethink in Brazil the social policy, under a set of alternatives that include: a) the complemented monetary transference with counterparts, specially the schooling of children; b) the family as a unit of reference, in replacement of the individual; c) since the schooling of the children or the pre-maternal attention is privileged as counterpart, the families beneficiaries would be those whose person in charge or head is a young adult; d) some degree of decentralization (participation of the States and/or Municipalities); e) the targeting of the beneficiaries, previously chosen; f) the amount of the benefit would be no variable, according to the level of income of the family.

From this conceptual frame of reference and the debates that the project caused, two experiences were pioneering: that implemented in the Campinas Municipality, State of São Paulo, and that carried out in Brasilia (Federal District), both started in 1995. In both cases, the policy had essential elements of the new social policy, as we denominated it: monetary transferences and not in kinds, defined beneficiary public (poor with children in scholastic age) and counterparts (scholastic frequency of the children).

Despite it seems to be today a logical alternative to the former policy, at that moment it marked a true revolution in the matter of social policies. After nine years, this type of program (denominated in Brazil "Bolsa-Escola") is spread all over the country. There are municipal and state programs and, from 1997, Federal Government’s programs.

**ii. Continuous Lending Benefit**

Many authors (Pereira (2000), for example) identify the modernization of the social policies with the 1998’ Constitution (especially from the Article Nº 203). The benefit of continued benefit consists of the monthly payment of a minimum salary

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29 In fact, a dispute about the first initiative exists until today. The Sen. Suplicy belongs from the Workers Party (PT). Nevertheless, by the impulse given by the Senator, the project has always been associated more to the person of the Sen. Suplicy than to the PT. On the other hand, developing an intelligent attitude to add followers, the Senator always based his defense appealing to typically liberal theoreticians (as Milton Friedman) as well as others located nearer to the left of the political and ideological line. When it was implemented in Campinas, that Municipality was administered by the PSDB (Social Democracy Party), PT adversary, to which President Fernando Enrique Cardoso belonged. Contrary, Brasilia (DF) was administered by Cristovam Buarque, from the PT, at the time of implementation of the program. Thus, the paternity of implementation of the program has always been disputed. However, perhaps because the initiative for the debate was introduced by a militant of the PT (Sen. Suplicy) and because Cristovam Buarque (also from the PT) popularized its experience, specially the benefits and potentialities of the relation between the guaranteed income and the education of the beneficiaries’ children, that type of programs are associated to the PT programs, despite the reference of Campinas and, as we will see ahead, the program was extended to the nation during the administration of Fernando Henrique Cardoso. In fact, the entailment between education and schooling must be attributed to Jose Marcio Camargo, who proposed it in an article (1993).
to disabled and old people with equal or greater age of 70 years that integrate families with up to 0.25 minimum salary as familiar income per capita. That true guarantee of minimum salary was predicted in Article 203 of the Federal 1998’ Constitution and was regulated in Articles 20 and 21 of the Statutory Law of Social Assistance (Law N º 8742, December, 1993) and by Decree 1744, of December 5th, 1995. In this benefit, any type of previous contribution or counterpart of services does not exist. Every person with more than 70 years that fulfills the legal requirements (deficiency that incapacitate him for the independent life and work, and integrate a family who does not have means to guarantee his survival), has this right, without limit of time. The Continuous Lending Benefit has as financing source the FNAS and is managed jointly by the Ministry of Social Assistance (Federal instance) and by the State and Municipal Assistance Secretaries.

iii. Rural Pensions

Placing the rural pensions within the Social Policy and, more specifically, within the programs that we can characterize as the transition to the new forms of intervention, deserves an explanation. In fact, the pension system can be placed within the Social Policy area or being understood as a system of individual saving. In Brazil, until very recently (the ‘90 and the proposed reforms), the pension system was considered as a distribution system and not as a capitalization system. In that sense, it can be included within the Social Policy area.

That general characterization is valid, despite not being free of controversies in the case of the rural pensions, as we see ahead. The system of social protection by oldness to the rural worker appeared in the ’70s. In 1971, by means of the complementary Law N º 11, it was created the Fund of Rural Assistance (FUNRURAL), as the organ in charge of executing the PRORURAL (Assistance to the Rural Worker Program) 30/. This program covered all the rural population guaranteeing, in case of people up to 65 years old or in case of disability, the 50% of the minimum salary 31/. The rural benefits were extended in the 1988’ Constitution. Many changes were introduced by this legal instrument. One of the immediate alterations was to establish that no benefit should be lower than a minimal salary. Thus, immediately, 4.5 million pensioners and rural pensioners saw the increasing of the benefit value


31 / That benefit had as receiver the family head or the person who sustained the family. In all the cases, it aimed to reach a worker who has worked in a regime of familiar agriculture. In case of disability by accidents, the minimum value of the benefit was of 75% of the minimum salary. The pension (benefit for the employees in case of death of the family head) was restricted to 30% of the value of the minimum salary. Apart from that monetary benefit, PRORURAL contemplated funeral aid and medical aid.
from half minimal salary to a minimal salary. This floor or minimal benefit is a particularity for the pension and rural pensions, of a more general proposal that used to establish the minimal salary as the floor for all the benefits of continued lending.

Simultaneously, the age to accede to the pension was decreased from 65 to 60 years old for the men and from 60 to 55 years old, for the women. Between 1991 and 1994, the growth of individuals that were benefited by the rural pension system grew until 57%. Today, the number of rural pensioners already passes the 7 million people and requires more of US$ 6.37 annual billions.

Nevertheless, the question is centered on the contribution. In fact, once reached the corresponding age, the candidate would have to verify 15 years of work in the countryside 32/. Actually, all the legislation related to the rural retirement previous to the regulation of the 1988’ Constitution did not demand any contribution of the future beneficiary. It only would have to verify the period of work. The question is: would not the rural worker have to make any contribution for the financing of the system of social security? In thesis, they would contribute with a value of 2.2 % on their products sale (value that should be gathered by the company which buy his offer) 33/.

Here exactly, exists the controversy. Certain analysts identify the rural pension as a form of social assistance and as so it deserves to be treated. As there is not a relation between individual contribution and benefits and, actually, the exigency is restricted to the age and the working period, the pension would have to be treated like a kind of minimum income program, or a typical welfare program. From another perspective, other analysts believe that exist a contribution, given by the percentage payment on the commercialization. As in the different pension systems in Brazil (the general segment, for example, as the public employees) an actuarial relation between benefits and contributions does not exist, it is not clear why it would be demanded to the rural pensions segment a relation that also is absent in the other segments.

What is the true is that in the balance between costs and expenses, the deficit of the segment of the rural assistance reaches almost 90% of the deficit of the general pension system. The question is if the pension system can be seen as one of the instruments used to redistribute income and / or to assure minimal monetary income or if; on the contrary, it should require that the pension system present a minimal relation between the benefits flow and the contributions flow. If it would be a part of the social assistance system, to require that relationship would lack sense, because it would be directed to guarantee the minimal incomes and/or contribute to reduce income’s concentration.

32 / The form of checking could be testimonial.
33 / More exactly, the contributions would be of 2 % in case of physic person, 2.2 % in case of special insurance (the family employed in a familiar unit) and 0.1 %, in both cases, for the contribution to the protection system for the working accidents system.
The polemic continues up today, nevertheless the diverse reforms of the social security system carried out from 1988 (Constitution’s promulgation) and, more specifically, from 1991, when there was established the costing system of the social security. The question that remains is: must the segment of rural pension in Brazil be interpreted as a wide program of minimal income and, therefore, considered as one of the forefronts of the new social policy generation or must be considered as a part of the pension system, needing an actuarial balance?

Extension and Consolidation of the New Policy

With those backgrounds that go back as far as the 80’s, as we saw before, the programs and initiatives that tend to form a set of actions and whose common denominator are the singularities already indicated, that concerns to the new generation of social policies, are extended finishing the following decade.

i. Transition Elements

The transition between both paradigms of intervention in the social area did not mean a rupture in Brazil. On the contrary, elements of both coexisted and still coexist. However, certain aspects deserve a particular attention because they represent symbols not only for the advances but also for the restrictions and resistances to the modernization.

   a) The Brazilian Assistance Legion (LBA) and its extinction in 1995

The LBA was an institution that characterized the old social policy. Created in the top of the Vargas era (1942), it was presided by the Ladies’ President (the first one was Darci Vargas, President Getúlio Vargas’ wife), and had as purpose to lend social assistance to the lacking people who needed resources. The financing of its actions could come from donations but its main font of resources was the federal budget. The LBA has always been seen as a form of customized or particular social assistance. Diffuse and

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34 / The costing system of the social security that regulated all the directives established in the 1988’ Constitution was determined by the Law N° 8212, of July 24th, 1991, known as Law of Social Security Costing.

