

**BOOK REVIEW**

**DEMOCRACY AND PUBLIC MANAGEMENT REFORM:  
BUILDING THE REPUBLICAN STATE  
BY LUIZ CARLOS BRESSER-PEREIRA**

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*Democracy and Public Management Reform: Building the Republican State.* Luiz Carlos Bresser-Pereira. Oxford: Oxford University Press, 2004, 336 pages. ISBN 0199261180

Luiz Bresser-Pereira, academic and former minister for State Reform in Brazil (1995–1998), has written an ambitious book on democracy and public management reform (PMR), bringing together two thematic fields that are either normally approached separately or less closely and explicitly connected. In order to do this, he takes a very broad approach to PMR, which he understands as: a) linked to a certain stage of the democratic state's development; b) required through calls for effectiveness, efficiency, and equity associated with this new context; c) related to the emergence of new (republican) values and rights; and d) projected, beyond government in the strictest sense, onto the series of institutions and processes that form the public sphere. We will comment on these four characteristics of the approach adopted in the book.

An extensive first part is devoted to the rise of the modern state. Bureaucratic and civil service reform is framed within the emergence of modern capitalism and the liberal reaction to the patrimonial state. PMR is placed within the context of the end of the "golden age" of capitalism (from 1970 onwards), the crisis of the social-democratic state model, and economic and political globalisation. The author takes on the neoliberal explanation of these processes. In his opinion, globalisation calls for stronger—not weaker—nation states, in which political power is legitimised and property rights and contracts honoured. He sees the contemporary states as a social-liberal synthesis of liberalism and social democracy.

PMR comes about as a reaction to expansion in the activity and size of social-democratic states. Developed under the bureaucratic paradigm, the form the expansion took made states inefficient, on the one hand, and weak against both

rent-seeking behaviors and the dangers of being taken over by organised interests, on the other. The bureaucratic model, based upon the rigidity of norms and the discipline of civil servants, has become incompatible with the social needs of these new scenarios.

The book deals with the development of PMR in the United Kingdom, New Zealand, Australia, the United States, France, and Latin America, with special emphasis on the case of Brazil, where the author played a leading role. This incursion into developing countries encouraged the author to face the "sequencing question": should civil service reform go first, and will PMR only then make sense? For Bresser, this argument is something of an excuse used by the adversaries of reform. PMR, he claims, is a more effective way of fighting nepotism and corruption in democracies than bureaucratization.

Bresser relates PMR to the appearance of republican rights. Unlike civil rights, these are not rights of citizens against the state, but their rights to a state capable of protecting public patrimony. As these rights have become more established, it is necessary to reform the state, making government officials more accountable, and eliminating inefficiency, rent seeking, and corporate capture of public resources. From this point of view, wastefulness as well as bloated public-sector workforces, improper transfers, or subsidies that favor certain groups are all seen as violations of public patrimony. The type of state required to defend this patrimony is a republican state, which means a state that is strong, participative, effective, and efficient. Republican democracy, emergent according to the author, is characterised by the development of forms of public deliberation and participation. Bresser discusses the republican and liberal visions of the state, offering a synthetic, non-contradictory vision of both. This vision assumes the development of new values and civic virtues, as much in society as in government. The new public managers are called upon to take up a new ethic of responsibility, replacing the ethic of discipline characteristic of bureaucracy. The author believes this to be possible, understanding that managerial autonomy does not increase corruption, but, on the contrary, can encourage higher standards of public morality.

PMR is defined as the institutional, cultural, and managerial transition from bureaucratic public administration to modern public management. This transition contains two basic dimensions: one involving structural reform of government organisation, the other the criteria and strategies required to manage the organisation. The first of these is presented by means of a matrix model in which the different government activities, classified by their exclusivity, are combined with different forms of property, organisation, and management.

The resulting matrix makes it possible to distinguish between, in the first place, the state's strategic core, integrated by the central activities provided by the bureaucratic elite of the state; secondly, a set of decentralised, exclusive activities in regulatory or executive agencies; thirdly, a block of social and scientific services provided by social, not-for-profit organisations; and finally, a set of activities undertaken in the market by private companies. In this approach, the third block has been particularly important, and for its management the author has already coined the concept of public non-state organisations, whose role is central for the consistency of the model. The result is a relational state, equipped with a scaled-down apparatus, although with no less significant a budget nor capacity for performance.

Consistent with this structural definition, the book examines different approaches and managerial instruments that form part of PMR, from strategic planning to total quality management, including policies on devolution and decentralisation. Most interesting in this sense is the formulation of a range of accountability mechanisms corresponding to each of the blocks of government activity previously mentioned. Under the principle of preference for the most generic, diffuse, or automatic devices from among those applicable to each case, the array contemplates and defines aspects ranging from direct supervision and auditing to markets, focusing on what the author specifically considers “public management control mechanisms”: management by contracted outcomes, social accountability devices, and managed competition.

As would be expected, given the ambitious intention and length of the work (336 pages), the book has its ups and downs, combining sections of great brilliance with others of more debatable contents. Among the doubts its reading may generate is an excessively linear vision—more modern than postmodern—of the development of the contemporary state, specifically conceived as “a history of economic and political progress.” By way of a very personal objection, I would add that the somewhat ambiguous adoption of Taylor’s communitarian concept of patriotism (p. 123<sup>1</sup>) adds little to the splendid chapter on the republican state, and hinders, as the author himself recognises, the proposed reconciliation between liberalism and republicanism. Although fully assumed by the author from the book’s conclusion, the confusion between the descriptive and normative planes can at times produce some perplexity. In this sense, the republican state that is described is more consistent as an aspiration—no small feat in itself—than as a verifiable reality. The development of organisations and social accountability processes may seem magnified in some contexts. Contracting out scientific and social services to non-profit organisations, though a trend that should be considered, is today more the exception than the rule in public management in most countries around the world, perhaps with the exception of the U.S. and the U.K.

None of these objections can detract from an overall favourable opinion of this book. In the last few years, a considerable number of academics have analysed the introduction of management into government as a device imported from the private sector, a menace to democratic accountability, and an undesirable by-product of globalisation and the success of neoliberal ideology. Bresser, on the other hand, opts for a vision of public management that distances it from such a caricatured depiction, and vigorously links PMR to strengthening of the state and qualitative improvement of democracies. As he points out in his introduction, it is not the only reform that is needed, but it is an essential one for the advancement of democratic governance in the world. Theoretically consistent, enriched by his personal experience and based on an extensive and solid bibliography, Bresser’s book is one of the recent contributions of greatest interest to the debate on contemporary public management: highly recommendable for all those in academia or professional practice who are interested in the present and the future of public governance.

## NOTE

1. Taylor, C. 1995. *Philosophical Arguments*. Cambridge: Cambridge University Press.