

The crisis, the State, and the mistakes of *political administration* in contemporary capitalism

REGINALDO SOUZA SANTOS

UNIVERSIDADE FEDERAL DA BAHIA / ESCOLA DE ADMINISTRAÇÃO, NÚCLEO DE PÓS-GRADUAÇÃO DA (NPGA/EAUFBFA), SALVADOR – BA, BRAZIL

FÁBIO GUEDES GOMES

UNIVERSIDADE FEDERAL DE ALAGOAS / FACULDADE DE ECONOMIA, ADMINISTRAÇÃO E CONTABILIDADE (FEAC/UFAL), MACEIÓ – AL, BRAZIL

THIAGO CHAGAS SILVA SANTOS

INSTITUTO FEDERAL DA BAHIA (IFBA) / CAMPUS FEIRA DE SANTANA, FEIRA DE SANTANA – BA, BRAZIL

ELIZABETH MATOS RIBEIRO

UNIVERSIDADE FEDERAL DA BAHIA / ESCOLA DE ADMINISTRAÇÃO (EAUFBFA), SALVADOR – BA, BRAZIL

LUIZ MARQUES DE ANDRADE FILHO

FACULDADE BAIANA DE DIREITO / SALVADOR – BA, BRAZIL

Abstract

This paper aims to promote a broad discussion of the crisis in contemporary capitalism. Besides debating, in the theoretical field, interpretations of the crisis, with the purpose of introducing our perspectives, it also seeks to discuss in a more structural way the State's role in this crisis and how central and functional it has been in the political administration of finance capitalism, with strong implications for the ongoing process of what we call social deconstruction of property. Moreover, a part of the analysis is devoted to Brazil, as the country is, in a way, inserted in the production process, and plays a major role in the global arena. In the end, some considerations about our prospects are drawn. If what we are doing does not matter to most people, and there is a need for change, we are also not prepared to propose or provide changes by a revolutionary way – as is proposed by David Harvey; thus, the construction of a project for our future may be the most appropriate solution at the moment.

Keywords: Political administration. State. Capitalism. Crisis. Social deconstruction of property.

A crise, o Estado e os equívocos da administração política do capitalismo contemporâneo

Resumo

Este trabalho tem o propósito de discutir, de maneira ampla, a crise do capitalismo contemporâneo. Além de debater, no campo teórico, as interpretações da crise, com o objetivo de apresentar nossas perspectivas, procura, também, discutir de modo mais estrutural o papel do Estado nessa crise e como ele tem sido central e funcional na administração política do capitalismo financeirizado, com fortes implicações para o processo em andamento do que chamamos de despatrimonialização social. Ademais, dedica parte da análise ao caso do Brasil, visto que o país, de certa maneira, está inserido no processo de produção e tem um protagonismo econômico em escala mundial. No fim, são feitas algumas considerações sobre nossas possibilidades futuras. Se o que estamos fazendo não interessa à maioria e precisa mudar, também não temos qualquer preparo para propor ou fazer as mudanças por meio revolucionário – conforme a proposta de David Harvey; com isso, a construção de um projeto para o nosso futuro pode ser o caminho mais adequado no momento.

Palavras-chave: Administração política. Estado. Capitalismo. Crise. Despatrimonialização social.

La crisis, el Estado y los equívocos de la administración política del Capitalismo Contemporáneo

Resumen

Este trabajo tiene el propósito de discutir, con amplitud, la crisis del capitalismo contemporáneo. Más allá de discutir en el campo teórico las interpretaciones de la crisis, con el objetivo de presentar nuestros puntos de vista, busca también debatir de forma más estructural el rol del Estado en esa crisis y su papel principal y funcional en la administración política del capitalismo financiero, con fuertes implicaciones para el proceso en progreso de lo que llamamos despatrimonialización social. Además parte del análisis se dedica al caso de Brasil, ya que el país, de cierta manera, está insertado en el proceso de producción y tiene protagonismo económico a escala mundial. Al final del trabajo se hacen algunas consideraciones sobre nuestras posibilidades futuras. Si lo que estamos haciendo no interesa a la mayoría y necesita cambiar, también no tenemos ninguna preparación para proponer o hacer los cambios por el medio revolucionario – de acuerdo con la propuesta de David Harvey; con eso la construcción de un proyecto para nuestro futuro puede ser el camino más adecuado en este momento.

Palabras clave: Administración política. Estado. Capitalismo. Crisis. Despatrimonialización social.

Article submitted on 11 July 2014 and accepted for publication on 02 February 2016.

We would like to thank Monica Matos Ribeiro for her valuable support and collaboration in this essay. Monica is a doctorate student at the Business School of the Federal University of Bahia (UFBA).

DOI: <http://dx.doi.org/10.1590/1679-395130795>

[Translated version] Note: All quotes in English translated by this article's translator.

New phase in finance crisis as investors run to safety
The New York Times – 18 Sept. 2008.

Obama takes oath and nation in crisis embrace the moment
Washington Post – 29 Jan. 2009.

Crise levará milhões à pobreza, diz Banco Mundial
O Globo – 31 Jan. 2010.

América Latina: um refúgio não imune à crise financeira
Jornal do Brasil – 17 Nov. 2011.

Pela Europa, FMI passa o chapéu
Folha de S. Paulo – 19 Jan. 2012.

The euro crisis casts a chill over a sunnier economic picture
The Economist – 21 Apr. 2012.

Washington is broken, just as intended
Washington Post – 22 Apr. 2012.



* Image: South American Independence. Available at <<independenciasulamericana.com.br>> Accessed on 20 October 2016.

INTRODUCTION

This paper attempts to understand the current crisis of capitalism from five preliminary perspectives:

- a) this crisis is not a phenomenon that appears with the facts of 2008 and 2009 - its evidence dates from the early 1970s, and one realizes that the facts that characterized those years are encountered, unfortunately, extended and deepened today;
- b) the analyzes (regardless of ideological hue) invariably try to identify some aspects of economic theory and analysis to explain what is happening: one can hardly see more systematic observations of misconceptions about the policy related to political administration of the strategic interests of society and of its capital. In general, we rarely hear nor speak about the concentration of income and wealth as relevant aspects in the explanation of the crisis - when listening, it is not a core discussion; understanding of what is happening should not view the State as if it were an institution that is external to the social relations dynamics of production and distribution;
- c) any analysis that proposes to seriously understand that which is occurring should recognize, once and for all, that the State is the main capitalist in command of capital; it may, therefore, autonomously define the aggregate levels of supply and demand;
- d) the State, not being external to the relations of production, should carefully look at the assumption that advocates the existence of fiscal crisis – on the contrary, from 2008 and 2009, the data tends to reveal that it is the disorganization of the capitalist system (in its crisis, therefore) that is pulling the State towards a financial-fiscal crisis of proportions, unheard of until now; as well as towards a socio-political crisis whose tensions begin to erupt (there has already been a precedence – the so-called Arab Spring), and its unfolding is not a difficult task to anticipate; principally, if the interests of high finance are prevalent against the Grecian, Spanish, etc., agony; finally, facing the agony of the capitalist system, itself.
- e) the administrative measures taken to overcome the Great Depression, and that explain the *boom* in the following forty years, were not part (in its entirety) of Keynes real ideas. If analyzed carefully in this respect, the *General Theory* is a further indictment of the existing measures and a reaffirmation of liberal thought. One finds in Book V, Chapter 24, a synthesis of everything that Keynes thought and hoped for as measures for the preservation of the capitalist economic system – and the essential part of what was implemented to take the capitalist economy out of crisis was not recommended in those pages.

If these considerations are well annotated, what comes next will be more intelligible; they will show that the mainstream interpretations, and a large part outside of it, are from a more reasonable explanation (a true one) for the crisis. On the other hand, it will also show that one way out can be closer to us and with a much lower cost for humanity – including, logically, capital, itself.

OUROBOROS CAPITALISM AND CONTEMPORARY

Much has been said about the greed of capital, but everything that has been said so far does not truly express its nature and neither what it is capable of preserving its accumulation trajectory. Its expansion needs to be fed by destruction of that which is in front of it, and not having more to feed upon (destroy), it begins to feed upon itself until death (the end of capitalism). It seems, therefore, that anthropophagic is the last act of *sociability* practiced by capital, as in a fiction novel. The *alienist* of Machado de Assis, in which the doctor Simão Bacamarte establishes “reason” as the primary criteria for mental health, by saying :

[...] reason is the perfect balance of all the faculties, there was madness, insanity, and only insanity’ (Machado, 1882, p. 29, cited Gustavo Bernardo). With these criteria, Dr. Bacamarte begins interning at Casa Verde rebuking all by his examination, since almost the entire population was being hospitalized. Bacamarte, then, changes the criteria for mental health and begins to accept as normal and exemplary the imbalance of faculties. As a consequence, all balanced cases become pathological cases. Inmates are released, but the best people in town are imprisoned or, rather the most rational and balanced [...]. According to the new criteria of Simão Bacamarte, there remains only one perfect person in the whole city: Simão Bacamarte, himself. In the name of scientific rigor, the illustrious physician interns himself in his asylum where he will perish alone. As we see, Simão Bacamarte

is considered absolutely right, even when he realizes he is completely wrong. He shows an ironic representation of the Ouroboros², a serpent or dragon biting its own tail. He searches so much for the cause of madness that, when he finds it, recognizing that it is himself - he is the only crazy one. (BERNARDO, 2011, p. 81-82).