35 / A pertinent question is: why might it be assumed as forefront of the new social policies? Exactly for its characteristics: it is a monetary transference, do not exist relations of customized or interchange of favors, etc. The only exception is, maybe, the absence of counterparts. In this case, it does not exist, in the practice, because it is assumed as a benefit of retirement and, as the persons are very old (in the limit of the economically active life), it would be of doubtful sense to demand, for example, qualifications courses.

36 / Originally, the LBA was a foundation destined to assist to the Brazilian ex-combatants of the Second World War and their families, especially to the mutilated in that armed conflict.
certain demagogic aims (to take care of the Brazilian people’s health, to support the economical or moral disordered people), with a practice by which the benefit (distribution of foods, sets of teeth, etc.) was identified as belonging from the transitory occupant of the power and not as a right, turned the LBA into a synonymous of corruption, deflection of resources, and promotion of individual interests.

The first decision taken by Fernando Henrique Cardoso when he assumed the Presidency was to extinguish the LBA (Measured Provisory Nº 813, January 1st, 1995). This action can be considered as a symbolic act of the flexion that was already being outlined in relation to the public policies management in the social area.

As this institution was finished, the social assistance tasks were derived to the Social Assistance Secretary (SAS), tied to the Prevision and Social Attendance Ministry. 37 /

b) The National Council of Feeding Security and the attempts of articulating programs I.

In 1993, within a context signed by the worry about the hunger, after the experience of "impeachment" of President Fernando Collor, the CONSEA was instituted in the President Itamar Franco administration. It was a Consultative Council, which grouped the members of the Government as well as of the Civil Society in order to coordinate the actions that could contribute to reduce the hunger in the State area. Those actions would be varied and went from the food distribution to the programs of work and income generation through micro-credit programs.

The benefits of integrated and articulated actions were already glimpsed at the moment of the CONSEA foundation, but the convenience of avoiding superposition and of unifying actions was not perceivable yet.

As its name indicates it, the CONSEA emphasized the matters tied to hunger through the food availability for the populations of smaller resources. Despite contemplating lines of work linked to the income generation, the emphasis of their actions was centered in the aspects related to the food availability and benefits in species. In that sense, the food distribution actions were very important and the CONSEA ends up creating the PRODEA (Food Distribution Emergency Program). The CONAB (National Company of Supplying) managed this program, which was an institution

37 / By means of the Provisory Decree Nº 1795, of January 1st, 1999, the SEAS get Ministry status (State Secretary of Social Assistance-SEAS). The SEAS should articulate all the governmental and not-governmental actions in the social assistance area, it should support the States, it should manage the National Fund of Social Assistance and it should transfer resources according to what was established by the LOAS (Statutory Law of Social Assistance) and by the CNSA (National Council of Social Assistance).
created by President Fernando Collor in 1990 to aid the victims of calamities, specially the droughts in the semi-arid northeast of the country. Since then, the CONAB has been identified as the federal institution in charge of distributing food (basic food baskets).

As the LBA, the CONSEA was dissolved in the first government act of President Fernando Henrique Cardoso, on January 1st, 1995. Nevertheless, neither the PRODEA nor the CONAB were deactivated. We see there, the contradictions and limitations of an historical time. The great modernization that represented, more in symbolic terms than in practical ones, the extinction of the LBA has not been extended to other programs. On the other hand, by dissolving simultaneously the LBA and the CONSEA, it seemed to place both institutions at the same level that, in qualitative terms, were completely different. The LBA represented the archaic thing. The CONSEA was the vanguard of the modernization, coexisting in their sine the past and the future.

c) Solidarity Community and the attempts of articulating programs II

At the same time of the CONSEA extinction, on January 1995, the Program Solidarity Community was created. This program, very influenced by international experiences as the Solidarity of Mexico, looks for leaving the paternalist and customized perspective of the traditional social policy; it also seeks to elevate the effectiveness and the efficiency of the resources applied in the social area. In order to avoid the paternalist and customized character of the State intervention in the social area, the participation of the Civil Society was summoned. The increase of effectiveness and efficiency of the assigned resources in this area would be possible if the coordination of actions in the State ambit was reached. This is a very relevant aspect, given the objectives of this document. Solidarity Community was the first attempt to articulate the Government actions in the social area and to obtain communication forms with the Civil Society.

38 / That ambivalence is clearer when we noticed that, in the administrative reform that extinguishes the LBA, the INAM was also extinct (National Institute of Feeding and Nutrition), which was another institution related to the food distribution.

39 / Almost ten years later, the present President Lula was going to recreate as the CONSEA as the food distribution that, as we will see, was suspended in second half of the ‘90s.

40 / The Solidarity Community Council was created using very similar patterns to the CONSEA. The qualitative difference between the CONSEA and this Council has never been clear. In other words, it has never been very clear which were the reasons that justified the extinction of the CONSEA and the creation of an institution with almost similar characteristics.

41 / In fact, Solidarity Community had two "arms". One of them was the Government, who coordinated the actions within the State. That "arm" had a Secretary which depended on the Civil House of the Republic Presidency. The other "arm" did not have firstly links with the apparatus of the State and its aim was to coordinate and to induce actions of the private sector (companies, NGOs, etc.) in the social area, besides stimulating the communication between the Civil Society Organizations operating within the area and the State.
However, despite its objectives, Solidarity Community made few advances in the area and centered its efforts in the PRODEA, that is, in the food distribution. In 1997, for example, the PRODEA reached 9 million families, who received 12 million basic baskets of food (or 1.2 million tons of foods).

It is possible to observe that the process has been complex, ambivalent and full of limitations. On one hand, towards mid-twentieth century, the initiatives that looked for the modernization of the social policies (greater participation of the Civil Society, necessity to coordinate actions) were several, and by the other, certain basic characteristics of the old practices remained, specially the food distribution and the lack of perception about the convenience of replacing benefits in species by monetary benefits.

d) The Alvorada Project and the attempts of articulating programs III.

In the second half of the ‘90s, two factors were perceivable. On the one hand, the evidence of the necessity to make advances in the social area, mainly in the reduction of the poverty indexes, was increasing. The Real Plan (June, 1994), that caused a sensible fall in the inflation levels, had achieved a decreasing of people living in poverty conditions but, from there, the obtained profits were secondary. It seemed to be a lack of correspondence between the efforts in the economic area (that, in addition to the stability of prices, included greater economic opening and privatizations) and the profits in the social area.

Nevertheless, that apparent or real mutual incompatibility coexisted with the increasing of the assigned resources to the Social Policies and the proliferation of programs in the area. It was required, therefore, to increase the effectiveness and the efficiency of the interventions to obtain perceivable changes. The basic matter was that programs existed. Greater joint was required. To imagine a new program was out of question.

In that context and with that spirit, the Alvorada Project was implemented in 2001. Its aim was to articulate 17 actions of the Federal Government in the social area (education, health, social assistance and income generation), prioritizing them geographically. In order to avoid customized or political negotiation, technical criteria were set, using for it the HDI (Human Development Index). There were defined two limits. The first one was related to the selection of the poorest states and the reference parameter.

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42 / The steep reduction of the inflation indexes had caused the fall of poverty. Thus, the reduction of the poverty level (in 1994) was not a consequence of actions taken in the social area but of a stabilization plan.
43 / Between 1994 and 2001, the participation of the federal social budget went from the 23% of the general total budget to the 28.3%. In real terms, there was an increase of nearly 70%. The programs in the area proliferated: School-Subsidy (1997), Feeding-Subsidy (2001), Eradication of the Child Labor Program -PETI (1996), Full Rearing at School (1995). Some of them, those related to the monetary transference, will deserve our attention in the next paragraphs.
was the average. Thus, all the provinces that presented/displayed HDI under the average of the provinces, were selected. All municipalities of those States would be beneficiaries. Then, 14 provinces were selected and 1,796 municipalities among them. For those which have not been selected at the first moment, a second criterion was established. Among the non-selected States, those Municipalities with equal or inferior HDI to 0.5 would be chosen. Then, the Alvorada Project would have to take care of 2,185 municipalities.