Metaphorically, this is exactly what is currently happening with the deep and widespread crisis of capitalism. Its financial orbit (institutional representation of concentrated and centralized capital liquidity) becomes more shameless with the usury practice against different countries, since it requires from its debtors (mediated political representation, the State) an income beyond their technical and moral possibilities. Taken to its extreme, disruption will be inevitable. With the State *hecetomb*, the feeding source of the expansion dries up, a movement that is not being understood by capital, in general, and that this act - which may be the last – resides the anthropophagic nature of the “civilizing” process driven by capital.³

However, the interpreters and the harbingers of false exuberance of the capitalist economy, in recent times, try to explain that this crisis is a logical phenomenon of the conjuncture and that it is located in the State and its expansionary policies. This is nothing more grotesque and frivolous, both from the point of view of the analysis as with the ideological defense of the neoliberal project. In fact, what we see is the most dramatic moments and the end of a crisis that clearly installed itself from the beginning of the 1970s, symbolized by the break of the dollar-gold standard in 1971.

From the classics - notably with Jean-Baptiste Say and David Ricardo - the hegemony wing of liberal thinking has always been grounded in the belief that the capitalist system moves guided by a reason that does not allow leaving it to take advantage of the best business opportunity and the desire to get the maximum yield⁴. The possibility to escape this logic can only occur by external interference to the production and distribution system, as factors of nature, war or state intervention; what is clear, if you go beyond that which is strictly necessary - let it be also understood, that it is as recommended Adam Smith.

Although the facts of reality – see, for example, the crises of the last quarter of the nineteenth century and 1929-1933 - show that the defense of this point of view is based more on beliefs (ideologies) than in the foundations of scientific logic (sustained in empirical tests of its central hypotheses). The events of the time, at once, reveal the disruption of orthodoxy. With that, the pretense of overcoming the supremacy of Keynesian thinking, liberals diagnosed the causes of the ills experienced by the economic system (in the late 1960s and early 1970s) by the following: decline in labor productivity and the profit rate and increases in the unemployment and inflation rates were raising public deficits, which, in turn, were financed or privately funded (whose competition for resources leads to higher interest) or by the issuance of money (which is inflationary, because it leads to increased buying power and pressure on prices)⁵.

Unlike this diagnosis, the events of the past 40 years have revealed a paradox of neoclassical theory. We find that the time while one observes the inflation rate falling annually to single digits - in some countries (the most developed), it was below 5% *pa*. However, the reverse movement occurred in the index levels of public debt - they rose to a level ranging between 20% and 30% of GDP to over 200%, in today's rates. Data are consolidated in Table 1.

² Ouroboros (or oroboro or yet uróboro) is a symbol that is represented by a serpent, or a dragon, that bites its own tail. The name comes from the ancient Greek “oura”, that means “tail” and “boros” that means “devour.” [...] It is possible that it is the mathematical symbol of infinity [...] has been the origin from the image of two ouroboros, side by side, biting the tail of the other.

³ As the Hungarian philosopher, István Mészáros (2002) likes to assert – the socio-metabolism of capital does not find more reasons for its functioning, given that value production process becomes subordinated to the value circulation process and to the creation of fictitious value.

⁴ The marginality school and the theories of general equilibrium even admit that even market economy produces economic surplus.

⁵ About this subject, see Gomes (2009).

Table 1

Public debt of the central government in selected countries 1990 - 2010 (% of GDP)

Country/Year	1990	1995	2000	2005	2010
Austria	56,2	68.4	66.6	64.8	71.8
Belgium	125.6	130.2	107.8	92.0	95.6
Canada	75.2	101.6	82.1	71.6	85.1
Denmark	57.7	68.7	60.4	45.4	42.9
France	35.2	55.4	57.4	66.7	82.3
Germany	42.2	55.6	60.2	68.5	82.4
Italy	95.2	120.9	108.5	105.4	118.7
Japan	67.0	90.0	140.1	186.4	215.3
Mexico	53.5	56.8	42.6	39.1	42.9
Spain	42.5	63.3	59.2	43.2	61.2
Sweden	46.3	81.1	64.3	50.0	38.8
UK	38.4	54.6	50.3	41.8	75.0
USA	63.9	71.1	54.8	67.9	98.6
Brazil	65.7	36.6	68.5	69.2	65.2
Portugal	53.3	59.1	48.4	62.5	93.3
China	6.9	6.1	16.4	17.6	33.5
Republic of Korea	8.4	7.1	18.0	28.7	33.4
Indonesia	40.8	32.0	95.1	46.3	26.9
Malaysia	n/a	41.6	35.3	42.7	51.0
Philippines	n/a	62.7	58.8	59.2	43.5
Thailand	27.7	12.2	56.9	46.2	41.9

Source: Elaborated by the authors.

Has the belief in that *fetish* survived for four decades? The political ideology *marketing* of liberalism began to work on the content of advertising based on assumptions of impossibilities. The *first impossibility* was to renew the methodological trajectory of the capitalism movement that has, as its starting point, *instability* (transition from feudalism to capitalism, with the inflection point being the second half of the seventeenth century). The moment of *stability* enables the expansion of wealth to the point that capitalism consolidates itself as the dominant production mode within the contemporary social formation (the nineteenth century constituted the moment of affirmation). The moment of the phase considered as “developed “ or of “post-modernity “ - as some currents of world thought like to call it (this is the period after the First World War - the interregnum of the great crisis of 1929 to 1933 - until the late 1960s); and, finally the moment in which the degree of development of productive forces permits materiality for everyone, the state of well-being (the harbinger of this phase may be the post-World War II, soon interrupted by the crisis which began in 1970). Summarizing, the methodology convenient to capitalism is in phases, one succeeding the other that has the following order: instability (given by the political and ideological conditions); stability (condition for expansion of wealth) that if lasting, it enables engendering actions of development with distribution and permits achieving the phase of well-being⁶.

⁶ For critique of this methodology and twhe concept of an alternative methodology see Santos (2010a).

The second impossibility, a derivative that is consciously from the first, was that of inventing technical conditions for the economy so that it could grow in conditions of instability - read: grow in an above two digits inflation environment. They always say that instability occurs due to the imbalance of public accounts; in which case, there is no hypothesis other than making the State budget move in equilibrium conditions between revenue and expense – thus, creating a culture of “fear.” In fact, respecting the technical limits, there is no incompatibility (trade-off) between public deficit and economic growth or between public deficit and inflation - given that, in this long crisis, we had mainly high deficits with low rates of inflation.

The third impossibility is given by the fact that, at the rate the “exuberance” culture is being eclipsed by the spread of misery - which could well be avoided through a better distribution of income and wealth - the ideologues of this model defend themselves with a gaping cynicism, stating - without any embarrassment - the inability of the planet to extend the European and U.S. standard of living to the rest of humanity – is mainly because of energy restrictions. The last impossibility is supported by the fallaciousness of the maxim that exists in economy - that this science has the arduous task of finding ways to reconcile the contradiction in process that occurs between scarce resources and unlimited needs. This maxim is repeated, to its exhaustion and arrogantly by professors to unsuspecting students newly initiated in the applied social sciences. The contradiction of this maxim only apparent and strongly influenced by ideology, because Economy, more than any other field of knowledge, knows that the shortage of resources - today more than yesterday - is relativized because of the extraordinary advances in the productive force; while the unlimited necessity from the redistribution policies and/or moral issue. We can up-date Malthus, okay, but not in such a clumsy manner!

Certainly these impossibilities do not sustain themselves alone, it is necessary to build *support* elements. The first of these support elements is the spread, until exhausted, of that which we call the “culture of exuberance”, always developed by that of big show- business spectacles: the exhibition of great musicals or films; sports - the global and regional Olympic Games, World Cup soccer. There is also a concern in exhibiting a new third world face (architectural esthetics), visualized from the spaces that shelter the world financial centers, such as – Bangkok, Taiwan, Manila, Seoul, Dubai, Hong Kong, São Paulo, Rio de Janeiro, Buenos Aires, Mexico City, etc. Certainly, the so-called first world also has its glorious *standard* to display: newscasts of the major world television networks are always showing the monumental headquarters of the European Central Bank in Brussels (Belgium), *Wall Street* (New York), or the *City* of London.

The second impossibilities *support* element has been the extraordinary capacity of the transformability concept of wealth expressed in financial fixed assets or for financials for intangible assets - abstract, however - called “knowledge.” From one moment to another, the individual, formerly poor and apparently without perspective, better said as without consciousness of his own self - because that’s what knowledge means in the broadest sense - finds himself in possession of a given “knowledge.” This is a sign of “new” wealth; perhaps the true wealth because it is innate to oneself – as such, apparently inalienable or, then, only enjoyed by the individual himself. Large mistake, since for it [wealth] to materialize and produce value there has to occur a permanent process of transformation of money into capital, or rather, to reproduce itself in the social relations of production, in which the workforce is inserted in production system and subordinates itself to capital. The instant values are produced, the new expression of wealth de-individualizes itself (disembodies itself from the individual) and is materialized in commodities.⁷

The third *support* element of assumptions of impossibilities was the illusion of power redistribution and inclusion brought by technology characterizing the third industrial revolution - the information of technology and of communication. The Political Economy of Development found, long ago - with emphasis on the works of John Stuart Mill and Joseph Schumpeter - that expansion cycles are associated with waves of innovation, whether in the technological base or on the bases of organizational

⁷ To prove that this individual innate or acquired savvy one only has certainty that it is your property while you are distant from the productive relations of capitalists. The great corporations, in addition to the regular process of knowledge transfer of the individual for the product – through new factors, new process of production – are systematically promoting encounters between the older ones (those that are getting near their retirement for years of service) with the younger ones so that these can extract the last reserve of useful knowledge for the purposes of capital profitability. Beyond this, there is something more sordid in this process: the failure of the persons cannot be attributed to the uncompensated social relations; when there is, it should be taken as a particular case and derived of little competitiveness of the individual inside the market relations. To find his space and guarantee it, the individual should always improve himself to stay competitive. For this reason, the centralized collective action of the State is considered, from the beginning, little enlightening to guarantee the well-being of all.

processes. For now, there is nothing to object to with this premise. However, as for the redistributive aspects, the current information and communication technological revolution - which, despite its wonders, seems to be on its threshold - yielding different results than those that actual managers of capitalism would have you believe --both in the first industrial revolution - in the second half of the eighteenth century until the late nineteenth century, with the steam engine, locomotive, power loom, mills, etc. The second industrial revolution - first half of the twentieth century, with industry, petrochemical, automotive, aerospace, terrestrial infrastructure - was founded on innovation cycles and diversification of production processes. However, these had a technology that destroyed jobs, but also created new industries and sectors that enabled softening, or even (in some situations), enlarging the number of jobs. While the present revolution - sustained in information technology - labor productivity has widened dramatically, characterizing the present, probably as the period of highest structural unemployment in the history of capitalism.⁸

But that is not the only problem of the current innovation cycle. Besides the overlap of new technology to existing equipment with other technological bases one sees that, when new technologies create new products or services they are de-materialized. Before the locomotive was produced - clothes, car, plane, ship, medicine was produced; in these cases the consumer was (or is) the holder of goods that has a materialized richness – after purchase one could be (can be) alienated until selling or using to the full exhaustion of their technical ability. Now, one buys a virtual service (de-materialized), whose welfare or enjoyment ceases the moment the consumer fails to pay - for any reason – the monthly payment. Thus, the potential concentrator of this innovative process is simply extraordinary!⁹

As such, it is true that this third industrial revolution has the most potential for accumulation of wealth - because of higher labor productivity and extraction of surplus value. On the other hand, it brings with it (unlike previous revolutions) the germ of destruction of this potential (generating wealth) because of its concentrator nature - meaning: although the consumer base is the widest possible, the base of production and accumulation occurs in the technical heavily concentrated conditions.

Moreover, the most dramatic access by nature of the products which are the fruit of this actual innovation movement, more democratic in nature since they produce the current innovation movement. It has no more meaning of greater population well-being as it would have us believe – it brought significance of greater well-being for the population that it wanted to see. It brought greater access to the internet network and mobile telephony has not resulted in improvement of life as occurred in earlier times, particularly with the structuring of the State Social Welfare. Rather, the degree of wretchedness of mankind has increased, despite man's extraordinary ability to produce wealth.

If the assumptions during the past 40 years that support the arguments of capitalism exuberance are false, then the change in *political administration*, due to the growth crisis that capitalism lived at that moment, more profound than the problems it solved, means that what we are watching, from 2008 to now, is no longer a new crisis, but rather a deepening of a crisis initiated in the 1970s. This crisis had not been viewed in its entirety because developed countries have transferred their burden to the periphery countries. These being the problems we faced because of they were invariably assigned to our incompetence - justified by chronic corruption that plagues us.

⁸ In this issue, there is political and technical cynicism. The ideologues of the actual policy have abandoned the discussion of structural unemployment and its causes and passed to the simple defense of *employment and income policy*. We all know very well that, with the velocity of knowledge production and the innovation process – taking work productivity to unimaginable levels-, it is impossible to avoid the *structural unemployment* without touching *income distribution*. In a 1930 brochure, entitled *Economic Possibilities of our Grandchildren*, Keynes (1983b) spoke about this question: we are being touched by a new sickness, of which some readers may not have yet heard about, but about which they will hear a lot in the next years – or rather, the *technological unemployment* [...]. It concerns a fearsome problem for the common person, without special talents to be busy; principally, if one is not rooted in the land, in its habits, or in the dearest conventions of traditional society [...]. I am sure that, with a little more experience, we will employ the recently discovered generosity in a very different manner of which the rich use today, and they will delineate for us the life plan well different from theirs [...] **three hour shifts or a week of fifteen hours could delay the problem for some time. This because three hours per day are sufficient to satisfy the old Adam in the majority of us.**" (Emphasis added by the authors). Because the Keynes that formulates this proposition of employment policy is not resuscitated by the ideologues (from the right and from the left) that are conducting the economic policy, since the 1970s.

⁹ Joseph Stiglitz, Nobel Prize in Economics, has been drawing attention to this issue as it considers relevant in understanding unemployment and income concentration.

As the possibilities of income transfer are being exhausted¹⁰ - and the same logic of accumulation maintained and centered primarily in the financial sphere – gradually the developed spaces will feel the consequences.

In earlier times, particularly the period 1934-45/1970, national economies moved up symmetrically, where economic growth was observed at high rates and reaching many countries, developed and peripherals. In the last 40 years, this trend has changed: while some are expanding, others decline.¹¹

Table 2

Latin America and the Caribbean (except Cuba): transfers of funds to the rest of the world - 1980/2010 (U.S. \$ billion)

Year	Value	Year	Value	Year	Value
1980	51,8	1990	60,0	2000	69,2
1981	71,0	1991	53,0	2001	68,5
1982	88,5	1992	48,9	2002	65,5
1983	76,8	1993	53,9	2003	70,3
1984	80,5	1994	55,1	2004	79,3
1985	73,9	1995	60,6	2005	89,8
1986	66,6	1996	61,0	2006	100,8
1987	61,4	1997	64,8	2007	102,8
1988	65,8	1998	68,8	2008	110,0
1989	70,5	1999	68,1	2009	99,0
Total	2.271,9			2010	114,8

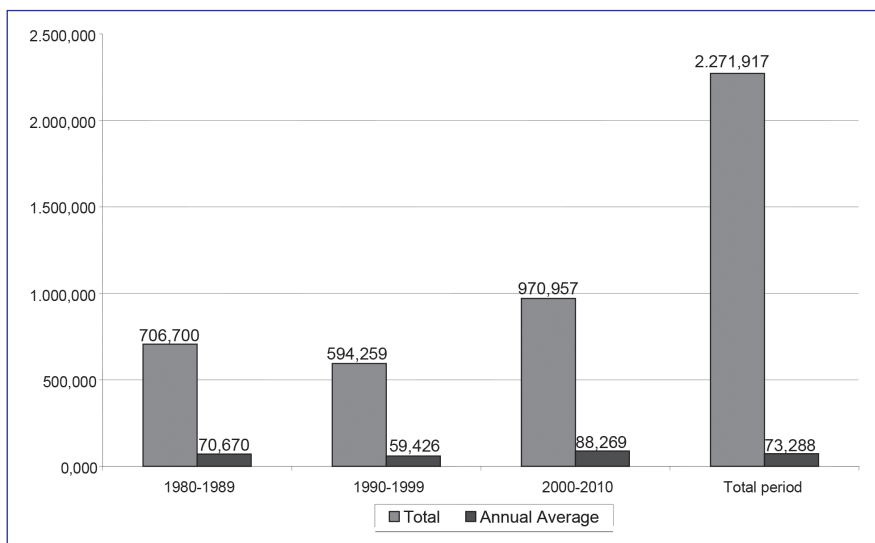
Source: Elaborated by the authors.