The Alvorada Project represented the continuity of the modernization (cash benefits, decentralization, technical criteria in the resources allocation, targeting, etc.), that started in the last ‘80s, it had an additional impulse in the ‘90s with the implementation of the CONSEA, and it has been accentuated with the Solidarity Community Program.

Before starting to identify the still pending challenges, that the Alvorada Project did not try or it could not assume, we are going to detail some of the programs in the social area that would be soon those that integrated the axis of Unique Register 44/

The New Programs of Income Transference

i. Eradication of Child Labor Program (PETI)

i.1. Origins and Characteristics

It was the first project at federal level centered in a monetary transference to reduce the work of children and to stimulate their insertion in the school.

Created in 1996, its first legal references were the 138 and 142 OIT Conventions, of which Brazil is signatory. In their beginnings, the national legal references were very diffuse, protecting itself in general principles of the LOAS (Statutory Law of Social Assistance). It was designed and administered in the ambit of the Social Assistance Secretary (entailed to the Ministry of Social Assistance) and, despite beginning in 1996, its legal frame was only consolidated in 2000/01 (Law Nº 9,989 of July, 2000 and Portería Ministerial Nº 458, of October, 2001). Its objective was to eradicate the child

44 In the next Section VI.3, we have already mentioned the Rural Pensions, because of its importance and the controversy that it generated. If there were part of the Social Assistance, there would have to be part of the Unique Register. As we saw, until today they are part of the pensions system, despite the diverse reforms through which the Brazilian social assistance suffered. In that sense, it does not have to be considered as a part of the programs to be integrated by the unification.
labor (children from 7 to 14 years old), through the transference of income, known in Brazil as Citizen-Subsidy. The initial value (1996) was of R$ 25 (approximately US$ 25.5) for the families who had children working in degrading or laborious activities. Its amount has remained constant until today. However, as between 1996 and 2003 inflation was around 70%, actually, the transference registered a significative reduction. Apart from the school insertion of the children, the Ministry transfers resources for the Municipalities in order to guarantee, in the school, a day extended for those children and to make possible advanced training courses for other members of the family (specially the parents). The resources font is the National Found of Social Assistance (FNAS). The annual average budget in the period of 2000-03 was about R$ 500 million (us 196 million).

i.2. Public Assisted and Financial Aspects

The number of assisted children grew up from 3.7 thousands in 1996 to 145 thousands in 1999, 749 thousands in 2001 and 841 thousands in 2002. In 2003, no new family was incorporated, but the numbers indicate at the moment (2004) that 930 thousand children are taken care of; the authorities consider reaching 1.2 million in 2005.

The budget to finance the PETI varied from R$ 930 thousands (US$ 885.7 thousands) in 1996 to R$ 500 million (US$ 162 million) in 2004.

i.3. Virtues and Weaknesses

One of the restrictions usually attributed to the PETI is related to the complexity of its implementation and administration process, since in effect it involves a great diversity of State instances and an important amount of Civil Society actors. The PETI was designed within a conception of public policy of intergovernmental management and intersectorial character. The role of the Civil Society and the efficient joint between the Federal, State and Municipal spheres is fundamental for the program success.

At the States level, that Civil Society mobilization is carried out by means of an ample discussion between the Work and Social Assistance State Secretary, the State Councils of Children and Adolescents Rights, municipal governors, Municipal Secretaries of Social Assistance, other governmental sectors and non-governmental organizations. State Commissions must be constituted in order to democratize and catalyze all the discussions about the child labor, with aims to construct the Political Pact and to be part of the Integrated Actions Program.

At municipal level, seminaries and meetings must be promoted, with the aim of divulging the program among the community, to allow the detailed
knowledge of the eligibility criteria, concession and temporary or definitive suspension of the benefit to the families. It is recommended that commissions were created with representatives of organizations, who were members of the Social Assistance Council and other sectors, as it were created in the States.

In order to the children and their families could receive the benefit, the municipality must adhere to the program. It is not a program imposed by the Federal Government. On the contrary, the decentralized levels adhere voluntarily. To make the incorporation viable, the municipality must identify the institutions that will be partners, and define the priorities reverting the child labor and to identify the children who will be assisted by the PETI. The municipality must negotiate, obligatorily, with the Work and Social Assistance State Secretary, or equivalent, and with the State Commission of Prevention and Eradication of Child Labor.

The Municipal Secretary of Education must evaluate the conditions of the fundamental education network, indicating the alternative places for the fulfillment of the complementary journey (a requirement necessary to adhere to the program), in case that the school does not have these services.

According to these criteria, the municipal governor aims directly to the State Work Secretary and Social Assistance to implement the Program.

ii. The School-Subsidy Program (Bolsa-Escola)

ii.1. Origins and Characteristics

From the increasing supports obtained by the Senator Suplicy project and the remarkable popularity of the experiences of the Subsidy-School programs throughout the country, the Federal Government, from a Law Project of Deputy Nelson Marchezan, sanctioned the Program of Guarantee of Minimum Income (PGRM) in December, 1997 (Law 9,533). Basically, this program consisted on the financial support to those poorer Municipalities (with inferior tax incomes than the Province average from they belong) that promotes initiatives to offer minimum levels of income to the most vulnerable population sectors. The cost of the program should be distributed between the Federal Government and the own municipalities, counting also with the participation of the State Governments. The maximum participation limit of the Federal Government would be of 50% and the initiative of implementation should be responsibility of the Municipalities. The aim

\[45\] / In practice, the Federal Government was charged with the totality of the costs in money. Because, as we will see next, the counterpart of the beneficiaries was the obligation of sending to school all children between 7 and 14 years old, the Municipalities participated with contributions in "species" in the education area. As generally those scholastic activities already were financed
population was the families up to 0.5 minimum salary of familiar income per capita. The Federal Government would transfer the financial resources to the Municipalities that had to be at last the ones in charge of the implementation and management of the PGRM.

In practice, the PGRM was established in April 1999. Between that date and April 2001, the management was in charge of the National Coordination, which was directly related to the Minister of Education’s Cabinet. In the first year of implementation, the universe assisted reached 1.1 million of children/adolescents, number that in 2000 grew to 1.7 million. The number of children assisted by the Municipalities was of 1,005 in 1999, reaching 1,336 in 2000.46/

ii.2. The Consolidation.

The increasing popularity of the transference of income programs, associated to the school insertion of the children, gained such magnitude that the Federal Government, within the logic of the Alvorada Project to strengthen the programs dedicated to the fortification of the education, augmented the budget of the PGRM to an annual average value of R$ 100 million (USS 54.9 million), in 1999 and 2000, to R$ 1.7 trillions (USS 583 million) in 2001.47/ By means of Law 10,219, of April 11th, 2001 (regulated by Decree Nº 3,823, May 28th of the same year), the cover of the program was extended, and all the Brazilian Municipalities were attended. The focalization criterion stopped being municipality/family and started to be exclusively the family. All the families with an income per capita inferior to the average minimum salary constituted the potential population. From these modifications, the original initiative was denominated National Program of Minimum-Subsidy Rent School, known as Subsidy School Program (Bolsa-Escola). In administrative terms and, of certain form, as a reflection of the political importance that the program was acquiring, the Subsidy School Program passed from being a Coordination related to the Minister to a Secretary (National Secretary of Subsidy-School Program), depending on the administrative structure of the Ministry of Education until November 2003. From then, the management of some transference of income programs (Subsidy School, Subsidy Feeding, Gas Aid and Feeding Card), was unified and started to be denominated Subsidy-Family.

previously, in fact the financial cost for the Municipality was nearly zero. It existed, then, an enormous incentive, so that the Municipalities adhered. Anyway, we observed that this initiative had a high degree of decentralization or cooperation between the different Federal and Municipal instances (despite being contemplated in the Law the participation of the States).

46 / To have a referent, the number of Municipalities in Brazil reaches 5,560.