¹⁰ Taken together, the drop in debt interest and the increase in the prices of *commodities* are signs of this exhaustion; however, the structural and fundamental question remains: our low scientific and technological level (reflected in terms of the exchanges in the chronic deficit in the services account) – that the ignorance of our ideologues says that this problem is resolved by the entrance of money by the capital account: it does not resolve it, rather aggravates it, because (except for donations) everything that comes into the capital account will have to leave one day in the form of interest, profit and royalties. This, our indignation, in the scientific and technological field will become worse with the recent measures of the Brazilian government of sending 100 thousand students to the exterior; those that could make a difference in the future certainly will not return, given that any American or European university has a sufficient portfolio to indemnify the Brazilian government in the amount of the scholarships received by the students. It would be more intelligent and wise to bring professors from the exterior and strengthen our teaching and research system in the Brazilian universities in the structured areas: mathematics, physics, chemistry, biology, engineering, etc.

¹¹ It is true that moving to economic growth deconcentration in the countries of the world power axis. The periphery of capitalism passed to be promising in the horizon of capital accumulation; principally when the North American and European model seems to be arriving at its exhaustion – notably because of the stationery character that its populations are assuming.

Graph 1

Latin America and the Caribbean (except Cuba): transfer of resources to the rest of the world - 1980/2010 (U.S. \$billion) of the world - 1980/2010 (U.S. \$billion)



Source: Elaborated by the authors.

The change in the content of *Political Administration*, with the loss of medium- and long-term centrality of management processes, completely disorganized the fundamental relations of the economic system, is especially seen in the relations between capital and labor, as well as those relating to capital movements. With this, we are saying that capitalism, though leaning toward individual cells of properties, is the only system – among those known – that has more need of centralized managerial control.

STATE POLICY AND THE POLITICAL ADMINISTRATION OF CAPITALISM

The fact is that the current managers of capitalism do not see or do not believe is that decentralization of the management process disrupted the relations of production, realization, and especially, distribution processes; and, that both stem from an ideological conviction as an incomplete formation. Thus, they relegate as unimportant the historical process of the formation and expansion of capitalist societies.

In fact, not even the Classical School of Economics, that we all recognize as having a normative developmental bias has, in its historical method, the basis of sustaining their analytical categories. Strictly speaking, the fundamental orientation was given by the science of positivism of *what is and what tends to be*. Almost without exception, it seems to be an antecedent or consequence of the Markets Law of the Frenchman – Jean-Baptiste Say, adamantly defended by the Englishman - David Ricardo.¹² After all, the task required of the philosopher - economists was to build a theoretical and ideological support structure for the new, emerging social order.

It is far from our purpose to deepen the discussion about the historical analysis of the State, but only to give special attention to some moments of these processes that can better substantiate the central thesis of this essay: *capitalism is a system that only finds moments of extraordinary expansion when subjected to centralized administration processes*. Rather, whatever instruments are used, the capitalist mode of production can only survive *if, and only if*, it combines management strategies at the macro level, while in the micro and meso-plans the private economic actors act in consensual liberty.

¹² The exceptions stay because of Thomas Robert Malthus; principally because of his most outstanding work *Principles of Political Economics*, and the extraordinary intellectual effort of Joseph Schumpeter (1996). Outside the marxist field, we can mention the rebelliousness of Thorstein Veblen (2005).

Historical examples are numerous, starting with approximately three hundred years of transiting through the end of feudalism - which were marked by rulers' absolutism that enabled primitive accumulation in the broad sense. In the nineteenth century - the *Victorian* period (in England), the *Bonapartist* (in France) and *Bismarckian* (Germany) - the tone of this centralized state was set and leads to the consolidation of capitalism as a dominant mode of production, forging extraordinary conditions for its expansion. In the twentieth century, the feeling of supremacy causes the federal United States of America to take the leadership of management processes in the interests of national capital. This model of political administration consecrated itself with the implementation, in 1933, of the New Deal (dubbed the New Age), at which time the entire management of the social macro-processes becomes centralized in the State.¹³ From that moment onwards one sees that progress in the expansion of industrial capitalism in Latin America and Asia occurs in authoritarian political circumstances.

Continuing, for an understanding of this historical process, we see that the origin of capitalism is intertwined with the rise of the State: in and due to the emergence of private property.¹⁴ Historically, it is observed that private property - one of the characteristic elements of the capitalist mode of production - only finds its full development with social and political management practiced by the State. Thus, one can conclude that the expansion of private property is not by a self-determined process, but, rather is dependent on forged external conditions that favor it.¹⁵

Engels, among those who seek to understand the relationship between State and society, is the one that has more clarity of historical foundation, referring to the institution of private property.

Wealth becomes valued and respected as a supreme good and the old institutions of the gens are perverted to justify the acquisition of wealth by theft and violence. Only one thing is lacking: an institution that not only assures the new individual wealth against communist traditions of the gentile constitution, hitherto lacking in esteem, and make this sanctifying consecration the highest goal of human community, but also print the stamp of societal recognition for new forms of acquisition of ownership, that developed one on top of the other – the accumulation, therefore, increasingly accelerated the riches; an institution, in a word, that not only perpetuated the rising division of society into classes, but also the right of the possessing class to not be possessed and the first to dominate over the second. And, this institution was born – *the State was invented*. (Emphasis added by the author).¹⁶

The abandonment of communal society by individuals and families and the building of private domains restricted the range of possibilities of social production. Thus, the need for exchange between a field and another was vital and inevitable, but also conflicts arising from this were inevitable. If, in the communal domain, wealth was owned by all¹⁷, from now on, it will be appropriate for a few, although their creation is dependent on the effort of the collective work. The fight without rules of a private domain that wants to subordinate the other in the quest for wealth accumulation, on one side, and an internal dispute of each domain between owners and workers, on the other hand, hinders the development of business and the accumulation of material wealth.

For the new order to show that it is superior to earlier orders, it became necessary to establish the rules that discipline new social relations: either through the institutionalization of a legal framework; either through a police apparatus to impose penalties for violators - besides a *rough* diplomacy that eases conflicts without the application of sanctions.

As is characteristic of its nature, the process of creation and expansion of wealth rooted in private property is also generator of the injustice germ in the distribution of collective work results, of the division of society into classes, and of the conflicts between them. Under these conditions of reproduction, the familiar domain only feels safe in the management of its own business, in case it grows – then expand it. However, to grow is a necessary primary condition appropriated from the alien

¹³ In a famous speech made August 20, 1932, already 80 years ago, in Ohio, USA, Franklin D. Roosevelt presented criticisms of the Republican Party and presents his proposals of political administration for North American capitalism. Confer with: <http://newdeal.feri.org/speeches/1932e.htm>.

¹⁴ Confer with the classic Hobsbawm (2010).

¹⁵ Also confer the majestic chapter XXIII, entitled "The So-Called Primitive Accumulation", in Marx (1989).

¹⁶ It is strange to acknowledge that this such enlightening text of Engels is not cited by those students that search to understand and explain the relation of the State with society, particularly the Marxist authors that stay kneeling in a sterile intellectual effort of characterizing and typifying the relation of the capitalist State with society. Because of this, a crisis situation, the Marxist analysis when urged to be normative loses the autonomy and the modesty and aligns to the rising premises of the conservative harvest.

¹⁷ See the classic young phase of Marx (2006).

effort; this appropriate form tends, inevitably, to produce dissatisfaction, conflicts. Thus, as these relations keep developing, they become more complex, more sophisticated in demanding instruments of this new institution called the State.

However, while the dissatisfactions and conflicts were, each time greater, restricted by laws and by the repression, the growth of individual desires by the owners' class was incapable of harmonizing themselves with the collective interest. This generated instability, uncertainty, preventing business from flourishing in the required rhythm by the need for legitimization that was a necessity of the new production modes, based on private ownership. It was necessary that the State do something more: lead the process of capital accumulation, assuming, in a first moment, responsibilities in the creation of social, political, economic and fiscal conditions for the accumulation.¹⁸ It was necessary for it [the State] to be giving unity to its own (unifying the necessities and centralization of a great part of the decision making process – the absolute State), thus, centralizing the actions focused to internal and external business. In this last case, particularly in the conquest of new markets via “diplomacy” or, what was common, by the use of force.

This purpose (improvement of State institutionalism) is followed ever since by the original forms of how the State erected itself – as Engels says – the ruins of the gens through the more pure and classic forms: the Athens state – where this institution was born from the class antagonism in the breast of its own gens; in the following phase (in Rome), the State is born on top of the wreckage of the destroyed gens; with the overthrowing of the Romans by the Germans, the State is born as a necessity of conquests of large territories that the gentile regime was incapable of dominating. Here, there is the most brutal and concentrated form of power: political, economic and religious.