47 / The resources font of the School-Subsidy Program (PBE) is the National Fund of Fight and Eradication of Poverty.
ii.3. Aim Population

The aim population, as it happens in most programs of this kind, is the families with less than 0.5 minimum salaries of familiar income per capita, with children between 6 and 15 years old that must fulfill a scholastic attendance of 90%. The benefit that receives the families is in cash: R$ 15.00 equivalent to USS 6.41 per children and the maximum is R$ 45 by family. Although the Federal Government pays the benefit directly to the family, the program is decentralized and it only arrives at the municipalities that have adhered to the program. During 2000 and mid 2001, the municipalities made the evaluation and identification of the families. The form of inscription, elaborated by the Ministry of Education of the Federal Government, was the same used for the program School-Subsidy. The information consisted mainly on the children and the mother or responsible person. Since 2001, with the implementation of the Social Programs Unique Register of the Federal Government, the specific register of the School-Subsidy program was not used anymore.

iii. The Program Scholarship-Feed (Bolsa-Alimentación)

iii.1. Origins

While the PBE was consolidated and become popular, it was evident that certain families, social and economically vulnerable, without children between 6 and 15 years old that attended the school, were outside any protection. Benefit of Continued Action, foreseen in the Constitution, the LOAS and the later legislation that regulates those initiatives, covers the older people in poverty situation. The families, whose head were young adults, with children between 6 and 15 years old, received cover of the PBE. Those families with children smaller than 6 years old and/or the pregnant women or in period of breast-feeding remained without any coverage. In order to take care of that public it was created the program called Feeding-Subsidy (Bolsa-Alimentación, PBA) in September 2001. The legal frame was the Provisory Disposition N ° 2,206 (September, 2001), regulated by Decree N ° 3,394. Its principles are similar to the PBE: the families must have a maximum of 0.5 minimum salary of familiar income per capita, being the counterpart, in this case, the obligatory to vaccinate their children, to make the prenatal support of the pregnant women and the supervision pos-childbirth of mother and baby.

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48 / Of the total of poor families, 22% have children exclusively between 0 and 6 years old (that is, they have nor older children of that maximum neither old person with more than 65 years old). (Source: data collected by the authors from the micro-data of the PNAD/2002).
The benefit consisted on a monetary transference of R$ 15.00 (US$ 6.41) by children or pregnant woman, until a maximum of R$ 45 (US$ 19.2) by family.

The PBA was managed by the Ministry of Health, in the area of the National Program to Fight the Nutritional Deficiency General Coordination, program that was deactivated and replaced by the PBA. 49 /

iii.2. Assisted Public and Financing

The aim population of the program was considered initially on 3.6 million families. In 2002, 1.4 million families were assisted and in 2003 the families' beneficiaries rose to 2.6 million.

The financial resources of the program come from the National Found to Fight and Eradicate the Poverty. The budget for 2003 reached the R$ 360 million approximately (US$ 117.26 million).

iii.3. Registers

The PBA used the Unique Registry (RU) of the Social Programs of the Federal Government. As the managers of the PBA had interest in very specific information (weight and height of children, for example), they sent equipment that personally visited the potential beneficiaries families. The visit included the evaluation of the nutritional situation of the family members (young, pregnant and nursing women) 50/.

iv. Gas-Aid

iv.1. Objectives y Characteristics

From February 22nd, 2002, the Federal Government started to operate a new transference of income program: the Gas-Aid. It had as objective to compensate the families with an income per capita inferior to 0.5 of the minimum salary, subsidizing the kitchen gas. It was considered that 4.8 million families would immediately receive this complement of income and the group could reach 9 million families. The family candidates would be covered by some other program of transference of income (School-Subsidy or Feeding-Subsidy) and be registered in the Unique Register of Social Programs. The benefit, paid every two months, was of R$ 7.50 (about US$ 3.11) monthly.

49 / The National Program to Fight the Nutritional Deficiency consisted on granting to the poor families (with less than 0.5 minimum salary of familiar income per capita) four kilos of dust milk and a liter of oil by month.

50 / In fact, sending a team was not always necessary. As we will see further more, teams of the different programs made the application of the Unique Registry. In the case of a family which is evaluated by the PBA team, the necessary information for other programs were already collected and was not necessary to return. Exactly, that was the objective of the unification of registers.
This is a program registered in what we denominated new generation of social programs. In fact, Gas-Aid looked for replacing the crossed subsidy granted to the kitchen gas. That is, incidental taxes over the gasoline financed the subsidy to the kitchen gas. Firstly, that kind of policy had a social purpose, since the population segments with greater resources (those who use gasoline) would subside other segments of smaller resources for which the spend of the kitchen gas is significant in its familiar budget. The aim of the subsidy to the gas (December 2001) was registered within a more general reform that the Federal Government adopted for the market of petroleum and its products. The price of the kitchen gas was benefited by a subsidy whose origin was a tax (of somewhat pretentious name: Contribution of Intervention in the Economic Dominion or CIDE), that was established in the Article 148 of the Federal Constitution (Chapter National System of Taxation) and modified by the Constitutional Amendment 33/2001 Art. 177, § 4º, Interjection II. That subsidy would be given to the kitchen gas and to the combustible alcohol. The resources destined to finance the new program (Gas-Aid) would come, exactly, from the collection of the CIDE.

Until 2001, one component of the fuels’ prices was the denominated PPE (Parcel of Specific Price). Through the PPE the Government reached two objectives: to stabilize the fuels’ prices in the internal market (smoothing the oscillations respecting the international variability), and to implement crossed subsidies, by which the kitchen gas was benefited, as we said. By means of Law 10,336, of December 19th, 2001, the CIDE was created. Its base of collection was the import and commercialization of petroleum and its products, natural gas and its derivatives and combustible alcohol 51/. With the reform of 2002, the Government looked for elevating the degree of liberalization of the fuel market and eliminating the crossed subsidies.

At last, The Government was pretending to implement one of the precepts of the new paradigm: this is to liberalize the market and focalize to the subsidies. The Gas subsidy was generalized applied to its price and then all the consumers were benefited, independently of their economical or social position. At the same time, as it was a mechanism to stabilize prices, the PPE was, finally, isolating the evaluation of the internal prices respect the international ones. Introducing the CIDE, it was pretending to act not only in the economy area (liberalize the markets), but also in the mechanisms of intervention of the social area, targeting the subsidy and turning it from an offer subsidy into a demand subsidy. Within the logic of the new paradigm it would increase the assigned resources of the area.

51 / As it is not matter of this document, we are not going to detail, on tax terms, the conflict introduced by the CIDE. The Government imagined that the CIDE, besides to replace the PPE, would allow receiving simultaneously other taxes on fuels, like PISS and the COFINS, interpretation that was answered by the justice. That would implied that the PISS and the COFINS would be inside the CIDE, and they would be assigned in the respective budgets. That is to say that the whole collection of the CIDE would belong from the PISS and the COFINS. In 2001 (that is, before its extinction), the collection of the PPE was about 0.34% of the GDP.
iv.2. The Polemic

This program was surrounded by numerous critics referred to intrinsic aspects as well as to the context in which it was implemented. The controversy was fed by the explosion of the price of the bottle of gas. The signals directed to the adopted strategy indicated that the market would have been liberalized in an oligopoly segment. The controversy was strengthened by the particular context of the electoral process of 2002. This attempted against the impartiality of the spilled opinions.

The excessive increase of price of kitchen gas almost annulled the contribution of Gas-Aid to the familiar income. The value of the benefit had been calculated according to the hypothesis that the price would accompany the inflation and that the transference would be readjusted in order to compensate the variation of the gas bottle price. Actually it did not happen. Neither the bottle price accompanied the inflation (between December, 2001 and May, 2004 the inflation was of 30% and the value of the gas bottle for the public increased approximately 110% in that same period), nor the monetary value of the benefit was readjusted.

v. Income-Subsidy (Bolsa-Renta)

This program is, perhaps, the most emblematic in the modernization of the Social Policies in Brazil. Structurally, the Northeast of the country can be identified as the poorest region of Brazil and, periodically, the misery from its population is accentuated by the lack of rains. The "traditionally adopted Social Policy" in those circumstances was the food distribution or the program "Work Fronts", that were emergency works. The Federal Government financed the program, whose aim population were the families affected by the drought. In general, they included the participation in infrastructure work initiated "to support" future droughts. Nevertheless, in many occasions those works were made in private properties that not always corresponded to the population structurally marginalized. Thus, the whole process, from the election of the beneficiaries to the kind of work and the place where it was made, it was framed in a very permeable logic to the deflection of resources, the customerized practices, the interchange of favors that later would have to be paid in the electoral disputes 52/.

Instead of distributing foods or creating "Work Fronts", in 2001 (Provisory Measure nº 2,203, August 8th, 2001 and Law 10,458, May 10th, 2002), the Government created the Income-Subsidy program 53/. Accentuating the adopted line when the Government ended the PRODEA, and taking advantage from the drought in 2001, the Government looked for reducing the social costs of the lack of rains by means

52 / It was of such magnitude and so evident the process we have briefly described that in Brazil it is denominated "Drought Industry".
53 / In administrative terms, the Income-Subsidy program was located in the Ministry of National Integration. That Ministry was traditionally in charge of implementing the policies to fight the social and economic effects of the cyclical droughts.
of the direct transference of monetary income to the families (R$ 50 or US$ 19.92 at that time). The aim population was the families who lived in Municipalities declared in state of public calamity or on emergency situation by the lack of water in the semi-arid Northeast.

Unique Register of the Federal Government Programs

Justification

From the second half of the ‘90s, a series of actions with common characteristics arose in Brazil: monetary transference, aim population located below the poverty line, exigency of a counterpart. That proliferation of programs produced the perception that the aspects linked to the articulation of actions was simply a question of time.

The modernization of the public policies in the social area in the ‘90s was not product of a deliberate strategy. There were general concepts (convenience of replacing benefits in species by monetary benefits, necessity to target the programs, etc.). From those very general ideas, the demands created were being satisfied (or it was tried to give answer to the demands), by means of programs that had those characteristics. Let’s take the case of the Income-Subsidy and the Gas-Aid. In the first case, with the drought of 2001, it was evident that it was not possible to continue administering that flagellum through food distribution or the organization of "Work Fronts". Thus, the Income-Subsidy program was created. In the case of Gas-Aid, something similar happened. The cancellation of the subsidy to the kitchen gas would directly affect the families of lowest income and, for that reason; it was proposed the creation of a monetary transference to compensate the losses. The public would be constituted by the families who already were beneficiaries of some program of income transference (School-Subsidy, Feeding-Subsidy, etc.).

Simultaneously, some restrictions were difficult to be surpassed and that limited the results of the intentions directed to increase the efficiency, the effectiveness and the articulation between programs. For example, why did exist, in parallel and without no communication, two programs with almost identical characteristics, the PETI and the School-Subsidy? Both had as objective to grant a monetary benefit to families located under the poverty line, to elevate the subsidy degree and to reduce the child labor. It would be possible to argue that the PETI was directed to fight the child labor in degrading conditions. But that fact does not justify the existence of particular budget, own management structures, etc. There were two programs with almost identical characteristics, working in parallel and without any communication among them.

To break those structures that worked in parallel and to unify the management structures of programs of income transference to a targeted public and with exigencies of counterparts were a mature idea between all the specialists at the
beginning of the present decade. Nevertheless, despite that consensus, it was not a trivial task. It requires, for example, breaking the resistance of the political agents and the bureaucracy who were around each program.

In spite of it, one of the points of lowest resistance was the unification of the registries. Three are the reasons, closely related, that justify it.

In first place, it is a problem of costs. Each administrative structure (each Department, for example) must design its form, it has to make a report about the aim population, to train the human resources to go to field (a non-trivial task in a continental country like Brazil), to register the beneficiaries, to process the information, etc. Thus, to develop a unique register to assist the necessities of the different administrative structures represents a financial economy that cannot be unknown.

The problems and the image transmitted to the potential beneficiary of a social program are linked with this. Let’s take the Brazilian case, where it existed a program for the children younger than 6 years old (Food-Subsidy) and another one for those in scholastic age (from 7 to 14 years old, the program School-Subsidy). Both programs were in different bureaucratic structures (Food-Subsidy in the Health Ministry and the School-Subsidy in the Education Ministry). Let’s imagine a family, located below the poverty line that has a son of 10 years old and another one of 4. In that case, with independent registers, it will be visited by the team of the Health Ministry and the Education Ministry. Many information (but almost the whole) will be common (name, members of the family, etc.) and the potential beneficiary will ask himself why “the Government” goes twice to raise the same information.

A third reason is the possibility to cross information and to make evaluations (mainly impact evaluations). In fact, supposing that the data can be crossed (what is not trivial, since the systems not always communicate and, inclusively, the bureaucratic structures tend to protect its “territories”, turning the systems with little possibility of communication), that crossover requires that the definitions of the variables would be common. That is, the concept of "familiar income" in some form would have the same meaning in a form elaborated by another Ministry.

54 / Each Minister, for example, will tend to introduce an own mark in the Ministry, to have "his" program, to have "his" public ("his" poor people). For a person with political ambitions, to be openhanded of a program of income transference is not an easy attitude. That is a tendency, inclusively, present in the modern social programs. As we affirmed in the beginning of this document, the modern social programs tend not to be personal, not to cause customized practices, the identification between a person, a political party, and a benefit. In the social programs implemented from the second half of the '90s the person/political party/program identification was very tenuous. Despite that fact, to be openhanded of a social program always will be resisted, especially when its administration can be carried out by an adversary (including within the same party).
There exist multiple elements that justify the existence of a unique register, with a common nucleus (useful for all the users or potential users), and diverse specific complementary registers, that correspond to each program. On the other hand, this could be the first step in the attempt to go towards the unification of the programs, placing them on a common administrative structure or, simply, if the conditions did not allow it, that they continue dispersed but with a common denominator, which could reduce costs and allow comparisons and evaluations.

The first steps: the elaboration of the form

Implemented from September, 2001 (Decree Nº 3877, July 7\textsuperscript{th}, 2001 and Decree without number, October 24\textsuperscript{th}, 2001), the Unique Register - UR of Social Programs looked for creating a common denominator for the collection of data from the population located under the poverty line. That implies that all the potential public of the programs of income transference should be registered. The information contained in the UR should be sufficiently ample and/or flexible in order to satisfy several objectives. Three of them are the most important:

In first place, it must have a common nucleus, useful to all the management instances, and it also must imagine useful data or information for future projects.

Secondly, it would contemplate specific sections according to the necessities of the different programs.

Both aspects would be useful to make the impact evaluations.

Finally, it had to be functional to the operative requirement of the programs, for example, the payment of the benefit and the activities of control and inspection (location of the address, name of the person in charge, etc.).

The set of variables contained in the Brazilian UR was ample and the theoretical frame was implicit in the form which considered the poverty as multidimensional. In effect, the poverty was understood as the result of multiple causes and it was manifested in multiple dimensions. Thus, a poor family can be characterized by restrictions of income (monetary), but also by deficiencies in the areas of sanitary infrastructure, electricity, security, housing, etc. Many of those variables are correlated. For example, one of the deficiencies is surely the schooling (especially of the head or person in charge), but that limitation will be manifested in the insufficiency of income\textsuperscript{55}.

\textsuperscript{55} / That perception on the multidimensional character of the poverty is more evident when it is observed that the SEAS - Social Assistance Secretary asked the IPEA - Applied Economic Research Institute, a dependent organism of the Ministry of Planning, to explore from the data of the UR, the possibility of constructing social indicators. The result was the elaboration of what was denominated the IDF- Familiar Development Index, an indicator that contemplates multiple dimensions (income, education, familiar structure, work, housing, electricity, access to goods, etc.).
A contradictory aspect emerges here from the UR, since theoretically it would include all the families which are below the poverty line, defined by the income level of the family (equal or inferior to 0.5 minimum salary of familiar income per capita). However, the included variables connote implicitly a poverty definition that is further the monetary dimension (despite including it) \(^{56}\).

In the specific case of Brazil, the elaboration of the UR form was made between April and September, 2001. Members of the Ministries that have managed programs of income transference have participated in the design: Ministry of Education, which had School-Subsidy; Ministry of Health, that managed Food-Subsidy; Social Assistance Secretary, since it administered the PETI and it had the function to coordinate the implementation of the UR; the Federal Economic Box, state federal bank that manages until today the data of the UR and the payment of the benefits; Brazilian IBGE - Geography and Statistic Institute, the institution commander of the elaboration of statistics; and, finally, the Civil House of the Republic Presidency, a coordinator organism of the governmental action.

The opening to the field

In 2001, the semi-arid region of the Brazilian Northeast was affected by a very rigorous drought. It allowed taking advantage from the necessity of an emergency intervention to put into action the UR. From August, 2001, the Social Assistance Secretary, joined with the Ministry of National Integration and the Ministry of Education, sent a team to register the families who potentially could receive the Income-Subsidy program, destined to economic and social effects of the lack of rains.

From that experience, the teams of the institutions which operated in the programs of income transference went to the area to make a report of beneficiaries. In most cases, the teams were constituted by members from all the organisms that managed programs of income transference, assuring that they were multi-sectorial \(^{57}\). In May, 2004, the universe included in the UR reached 8.6 million families (35.5 million people).

The IDF could be used as to evaluate policies so as to leader them. About the IDF, see Paes de Barros and Carvalho (2002).