While this centralized management mode was adequate for the interests of the owners that saw opportunities to conquer new markets expansion of business and faster accumulation of wealth; on the other hand, the sovereignty of the Prince was dangerous and contradictory (above all a parasitism of the Court) with the long-term interests of the hegemonic class of the new regime. Even though in the beginning there was an association with the Court to defeat the nobility and the Church, with the evolution of business – each time more dynamic and prosperous – the European bourgeoisie, and principally the English, began constructing the underlying thinking (ideas) of the political alliance with the sovereignty and, thus, gain autonomy. The more organized beginning of this movement is the moment called *Renaissance*, the instance in which “men, even with fear, begin to separate themselves from the great order of the universe to be a spectator and organizer of this order.” (ABRAÃO, 1999, p. 130). It is a moment in which the Christian faith is shaken by the reforms and where one sees the dawn of scientific reason and spirit. And, the triumphant arrival occurs with the finished version of the renaissance movement: *the illuminism* - above all the French, whose most highlighted representatives are self-denominated as *the philosophies*!

The purpose of this movement was that man passed from being an observer of the universe, also leaving his natural state and arriving at phases of more civilized coexistence, conforming to the Hegelian vision.¹⁹ As such, it was indispensable that he lose part of his individuality in favor of a more collective something, materialized in what Hobbes called the “artificial man”, transformed in a political body: the State. But for such intellectual efforts in this direction there was already a State with its founding structures fully built? Hadn't the English revolution itself already implemented the parliamentary monarchy?

In truth, the issue was not to build or not to build the State; because it [the State] already existed. The great question was to know if the State that was born of the rupture of the gentile construction, adventuring to conquer seas and territories, took with them the basis of the accumulation to outside the nucleus of the gens, opening business opportunities with decision making power (political administration) centered in the figure of the King, attending to the interests of the new class that arose from the emergence of the new production mode: the bourgeoisie.

Considering that the response to this questioning is negative, then, the task to be realized was to amplify the political space by the capture of the State, adapting its actions to the interests of the new economic order. Even though the French Revolution

¹⁸ The principle one, probably, is the organization of the labor force. About this subject see Gomes (2009b).

¹⁹ From the XIV to the XVII century, Europe passed through strong and great tragedies and destructive and transformative political clashes: the 100 Year War, the end of the Roman Empire, the fall of Constantinople, the Crusades, and Holy Inquisition (endless persecution to the development of the arts and classics), and the piracy – most simple form, rough, primitive and immoral of expropriation for the accumulation of wealth.

did not reproduce itself in other parts of the world,²⁰ it was capable of constructing (elaborating) a *Pedagogic Primer* that, until today, always when the dominant class is threatened by obvious questioning, opens the Primer and reads out loud: *Liberty, Equality and Fraternity!* With this, capitalism declares as rescinded the institutional bases (the crutches that make it walk: the Absolutist State). In this case, it was most convenient to substitute the weaponized Army for an army of diplomats, capable of conquering (with less cost) new markets for the goods originating in the factory parks – the new fountain of wealth.

However, the war, still, was not yet won; the triumphant march, during all of the XIX century, was preceded by the construction of the sanctifying ideas that would conduct capitalism to the consecrated victory: the economic liberalism. The starting point was the transformation of the philosophers into professional economists. A better understanding of what was happening with the transformations in the economic base was necessary; having a better understanding of what is happening with the social relations of production and distribution was also necessary. This, without doubt, was the task of the many writers of the republic of letters – as they considered the French; however, Adam Smith, amongst others, was the most capable – or better understood – the work to be realized.

Independent of his contribution of equating questions related to work (division of labor, of value, etc.), pricing of merchandise, taxes, markets, external trade -, *the best edification and the most solid* results of Adam Smith appear to be the analysis about to the limits that would be convenient for the actualization of the new State. The clearest, with respect to this point, was so scathing that, among his recommendations, one encountered that which oriented the State to reset the public debt, a possible manner to maintain the expansion of wealth production with the economic system in conditions of equilibrium, without obstacles to accumulation – without crisis, therefore. This is the central recommendation that guides us until today.²¹

Notwithstanding the analytical consistency of Smith's thinking, the principle presumption that gives support, besides being false, is very expensive support to the interests of capitalism in the contemporary times: that which the State is external to the economic relations.²² Meanwhile, his system strengthens and gains solidity with the synthesis of Jean-Baptiste Say (with his Markets Law) and David Ricardo (with his Comparative Advantages Law and the inexorably derived: the International Division of Labor Law).

The force of these ideas was so overwhelming however convenient to the production mode that emerged and to its fans; not even the evident and consistent contrary arguments – as the effective demand principle clearly presented by Malthus – were not even considered or taken seriously. The highest debate was held between Malthus and Ricardo and is mostly due, perhaps, to the great friendship between them rather than the consideration that they had for the contrary argument; about this point, Keynes expresses (1983a, p. 34):

In Ricardian economy, which serves as the base for what is being taught more than a century, is the idea that on one side, without other cogitations, the function of aggregate demand is fundamental. Malthus, in truth, is vehemently opposed to the Ricardo doctrine that an insufficient effective demand was impossible, however in vain. Not having been able to explain with clarity (other than observed practical facts) how and why effective demand could be deficient or excessive, he did not provide a capable structure to substitute the thesis that he attacked; so, Ricardo conquered England in such a complete manner as the Holy Inquisition conquered Spain. His theory was not only accepted by the most influential in London, by the statesmen and by the academic world, but also ended all the controversy and the contrary viewpoints completely disappeared and stopped being discussed. The great enigma of effective demand with which Malthus had fought disappeared from the economic literature. There

²⁰ We speak as such because England made its revolution 100 years before (1688); the United States of North America also made the independence war before (1776); and, Russia did not have as inspirational premises to make the 1917 Revolution like those that inspired the French revolution.

²¹ For a greater depth of Smithian thinking about this point see Santos (2001).

²² In previous pages, the long citation of Engels provides evidence of the rotund equivocation of the premises; on page 160 of the same book, Engels is more emphatic about this point by saying that "The State is not, thus, in any way, a power that imposes on society from outside to inside; neither is the 'reality of the moral idea', nor 'the image and the reality of reason', as affirmed by Hegel. It is rather a product of society, when it arrives at the determined level of development, and the confession that a society irremediably tangled up in contradiction with itself and is divided by irremediable antagonism that does not allow it to conjure. But for this antagonism, the classes with economic interests collide, don't devour and don't consume society in any sterile fight, it is necessary that power is *apparently* (italics by author) placed on top of society called the cushion, the shock and maintain it within the limits of "order" (parentheses by author). This power, born of society but placed on top of it and it distanced from it, each time more, is the State". It is, exactly, this situation that today capitalism lives: its managers, in case they did not have a Smithian presumption, and in case they [the managers] do not minimally care about human dignity, from now on, probably, will not find an exit for the contemporary crisis.

was no mention, whatever, not even once, in all the work of Marshall, Edgeworth nor Professor Pigou that gave to classical theory its definitive form. It only survived, flirtingly, in the subterranean world of Karl Marx, of Silvio Gesell and of Major Douglas.

The victory of this way of thinking is due to the bourgeoisie that not only had possession of capital that permitted them to command the wealth expansion process and also the ideas that justified these new social relations of production and distribution. As such, this thinking appeared unequivocal and a triumph and the trajectory of capitalism appeared unshakeable. Not even the critics that were born within and alerted to the equivocation of the orientations - Malthus and the principle of effective demand or even those that defended the preservation of the old regime. Not even the external criticisms claiming a socialist society in substitution to feudalism – as the anarchist movement, the proudhonian socialism or the scientific socialism of Karl and Engels – took capitalism from their consecrated trajectory !

But, there is a consensus among the different currents of thought about the unstable character of capitalism, what would make it triumph so much and for so long?! During the first hundred years (between 1750 and 1850), government corruption and incompetence and the conviction that the material progress was fruit of the individual initiative increased the belief in *laissez-faire* (1983c, p. 109). On the other hand, between 1850 and 1914, Europe would export, on average, one million persons per year, whose destiny was the colonies or ex-colonies.²³ How is it possible to detect a crisis if there is no unemployment²⁴?

However, at some point, even having all these artifices, the signs of crisis began to appear – it is that which is going to happen in the last quarter of the XIX century. According to Keynes (2002, p. 5-6):

Before 1870, different parts of the small European continent had specialized in the production of some products; taken all together, though, Europe was substantially self-sufficient, and its population was adjusting to this situation [...] After 1870, there developed a large scale situation without precedents, and in the following fifty years the economic condition of Europe turned peculiar and unstable.