\(^{56}\) On the other hand, by including more variables than the monetary income, the UR could be used by other management instances, besides those which managed programs of income transference. In fact, it is feasible to be used by housing, basic cleaning programs, etc. that had as aim public, the families located below the poverty line. Inclusively, the RU would not be useful only for the Federal Government, but also for the States and Municipalities and, respected the usual norms of privacy, for other not-state actors (NGOs, academic actors, etc.).

\(^{57}\) We will return on this point in the next paragraphs. We can put in advance that this inter-sectoriality of the teams that put into action the register was motivated by the specialty that demanded some questions, besides being a practical question not to generate "jealousy" or to deepen resistance. For example, the Feeding-Subsidy Program required to weigh and to measure the height of the younger boys. That task would hardly be made by members of the School-Subsidy Program, since it required specific knowledge.
The Registered Election Criterion: a polemical aspect.

This is an extremely sensible and controversial point and, as we see, it distinguishes the fighting policies against the poverty from other policies. It often disables that they become from Government Policies to State Policies. There are many controversial aspects.

First of all, the controversy exists on the poverty definition. We are not going to get inside a debate that occupied, occupies and will occupy ample space in the specialized literature, that involves complex lines of analysis and it hardly will arrive at a consensus. In practical terms, the Brazilian legislation establishes that the beneficiaries of programs of income transference must be families with equal or inferior to 0.5 minimum salary familiar income per capita. Despite seeming very objective, this criterion is just a reference. Firstly, we must assume that that value is an annual average and it depends on seasonal variations. In other terms, we have to assume that it is not possible that a family would have 0.5 minimum salaries as familiar income per capita at the moment that is registered. Temp workers in the agricultural cycles, for example, can have more of that reference value in a certain month and, from any prism, they could be characterized as poor. On the other hand, a family of high income which its head is temporary unemployed could has, in a certain month, a familiar income per capita inferior to 0.5 minimum salary and for that reason cannot be classified as poor. Thus, despite the criterion seems to be objective, it is important to privilege the common sense.

In the election of the beneficiary public of a program of income transference, when only the criterion of monetary income is considered, the election of a family will be controversial most of the times, as it is the concept of poverty. It always must be a minimum of common sense and certain subjectivity. In those circumstances, logically, it is possible to find different criteria to the spirit that oriented the implementation of the UR. Political identities, customized practices, familiar relations with the local authorities, etc. can influence the election of the selected public.

Following the paradigm of the new generation of Social Policies, the programs of income transference tended to work in a decentralized form and with the Civil Society control. In that sense, the programs included in the UR, presented those norms and, thus, the election of the public to be included was determined by the Municipalities with the participation and the control of the Councils\(^\text{58}\)/

These points (election criteria and decentralization of the activities) were controversial and, in diverse opportunities, a clientelistic and political-partisan slant was denounced to the UR.

\(^{58}\) Those Municipal Councils that contemplated the participation of social actors like unions, political churches, parties, etc. were already part of the programs that would be subsidized by the UR.
Despite the intuition indicates us the contrary, the identification of a family as a poor one is not a trivial question. It involves controversies including conceptual terms. Moreover, this controversy is strengthened when the poverty concept is implemented or operated. The attempt to characterize a poor family from an imaginary line of 0.5 minimum salaries of familiar income per capita does not solve the problem.

In this sense, it is indispensable to differentiate the UR as an instrument of application. Still admitting faults in the election of the aim public, it has still an instrumental value. In the same way, a perfect election (hypothetical alternative for the reasons we mentioned in the previous paragraph), it does not make it automatically valid. However, the UR as an instrument must be differentiated of the possible faults on its instrumentation.

In the new paradigm of intervention in the social area, it was assumed not implicitly that almost the majority of the model aspects (decentralization, targeting, Civil Society participation, etc.) "armored" the new policies against corruption, deflection of resources, customized relations, political-use, etc. Unfortunately, the Brazilian experience does not confirm that assumption. For example, the FAT - Worker Protection Fund and the professional training policy that it financed during the ‘90s (PLANFORP Professional Training National Plan) were a "model" of the new social policies: decentralization, ample Civil Society participation –unions, universities, NGOs, etc.— Despite those characteristics, it had to be suspended, given the magnitude of the resources deflection. The CNAS (National Council of Social Assistance) is an institution with many accusations of favoritism, mainly in the opinion of the philanthropic institutions. We want to stand out that, in practice, when the UR was taken to field, there were customized practices and favoritism, and that fact cannot be attributed to the essence of the UR as an instrument for the implementation and evaluation of public policies.

The System management: the payment agent and the data management

The Federal Economic Box, a federal state bank, was the manager of the data bank and the agent of payment to the families. The election of this institution as payment agent was almost the only option. In general, in the case of the programs of income transference, as the financial movements are of very low amount, they are not economically profitable. Thus, the private banks did not show any interest. Inclusively, state banks, like the Bank of Brazil, did not demonstrate interest either, since despite being state, its objective is the profit of its operations and, in that sense, to administer the payment of a flow like the programs of income

59 / The problem of the resources deflections, corruption, etc. in the Employ Policies and the inefficacy of the Civil Society participation in order to inhibit them is detailed in Ramos (2003).
transference seems not to be a good option when the relation cost/benefits is observed \(^{60}\).

However, the Federal Economic Box is an institution with tradition in attending low income clients that mobilize operations of low amounts. For example, the Box pays the unemployment insurance, the salary, the continued benefits, pensions, the FGTS - Warranty Found for Service Period, etc. \(^{61}\). In addition to that singularity, the Box has an enormous capillarity in all the territory, an important fact for a country with the continental characteristics of Brazil. Its capillarity is not restricted only to the bank branches in the interior of the country, but it is extended with a legislation that allows it to make agreements with the denominated Banking Corresponding that are, in fact, houses of lotteries, bakeries and other authorized positions.

When the reference is the payment, the experience of the Federal Economic Box was satisfactory. The processing of the data to make the payments did not have greater disadvantages and the beneficiaries received them periodically. They retired the money with a card from the Box branches or, in case it not exist a branch, from the Banking Corresponding \(^{62}\).

Nevertheless, we must differentiate the payer agent from the agent who processes the data. It can be, and in fact it happened in several occasions, that the payer agent was not the same who processed the information. The Federal Economic Box used to process the data of the School-Subsidy Program. The results of that processing were sent to the Ministry that, as well, sent them to the Municipal Councils who were, at last instance, who decided who was going to be beneficiary or not \(^{63}\). A hypothesis could be that the payer agent was different from which processes the data. It happened in the case of the Feeding-Subsidy program. The Federal Economic Box was the payer agent, the form fed its data base, but it was the Health Ministry (through its processing center, the DATASUS) that processed the data, whose result was sent back to the Box in order to make the payments.

\(^{60}\) We must call the attention to the services of payment were remunerated. Although the Federal Economic Box is an official institution, it received money retribution by the services offered. The other financial institutions were not interested in the payment because that activity was not attractive and not because it was free.

\(^{61}\) The Federal Economic Box has the monopoly of the payment of some programs. In others do not and the beneficiary can choose the financial institution that can be private, as in the case of the pensions. In any case, included if it is not the agent who pays, the Box processes the data in many of them.

\(^{62}\) For the reader who does not know Brazil, the houses where the lotteries are gambled cannot resemble games centers, with corruption, violence, etc. They are authorized by the State and there, inclusively, the light accounts, electricity, etc. can be paid. In almost all towns of the interior, there is a store where it is possible to play the lottery. Perhaps it does not exist branch banking, but surely it will exist a lottery house, in which the villagers with their card can retire their benefits.

\(^{63}\) The processing of the data allowed "to filter" the families who fitted in the criteria. That list was sent by the Education Ministry that, with the Municipal Councils, would decide the final beneficiaries. For example, the group of beneficiaries could be inferior to the potential universe because of budgetary restrictions and, in that case, it could not be the payer agent who chose the cut.
In summary, the programs of income transference are paid by the Federal Economic Box. The UR data feed a data bank that is administered by the Box, which is the payer agent as well. Nevertheless, who authorizes or makes the final list of the beneficiaries is not the Box but the institution in charge of the programs' implementation.

One of the disadvantages of the Brazilian experience is entailed to the action of an official bank as administrator of the UR data bank. Since it did not have experience in working with great data banks (nor perhaps interest in acquiring a fast knowledge in the matter), the availability or spreading of the information was extremely inefficient. That situation limited one of the potential benefits of RU. In effect, an ample and agile information system must be useful to re-feed the programs, among other things. From the data and the evaluations from it, it is possible to reformulate or to redirect the policies. Given that the Box is extremely slow in the data processing, the States and the Municipalities do not receive the data bases, etc. and the UR seems to be just a form for the payment of the benefits and a statistical base not to support the design, control and evaluation of the policies of monetary income transference.