In this way, the economic analysis re-makes itself by abandoning, partially, the classic tradition, giving more emphasis to the great functioning of the economic system, with the basis on the rational economic calculation, looking to reach the stage of “well-being.” In this way the economic proposal appears to disconnect itself from whatever normative possibility – or rather, the State cannot and should not do anything strictly beyond the necessary – such as Smith had recommended, more than 100 years; but without the caveats made by Smith himself !

The central questions formulated by the *new economy* were: how to distribute the tributary effort to cover a certain level (minimum) of spending? The possibilities were not many: a) make the collections according to the benefit received, or b) adopt the criteria of each individual’s capacity to pay. These premises were anchored in two assumptions: 1) the relations of the State are as the relations of the market – with the prices of public production being defined in accordance with the criteria of the market -; and, 2) being that way, the expense (budget expense) of the State, thus, should be linked to the contribution of the consumer, of the client; after all, the voter.

The fragility of these suppositions imposes inevitable questions as the relationships to distribution, stabilization, and to allocation. Certain that the answers given have origins in the metaphysical plane – as example by saying that *distribution* is given and accepted by all of us (it is not said as if this adherence was achieved); that *stabilization* is guaranteed by the non-intervention of the government in the economic domain (it is also not said what is the empirical evidence of this affirmation); and, finally, that the best *allocation* is achieved by the orientation given by the price system (we believe that not even the titles and real estate values market serve as a base to orient the portfolios)²⁵.

Going far beyond the inquiries of the liberal economy postulants, it is difficult to defend the principle of taxation by the benefits received as a norm of equality and reciprocity while dealing with public goods; invariably, these goods are indivisible and with positive externality. The exit takes as its base the unrealistic hypothesis, when not heroic – for example: that the

²³ Decree that the morality of the Victorian period (1837 to 1901) helped very much to hide the reasons of the exile of the European layers of poor by characterizing the unemployed worker (men and women) as losers, prostitutes and thieves.

²⁴ Confer with the classic Hobsbawm (1995).

²⁵ With respect to this point, see Musgrave and Musgrave (1986).

principles of exclusion and of monetary exchange can be applied to the collective satisfaction (market of public goods) or that there is the possibility to determine the optimal production of social needs even though preferences are not revealed, especially since this offering is always ahead of effective demand. Truly, the individuality of the collective consumer goods and services was fatal to the glorious triumph of the most conservative wing of the neoclassical thinking.

Keynes, at a certain moment, said that economists had difficulties to resolve the present problems that ended up throwing the solution into the future. Since the assumptions of the new thinking had not much linkage with the everyday production acts, realization and distribution – a long-term solution was found – attributing a declining character of marginal utility of income and with this conditions were created to transfer to the future the taxation of property (stock) for income (flow).

These improvements of the fundamentals of market economy – associated with others experimented with by the European economy, aggravated by the sinister World War I and by the specter of the Russian Revolution, raged to other countries of the continent – only made the economic situation worse and increased the lack of confidence in liberalism.

From the analysis view point, Keynes (1983c, p. 120, emphasis added by the authors) tries to give the mercy shot in the metaphysic pretensions of *laissez-faire* when he categorically says:

It is not true that individuals possess a ‘natural liberty’ prescribed in their economic activity. There does not exist a contract that confers perpetual rights to those that have or those that acquire. The world is not governed from above in a way where the private and social interests always coincide. It is not administered here below so that in practice they coincide. It does not constitute a correct deduction of the principles of the Economy that the self-interests [sic] are generally enlightened always act in favor of the public interest. Neither is it true that the self-interest [sic] is generally enlightened; more frequently, the individuals that act separately in the promotion of their own objectives are excessively ignorant or weak until it touches them. Experience does not show that individuals, when integrated into a social group, are always less enlightened than when they act separately.

However, the force of Keynes intellectual argument only helped a little to advance it; capital already did not worry so much about the European crisis; its inspiration, now, coming from the exuberance of the United States national economy – a new hegemonic leadership of the world capitalist system. In reality, only the facts caused businessmen to change their opinion, recognizing that the liberal idea, as thought about in the XVIII and XIX centuries, no longer served as a guide for their interests and for the destiny of capitalism.²⁶

As such, the havoc produced by the 1930’s crisis made the ideologues and political administrators of that conjuncture accept a less autonomous market management and one more centralized in the State – by assuming a greater responsibility for improving the rules that disciplined the functioning of the economic system and in direct control of social production. It was in this way that Roosevelt proposed a political administration for capitalism in contra-position to the hegemony exercised until then by the forces of Wall Street at the time.

But the guarantees of stability of the economic relations were still not given simply with gestured changes in each nation’s plan, *per se*; it was necessary to extend the new administrative concept to the international relations arena, creating State institutions for this end. They were created in the Bretton Woods conferences, as were the United Nations (UN), the International Monetary Fund (IMF), the International Bank of Reconstruction and Development (BIRD) – World Bank, the General Agreement of Commerce and Tariffs (GATT) – including the bastard son that was born at that time: the Marshall Plan.²⁷

As such, the measures in the political-administrative arena proportioned stability in the social relations of production, realization and distribution and, with this, the extraordinary expansion of wealth in the Post-World War II world, differentiating this period from the others preceding it in the history of capitalism.

²⁶ See foot note 15.

²⁷ We say bastard son because, hardly, the Marshall Plan would be conceived by the Americans if the World Bank did not receive the letter “D” of development by insistent bravery and opportunity of the Mexican representative in the Bretton Woods Meeting.

Prisoner to liberal ideas, the old economic theory did not even outline a reaction that explained the crisis; much less suggest solutions to overcome it. Even Keynes (1983a, p. 256) – that is considered a staunch critic of the current thinking – gives the safe-conduct to the conservative thought upon saying that: “[...] if our central controls are able to establish a volume of aggregate production corresponding to the closest level of complete and full employment, the classical theory can re-take, from then on, its proper position.”²⁸

After approximately 35 years of shameful expansion of material wealth, grave structural problems are going to appear and interrupt the growth dynamic – “elevated” public debt, high inflation and unemployment rate, decline in the profit rate, etc. This was not supposed to happen. If the idealized measures and those implemented in the 1930s and complemented with the suggestions coming from the Bretton Woods conference, were well administered. As suggested by Keynes himself – the course of events and the trajectory of the expansion of capitalist would certainly be another. In fact, not even the so-called Keynesian economy and not even, much less, the orthodox economy knows how to explain what led to such resounding success. After the crisis in 1970 and beyond, the runaway behavior of the proper Keynesians absents themselves from whatever blame for the crisis and the disaffiliation of intellectuals to the interventionist creed are characteristic symptoms of the lack of credibility in relation to what was happening.

In truth, from the ideological point of view, it was not convenient to accept the supremacy of the analysis since being aware that the success of the previous period happened more because of measures related to a better administrations of the social relations of production and distribution – including, particularly, in the capital/work relations – than from the fruit of the orientation that had been given by economic thought. We note that sooner or later, all the currents – except for the stray members of one or another theoretical-ideological affiliation – condemned the interventionism of the State – including this block of revisionist Marxists. The assumption is always the same: the inefficiency inherently allocated to the action of the State produces deficit and increases costs, bringing disturbances to the cycle of private business.

With such a large adherence, the conservative wing will not need much time to recuperate the lost hegemony – a gloss was enough. For this, already in the second half of 1970, the orthodoxy devotes itself to the execution of an ambitious project to conquer political power – as such, centrality of command in the neoliberal ideals, destroying any possibility of renovation of Keynesian thought.²⁹ With the conservatives in power, in the beginning of 1980, the new task would be to elaborate and implement the management project of *new capitalism*. At this moment, in the long-range macro-economy relations, focused on development (the Political Economy) and, above all, the Political Administration (management of the relations of production, realization, and distribution) lost space to the micro-economy (new institutional economy, risk management, etc.) and to professional administrations of the productive processes (total quality, reengineering, 5S, for example).

Certainly, this was the most talked about task facilitated by measures that the opposition would be weakening: on the internal *front* the economic crisis increased the unemployment that weakened, politically, the unions; on the external front, the counterpoint given by socialism saw itself fading due to the political and economic loss of the Soviet Union.

The year 1989 seems to be the final one of the long reconstruction; finally, the leaders of nations could *announce* to the world – in the G-7 meeting in Washington, D.C. in November 1989 – a type of new rebirth for capitalism: word of the day was to radicalize the decentralization of the decision-making process, with the State passing through an ample restructuring process and thus being zealously attributed the task with respect to monetary and fiscal politics: equalize the debit and credit relations was the most urgent job.

As previously mentioned, the moment signified the end of history, with the final triumph of capitalism. It could say, at that instant and the following steps, that it could be significant to the evolution cycle not of history, but of capitalism itself; and, one whose acts (similar to the *ouroboros* that symbolized the end of the evolutionary cycle – by the destruction of itself).³⁰

²⁸ For a more profound discussion of the construction for overcoming and later expansion of the crisis, see Santos (2010b).

²⁹ And as such gives space to the joke that was made with the monetary economists, during the golden that said: *nothing more Keynesian than a conservative with power*. And, in this way, the Marxist philosopher Perry Anderson (2012, p. 13) has reason when he says that the tasks of the *administrators* of the world, national and international, with the basis in the classic legacies of political thinking, from Plato to Nietzsche, has been of most interest for the political and economic right.

³⁰ The invasion of Iraq, in 1989, expressing the exclusive wish of the United States, without any rites of passage by the Security Council of the UN, very well shows the degree of brutality of the neoliberal project in that instance became apparent in a more complete form the improvements were being made during the length of its implementation.

The proposals that the conservatives elaborated instead of leading toward recuperation of the crisis, mostly served to feed it: a) more power of regulations, production and of intermediation power was not centralized; it was only a change in command: of the State to the orbit of financial capital; b) as the State lost arbitration power about the social relation, the more its “fiscal disequilibrium” increased. The relation of gross public debt and internal gross product that, in the previous period, was, on average, 30%, in today’s rates it would reach between 70% and 100% in some countries of the Euro Zone (France, Belgium, Austria, Germany, Portugal, Ireland and Spain) while other important nations, from this zone and from others – had already passed 200% (Italy, Greece, Japan) (GONTIJO and OLIVEIRA, 2012); c) the unemployment rate is scandalously high – reaching, in the case of Spain and Greece, to the ruthless and inhuman rates of 24.5% and 21%, respectively;³¹ we are nearing 202 million unemployed in the world as a consequence of the measures against the crisis; (ILO, 2012); and, d) while the rate of average growth of the world PIB, in the previous period, stayed above 5% from 1970 until 2010, this rate parked itself, apparently, in 2%.

All this, in great part, is consequence of the equivocated orientations of Political Administration, by reason of: 1) when the market intended to be capable of coordinating the hundreds of millions of interests of agents, particularly in situations where preferences (for obvious reasons) are not totally revealed; 2) when it was imagined to be possible to exit the crisis, in the beginning of the 1970 decade, restructuring itself to achieve this, only, in the fully developed capitalist spaces. The peripheries of the developed countries, of Latin America, a part of Asia and all of Africa stayed out of the development perspectives in the last four decades. And they are not in the same exact situation as 40 years ago because they are larger and more degraded.³² Truly, the Political Administration of capitalism did not make one step in this direction. There are those that consider, however, that this was a fatal error for those that had future pretensions of the system.³³

These arguments make possible the understanding that the capitalist State lost enormous capacity of coordination and this fact has led to the disorganization of the social relations of production and distribution – it has led to the deepening of the crisis.

CRISIS AND SOCIAL DES-PATRIMONIALIZATION

This narrowing of the spaces of capitalist production, well analyzed by David Harvey, in various of his works, allied with the fiscal equilibrium policy, inevitably would lead to the stability of prices – saying that it was the *sine qua non* condition for the product to With this, the orthodox policy began to negate its own suppositions, particularly and principally that which establishes the relation of cause and effect between the public debt and instability of the economic system.

After the forty-plus years, since 1970, we arrive at a maturity of reflection that the most correct formulation would be the contrary: the cyclical crises of capitalist economy – that always demand either moderate actions of the State in the tributary policy or more aggressive actions for more spending in the sense of elevating the effective demand – have been the principle causes of public deficit, where already one can foresee the more real perspective of the fiscal crisis. That which before was only a scarecrow ideology as instrument of intimidation to preserve the interest, principally of the *rentiers* class, now passes to be something concrete; and, in the rhythm where the State applies resources to preserve the banks from an ample financial crisis – and not only fiscal – is very near to us these days.³⁴

³¹ With these high ratings of unemployment, the working class demobilized and lost the political reaction capacity to the neoliberal; but also it is certain to say that, when power arrived, nothing changed, since power itself was devoid of the project and, above all, of the change in its destiny. It used the same theory and the same methodology of conservatism; for this, the achieved result was equal or worse.

³² *One could claim that* China belies, at least in part, this argument. We say that it does not belie for the simple reason: China is a product of itself; it took a decision to do something – not that we should forget that the Soviet Union took another path for the orientation of the West and it ended up the way it did. And, the situation of the West is not worse because of this autonomous initiative of China.

³³ Starting with the principle of effective demand, Malthus advocates income distribution as anti-crisis factor (hiring of unproductive workers, increase in salaries and the re-division of land ownership) and the expansion of external economic activities (via commerce and production). This thought was also shared even by Rosa Luxemburg while defending that, to avoid cyclical crises; excess production should be absorbed by external markets: military and commerce expansion expenses with other nations.

³⁴ Agreeing with this analysis, we see that Harvey (2011, p. 47) says: “At the heart of the credit system is the group of agreements that constitute what we call the “State-finance axis.” This describes the confluence of State and financial power that rejects the analytical tendency of the State and the capital as clearly separate from one another. This does not mean that the State and capital have constituted, in the past or now, an identity, but that structures of governance exist (as a power over the confection of real coin in the past and the central banks and Treasury Ministries today) in with the question of the State for the

The most relevant to stress is that the crucial problem of this *new political administration* is not the financial crisis that emerges in the United States (2007, 2008 and 2009) and unfolds in Europe (in 2011 and 2012). It is, rather, the worrisome recognition of not knowing very well the extent and much less, yet, when it will end. In case this crisis is prolonged and takes it to the extent of technical incapacity of the State to allocate resources to avoid collapse, the historical exit will be the nationalization of the financial intermediation; it has always been so and now it will not be different. We stay attentive.³⁵

The worrisome part of this movement and one that is not being observed by those that conduct the State actions and, above all, by the academic researchers, is the strong process of *social des-patrimonialization*.³⁶ Of the poorest segments (and majority) of capitalist societies. The four decades of crisis and the engendered policy, until now, to solve it has been for the State to lose its capacity to coordinate and autonomously allocate, leading to disorganization of the social relations of production and distribution.

With this, the political and social conquests that were materialized in almost two centuries of struggles are being undone little by little in such a way that it is almost imperceptible, since the last quarter of the XX century and the beginning of the XXI century.³⁷ If we are not already charmed by the State capitalist that orients its attention for the finality of overcoming the dissatisfactions with the relations of production and distribution, then after 1970 until now, the State, actually, assumes its own role of central committee of the bourgeois interests – found by Marx and Engels, in *The Communist Manifesto*, written in 1848.

BRAZIL, PARASITIC STATE AND CAPITAL

One perceives that the false diagnosis of the fiscal crisis and the iron-willed and impious policy of the public accounts adjustment has taken to the scraping of the cited social policies or meritorious (education, health, security, social providence, social welfare, etc.) and, also those of infrastructure (sanitation, popular housing, roads, ports, airports, etc.). The universalization of the social policies was accompanied by the loss of quality, which was turning this universalization merely a formal policy, without the larger, transformative force.

As such, it is dramatic to acknowledge, taking the Brazilian reality as an example, that the little that was left over of the social nature policies are being consumed with exclusivity by the poor, even with limited access: with health, with services of low complexity, with the exception of Traumatology; education, through the pre-university level – even though its quality is so poor that those that receive it are leaving the system, in a great majority, semi-illiterate; public security, of the most moneyed, was dispensed with a while ago – the crime rates in the peripheries of the great urban centers say much about what security represents for the poorest.

As this level of exclusivity increases, one can observe with naked eye that these most distant policies keep going to their objectives; or rather, they are increasingly losing their cover and become less universal in their effectiveness. This occurs, for example, by the loss of quality or by the increase in treatment time (length of the appointment) or, still, by the treatment time between one medical consultation and another, and the lengthening of time necessary for youth to conclude basic education, These are evident particularly in the distribution of their results (the policy of urban intervention is increasingly concentrated in the rich zones of cities, leaving the periphery subject to not only physical degradation, but also to psychological and moral degradation).

In some situations, to structure a State bureaucracy and link it with an amount of resources serves more as a form to guarantee the minimum of legitimacy together with this poor segment rather than reach the finality of overcoming the problems of that area under the government intervention. Today, we can find that the State policy is characterized as improvised, inconclusive and without purpose.

As these contradictions are deepening, the ideologues responsible for the policies begin to attribute these results to a question of efficiency of the practices of public administration – lacking, however, the new management methods. With this

creation of capital and monetary flows turns it an integral part, and not separate, of the circulation of capital.” Well, that which signifies this is not that which we denominate through this text as *political administration* of contemporary capitalism!

³⁵ Greece, at this moment (July 2015) is getting closer to this situation.

³⁶ Social des-patrimonialization signifies that the wealth of capital in T_n (in the future) is less than the wealth of capital in T_0 (in the present).