Which was the origin of that deficiency? In fact, the policy managers were conscientious of that possible limitation. Nevertheless, among the official institutions with a profile to administrate a great data bank (like SERPRO - Data Processing Federal Service), no one showed interest in the matter. They appealed to questions of costs, lack of experience in the matter, or the experimental character of the UR. As the Box was the only institution that assumed the task and since it already processed the data of the program School-Subsidy for the Education Ministry, it was chosen. However, as we have already indicated, the relation between the Ministries responsible for the management and execution of the programs and the Federal Economic Box was one of the greatest deficiencies of the Brazilian experience in the matter.

The Form

Although it seems to be not-intuitive, the design of a form for a UR is not a trivial thing because of diverse reasons.

In first place, it should be consider that the variables evaluated must satisfy the demands of all the institutions that operate programs of income transference. Some of them are common, for example, the level of income of all the family members. Another series of matters is specific. For example, the data of the children between 0 and 6 years old is useful for the Feeding-Subsidy program but they lack interest for the School-Subsidy program. Thus, in the case of Brazil, the construction of a UR form had to be a collective task that was not free of conflicts. As the form could not be very extensive and each program manager tended to
introduce many questions related to his universe, it had been a natural conflict about the election of the introduced variables.

On the other hand, designing a form to collect individual, familiar and domiciliary data is a task that requires specialization. As happened in Brazil, the social program managers do not have that specialization, which is observed, for example, in the institutes that make homes surveys. In the Brazilian case, the work group that elaborates the UR form, counted with the participation of IBGE members (Brazilian Institute of Geography and Statistics, the official institute of production of statistics in the country). Nevertheless, the result (the form) presents (until today) innumerable deficiencies or vulnerabilities. Many of those vulnerabilities are of such magnitude that could carry to doubtful results. We are going to give a single example, with a reason or purpose of illustration. In the case of the matter of the employed condition, it appears some excluding options. For example, it has to choose if the individual is employer, registered salaried worker, not registered salaried worker, pensioner, etc. It does not contemplate the possibility of existing two alternatives. That means that it cannot be a pensioner who works. On the other hand, one of the alternatives is “Does not work”, without being able to know if the person does not work because he is unemployed (he wants to work and he does not find a job) or is not part of PEA (Economically Active Population). As it does not allow combining alternatives, the individual income and, therefore, the familiar one, can be jeopardized, besides not permitting to characterize suitably the family.

Instruction Manual for the Surveyors

From the form, a Manual was elaborated in order to orient the surveyors that, in spite of their effort, could not surpass the ambiguities or deficiencies of the form. Let’s take an example. Let’s imagine that the surveyor interviews an individual that is retired and works. As he must choose one of those two options, the election will be on its criterion. That is, given to the intrinsic fragilities of the questionnaire, they were in addition empowered by an ambiguous manual in that respect.

The Surveyors

Here we are, in front of a relatively complex problem.

As in the case of the elaboration of the Form or Questionnaire, the tasks related to the collection of the individual, familiar and domiciliary information are not trivial and they require certain specialization. The institutes of statistics have human

\[64\] In the case of Brazil, studies (Ramos, 2003) indicate that, despite those vulnerabilities in the construction of the form, generally, the UR does not seem to be jeopardized as an identification instrument of the poor families’ universe. On the other hand, in Ramos (2002) the reader can find an analysis of each variable of UR, its limitations, fragilities and inconsistencies, and alternatives of modification.
resources enabled specifically for those tasks, because it is the own essence of their activities. On the contrary, the institutions that manage and implement the social programs do not have that profile of human resources, just because its specialty is not to make statistical surveys or reports.

Nevertheless, the evaluation of the potentially beneficiary universe of the social programs is made by the institutions that manage the programs. In the case of Brazil, in very creative way, the organisms made use of people who carried out tasks in their communities. For example, in the Health Ministry, the surveys were made by a team of that Ministry with the so-called "Communitarian Agents of Health", who make support tasks in the same communities (they weigh the children, vaccinate, give support to patients, give slight knowledge of public health, etc.). In the case of the SEAS (Secretary of Social Assistance), there were used the so-called "Young Agents" (youth between 16 and 22 years old, native of poor families, paid by the State at the rate of 0.5 minimum salary by six months, to make communitarian tasks). In addition to those groups, there were employed young surveyors that attended the second course and students of technical schools.

The selected alternative was imaginative and practical, especially when we know the financial limitations. Nevertheless, it is always left the doubt if those human resources have the necessary and suitable training to make the given task. Logically, they have an advantage. As they work in their own communities, they have a better perception of the situation and knowledge of each individual/family/residence. However, we again affirm that they can present serious deficiencies for such specific task.

The option to the solution chosen for the Brazilian case is not easy, since it involves alternatives with its own advantages and cost. On the one hand, it is not possible to imagine that the organisms that administer social programs have a permanent surveyor’s team among their human resources 65/. But on the other hand, to use temp labors with a profile of qualification little adapted for collection of data tasks can jeopardize the results66 /

65 / Several are the reasons that justify that impossibility. For example, the surveyed universe in countries like Brazil is of million people, which would require enormous groups of human resources. On the other hand, those requirements would be transitory, since once registered all the individuals under the poverty line, the tasks would be of feeding and update.

66 / The potential fragilities, originated as on the questionnaire so as on the surveyors’ training and, also, on possible inclusions because of familiar affinities, political criteria, etc. always were a worry of the UR managers at the time. An evidence of those preoccupations was the studies to validate the data of the UR and to subsidize the reformulation of the questionnaire. About this, see Ramos (2003, 2002). In any case, we must always remember that there are diverse dimensions. An incorrect application of the UR does not automatically results in a disqualification of that registry as instrument. As well as results that, in average, seem correct do not imply to deny fragilities in the formulation. Inclusively, a perfect formulation and application (hypothetical situation, to be seeked but that, we must be conscious, it will never be reached) cannot be interpreted as a situation that gives control. The control tasks are fundamental and must happen in parallel to the preoccupations of matters related to the questionnaire, surveyors’ training, etc. Those are all tasks that complement themselves and they do not exclude.
The Feeding and Update of the UR

In the Brazilian case, the feeding and update of the UR was a task that was already being discussed. This would be a current activity, almost daily. Nevertheless, it is not free of a great complexity.

Despite being a structural phenomenon that is perpetuated in the time (and until among generations), there is an in-out flow of poverty. Inclusively, if the social (and economic) policy is successful, the out flow would have to be excellent. With respect to "the new" poor people, their registry would not be a great problem, since they would have interest on having the cover of the Social Policies. It could be imagined an ample network of positions where they would go. The matter of the exit of the families from the poverty is more complex, since there is a natural tendency to omit that reversion.

In addition, the familiar structure is often modified. The children grow up, the adolescents become adult, etc. Some of these changes could be made in the administration of the system or data bank (like those two examples of children that grows or adolescents that becomes adult). Nevertheless, other ones require of a declaration: a woman who is pregnant or a person who dies.

Finally, for example, the weight and the height of the children under 6 years old (relevant variables for the Feeding-Subsidy program) must deserve a periodic update.

In the case of the Brazilian experience, as the tasks of collection of the poor universe is in the heat of development, the feeding and update of the UR is still being thought.

The unification of cards

Going with that UR process, the unification of collect cards by the banking system and of the social programs of monetary income transference has advanced, since in fact each program had its "plastic", and the card was essentially the same. Thus, if a family had a card of the School-Subsidy and it also had another one to the Food-Subsidy, it could take the money of this last program in the same place and with the same card 67/.

67 / We are going to clarify this aspect because it seems not to be clear to the reader. For example, a family was beneficiary of two programs: the School-Subsidy and the Food-Subsidy. Thus, that family had two cards. When it got to the terminal of the Economic Case to take the benefits, passed the card of School-Subsidy and retired the money. Later, it passed the card of Food-Subsidy and retired the other benefit. Nevertheless, it could retire both benefits passing one of them (anyone).
In July, 2002, the unification of cards with the name “Citizen Card” was implemented. For the beneficiary, this change was more symbolic than practical, since, as we said, he could take from the Economic Box all the benefits with the same card. Nevertheless, the beneficiaries did not have knowledge about that. As each program had its "plastic", the people thought, and they were not properly informed, that each benefit could be retired with the corresponding card. However, it represented a real financial saving for the Government. Each Ministry paid near R$ 1.70 (US$ 0,62) for the preparation of "its" cards. With the implementation of the "Citizen Card" the cost was reduced to R$ 1.20 (US$ 0,44). A small exercise can illustrate the financial saving: 5 million beneficiaries of the School-Subsidy; 2 million of Food-Subsidy and 8 million of the Aid Gas would cost over US$ 3,1 million for the Education Ministry, US$ 1,2 million for the Health Ministry and US$ 5,3 million for the Mines and Energy Ministry. Altogether, there would be US$ 9,6 million. With a unique card, the total cost would decrease to US$ 6,6 million.

The implantation of the UR and the Citizen Card made possible that it would not be necessary neither to create a new registry nor to adopt a new way of payment when began the Aid Gas. The program started in January, 2002, and in February, the 4 million families who already had received the benefit School-Subsidy were contemplated by the new program. A similar phenomenon we observed in the case of Income-Subsidy. Before this experience, and to face calamities like the lack of rains (in the Northeast) or the floods (in the South), the Federal Government had been discussing during a considerable time the form of identification of the families and how to send the benefits. The UR and the Citizen Card made possible to assist questions of structural order as well as emergencies.

**The Modifications after 2003: between deepening the modernization and the reversion**

From 2003, with the change of Government, the speech and the taken actions were ambivalent. From one hand, the necessity of unifying the social programs was emphasized. The critic position to the previous management was centered in the proliferation of programs, that limited their effectiveness and its efficiency, and to which a global more ideological debate superposed.

The action line for the first current was to deepen the happened changes, surpassing the limitations. For the second alternative, however, it was to return to aspects of the Social Policy that were characteristic of the previous paradigm, like the emphasis in the food distribution. This second line, as well, disqualified integrally the experience of the UR, granting to it electoral, clientelistic and political-party characteristics. There were practices that the policies implemented from the middle ‘90 had tried to surpass.
Zero Hunger, Feeding-Card and CONSEA (Feeding Security Council)

An example of this second line (very critical about the alternative previously adopted) is the Feeding Assistance Program, created by the Extraordinary Ministry of Feeding Security - MESA. This program guaranteed to the poor families a benefit of R$ 50.00 (US$ 18,5) to buy nutritional products. The MESA was created on January, 2003, with the purpose of implementing the "Zero Hunger" Program that would be the axis of the new federal administration to end the hunger and the poverty in Brazil. The Feeding Card, unlike which its name indicates, did not institute an additional card of benefits to which already it existed and it was used to receive other benefits. On the contrary, the Feeding Card started also to use the unique card, "Citizen Card", and the structure of payments installed for the other programs of income transference. It just has been a change in the program's name that already existed. The beneficiaries of the old Income-Subsidy program, who received R$ 50/familia would now receive R$ 50/familia, changing the name of the program (it changed from Income-Subsidy to Feeding-Subsidy). Thus, from its beginning, the program could assist 1.9 million families. The resources destined for the payment of the benefits come from the Fund to Fight the Hunger and the Poverty.

Despite the radicalism of the critics and the disqualification, the programs have changed name and the payments have made from the data included in the UR.

On the other hand, the new Government has recreated the Feeding Security Council - CONSEA (Decree Nº 4,582, January 30th, 2003), with similar functions to the old CONSEA, and it has extinguished the Solidarity Community Council.

Deepening the Modernization: the Family-Subsidy

Another line, whose intention was to identify the fragilities of the policy adopted from the middle '90s, especially on its operational deficiencies, coexisted with the previous line. For example, in the previous administration, the necessity to obtain a greater effectiveness and efficiency by means of the UR, the unification of cards, etc., were emphasized. On the other hand, new programs with different bureaucratic structures were created. In that sense, the action line would be,

\[\text{That money could only be used in the nutritional products purchase. That restriction generated controversies and critics. These went from operative questions (like the way to know that the money used for the food purchase belonged from the benefit, for example) to deeper ones (like that restriction clipped the freedom and autonomy of the individuals). Those critics were not only external, but also internal to the PT (Workers Party), which was the party where belong the President of the Republic, because returning to the food distribution was a practice that went against all the proclaims of the Senator Eduardo Suplicy, from the PT too, during more than a decade, for example.}\]

\[\text{As later we will analyze, this is a typical attitude in programs that are government programs or "prince programs". As they are not assumed like State programs, each management tries to print its "seal", in order to be different from the previous management. We will return on this matter in the last Section of this document.}\]
instead of reverting strategies, radicalizing qualitative aspects, like the unification of the programs and its management in a unique administrative structure.

Both lines displayed a conflictive coexistence in the course of 2003. Nine months after the creation of the Feeding Card, the Family-Subsidy program was created (Law N° 10,836, January 2004), with the purpose of unifying the management of the implementation of different programs of income transference: School-Subsidy, Feeding-Subsidy, Gas-Aid and Feeding-Card. With the different rent transfer programs unification the amount of subsidy growth from US$ 5,5/US$ 16,6 to US$ 33,3.

In February, 2004, the Extraordinary Ministry of Feeding Security and the Ministry of Social Assistance have been deactivated, and the Ministry of Social Development and Fight to Hunger has been created. In that sense, the conflict between the two lines seems surpassed, being adopted the alternative that praised the radicalization of the modernization.

Final Comments

The Brazilian experience in the UR matter carries us to three types of reflections.

In first place, we present the operational or technical questions. They were of diverse nature, and include a wide range from the creation of the form or questionnaire, its application, administration of the data base, registry of the families and feeding the UR. The fragilities, deficiencies and critics are diverse and they extend to all those stages. Nevertheless, it should be remembered that it not exist antecedent in Brazil in this aspect. The international experiences were little and difficult. It almost had to start from "zero" 70/.

On the other hand, the resistance, that goes from the "laziness" of the bureaucracies or the inertia of behaviors to political rivalries (individual and between parties), that tended to turn each program a "manor", do not have to be despised. In that context, any attempt to open or to share registries, administration, management, etc. was assumed as an "invasion of territory".

Nevertheless, the third aspect is perhaps the most complex. In effect, the overcoming of fragilities in the technical dimension is at last a question of time. In a country with relative development as Brazil and the human capital of its state bureaucracy, the capacity to learn and to surpass difficulties turns the operational questions improvable in the medium term. The political resistance of the bureaucracies and rivalries are aspects that tend to disappear, especially if the new strategy offers results. However, there is a third aspect that is linked to a characteristic of the social programs, mainly when they involve the poorest

70 / Perhaps one of the aspects that deserve a critic was not to have looked for references for the country, in the international experience, even if it has been minor.
population. This aspect is the difficulty to vary from individuals programs or Government programs to State programs. The experience of the UR is a typical case. It has been identified, particularly but not only, by a line of the present administration like an "instrument or a policy of the previous Government". The name of the programs changes, despite the program remains. A tendency exists to identify a program with an individual, party, ideological current, etc. (and this is an aspect that is extended to the whole political-ideological arc). Norms, procedures, designs, etc. are disqualified and often only in the speech, since actually they remain.

However, given the Brazilian experience, the question is more complex, because certain programs in the social area are assumed as State programs and not as Government and Individuals programs. Let’s see the unemployment insurance case. That is a program in which the variations are marginal. Except the pension system, it is the greatest program in the social area of Brazil. Many are the Ministers who assume with an extremely critical speech but during its term of office, they do not have political force to make substantial variations. Hardly, some candidate or political party would propose some radical modification in the unemployment insurance on his Government program 71/.

In that sense, the pertinent question is: why are certain programs in the social area States programs and not other? Perhaps have the programs directed to the population located under the poverty line greater difficulties on becoming State programs because of the ambiguity that enclose the poverty concept? A worker can be classified as unemployed if he shows some paper in which the employer certifies that he was dismissed. Not necessarily a salary worker dismissed is an unemployed person, but in some way there is an element that turns "objective" his inclusion in the unemployment insurance. On the other hand, there are few "objective" elements that let classify an individual as poor man. Thus, the UR will be a natural candidate to the controversy and perhaps it prevents it to become a State program.

71/ That characteristic occurs in a context in which the unemployment insurance program is not free of critics. Receiving the insurance while being employed in the informal segment, agreements between employees and employers to remain in the job receiving the insurance and to being re-employed them, lack of targeting, etc. are usual critics to that program.
Bibliography


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