³⁷ With respect to the questions related to the concentration and distribution, Thomas Picketty (2014) has the last word.

argument, they justify all the reformative measures of the State – that invariably conclude in damage to the target population by these State policies.

Considering that the work force linked to the State is “unprepared” to absorb new methods – because they are old and with vices – the immediate exit³⁸ was to contract consultants and endow the State with management patterns similar to those “verified” in the private sector. However, with time, the promised results did not appear and was the gap between the poor and the rich deepened; then, the problem was not of State productivity, but rather of the policy purpose – that was, reduce expenses, increase revenues and, as such, guarantee resources to the Treasury to honor the commitments with the financial system – note this human disgrace in the following the Table 3 and graphic 2.

Table 3
Structure of the Brazilian federal public budget expenses (R\$ millions)

Year	Investments	Interests
1980	18.461	12.311
1981	34.432	5.441
1982	23.043	7.876
1983	15.751	9.570
1984	11.288	6.208
1985	16.260	18.866
1986	33.874	65.097
1987	40.126	18.491
1988	34.839	70.698
1989	16.600	165.802
1990	24.980	66.065
1991	28.501	11.314
1992	23.124	50.806
1993	32.136	64.581
1994	28.258	72.659
1995	21.978	77.607
1996	23.865	81.224
1997	29.108	81.221
1998	30.792	114.524
1999	23.219	151.413
2000	29.636	113.963

³⁸ We say that it is an immediate exit although the previous reform program for the future of the State personal would be renewed and already having the new management practices. Besides this, we need to highlight that the principal nucleus of command of these consultations are outside the receptor countries (World Bank, International Monetary Fund, United nations etc.)

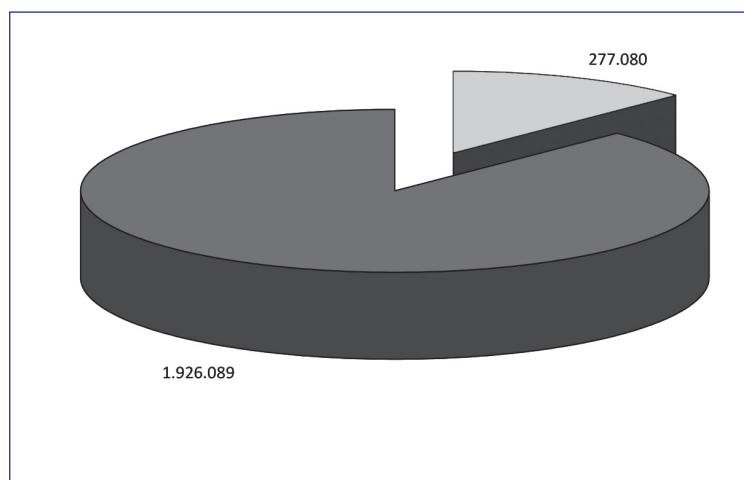
Continue

Year	Investments	Interests
2001	38.768	140.435
2002	23.722	129.448
2003	12.309	125.315
2004	18.949	129.699
2005	28.507	148.849
2006	31.700	244.510
2007	15.399	215.629
2008	13.526	152.451
2009	20.363	168.830
2010	30.599	217.489
2011	20.279	155.659
2012	24.608	149.406
2013	20.496	148.745
TOTAL	839.496	3.392.202

Source: Elaborated by the authors.

Graphic 2

Total spending in interests and investments, structure of expenses of the Brazilian federal public budget – 2000/2009 (R\$ millions)



Source: Elaborated by the authors.

In this way, the efforts to increase results – by external consultancies – appeared more to indicate the improvement of the equivocations of public policy. As such, what one perceives, then, is that the nexus between the policies and the social well-being is unraveling little by little. The quantitative and qualitative degradation of State production that is focused toward the collective interests of a meritorious nature is so marked that from one expansionist profile for the complete coverage it passes

to characterize as *improvised* programs and *inconclusive*. They do not solve the problems of those for which they were conceived and implemented. As such, from the working class perspective, this State has been a *nuisance*, without any means to exist, a true host for parasitic capital.³⁹

Even in countries as Brazil, this is the recurring phenomenon. If we turn to relevant questions, in the last 30 years, and that deserve blunt State actions, it only passes as mirages: thus it has been occurring with urban polity – one of idealism contained at the end of 1960 and beginning of 1970, one does not even hear talk about it today. Similarly, with all the infrastructure policy – having today a national clamor, given that the level of degradation is such that, beyond the encumbering of production costs, it victimizes the human being; still, the most incomprehensible cases are those of education, health and security. As previously mentioned, the sectors of media and of high income stopped consuming it, some time ago; the only locations of these services are the most miserable persons of this country.

Even with this, the most hopeless are perceiving that even the most affected seem to believe that they do not have an alternative toward the direction for the destiny that is designed for us. Even the most enlightened sectors, that should have a critical positioning in relation to this process, many times, produces analyses of our reality dispensing theory or ideology; more appear to be fans of organizations adapt in this or in that. In truth, it is understandable that they are adopted according to interests – as our universities seem to be in the vanguard of behaving in this way.

FINAL CONSIDERATIONS

In the guise of final notes, it is necessary to understand without constraints by the militant of this new field, one denominated political administration, that our work is always guided by our values, our beliefs, our ideologies. As such, we are always oriented by a large subjectivity and, exactly because of this, we are always likely to be making norms (changing course) of that which seems to us to be outside of the direction that we imagine is the most correct, the most just according to our purpose and our moral. We (militants in the field of Political Administration) are distant from that of “intellectual vanity” that wants to impose itself on us: producers of a knowledge resultant of scientific reason, limited to the activities of *observe*, *expose*, and *explain* – whose nature is more appropriate to the so-called *hard science*.

While not leaving to expend force in the above activity – of constructing an interpretive theory of our field of research – task that appears most adequate is that of being the holder of the most sincere explanations regarding the ills of society, we worry about *route*, *guide* and *drive* solutions to address the problems that disturb us at this time of capitalist trajectory. We should feel aggrandized by that which we are able to do by the task of integrating the acts of *think and act*. In a word, the suggestion takes us in the direction of changing our habit of constructing a social critical thought – even because the result of the work does not serve only our interests; the society (in its totality) is needier than each one of us individually.

David Harvey (2011, p. 40), that deals with the same concerns as we do in this work, says that to better explain the periodic crises we need a much better understanding of how capitalism functions than we have today. According to him:

The problem is that the theories and orthodox economics that, clearly, is not able to predict the crisis continue to inform our debates, dominating our thought and basis of political action. Without challenge to these dominant mental concepts there can be no alternatives [...] that are not a frustrated return to the initial questions about the type of capitalism that takes us to this mess [...].

Completing his rationalization, he asks: “How, then, can we understand the propensity for crisis of capitalism and by which means can we identify an alternative?”. The author says that these are the initial questions that animate the analyses that will be proceeding throughout this book.

³⁹ In Volume 1 of the book on *Capital*, Marx says that he verified in his investigation that both capital of the businessmen as well as the capital that earns interest deal with derived forms and that these two forms appear in the course of history before the modern standardized form of capital. In Book III, he will deal more specifically with these forms and will conclude that they are parasite forms, because they link to any system or mechanism of wealth production to expropriate part of the economic excess. For this reason these two forms were present in the feudal system, in all the Middle Ages, participating in the extraction of the excesses generated.

Certainly, here is the last of the questions “[...] and by which means can we identify an alternative?” is the one that motivates us in these final words of this work. As such, we do not want to construct an alternative with basis in a diagnostic that is given to us; we want to construct an alternative of *how to do/make* from these thoughts that we know and explain about our reality.

While there is much talk about the various themes as causes of the crisis – from the excessive and inflexible rules that regulated and that “regulate” the markets, passing through public deficits, arriving at unemployment, is in its most structured form (technological unemployment) or the more conjunctures (lack of effective demand) – little or nothing we see or hear addressed the *distribution of income*. If we want to truly discuss this crisis of capitalism and identify alternatives, the distribution of income and wealth has to become central, while the great ruptures of the system do not occur.

We cannot for some imbued sincerity ignore that this phase on the expansion of capitalism trajectory is that which is the most violent process of expropriation, production and concentration of wealth and income experiments.⁴⁰ From the personal point of view, the richest begin having a larger participation than they had 40 years ago.⁴¹

From the point of view of capital, the process of concentrating and centralizing is something so extraordinary that it escapes the parameters of the proper capitalist logic known until the first part of the XX century. From the spatial point of view (or geographic, as customarily called by Harvey), the situation is not different; one makes an option (guided by the immediacy of winning and, probably, unconscious of the deleterious long-term effects by the choice of this path) of looking to amplify the mass of income and profitability not by the incorporation of new frontiers of production expansion, but re-creating possibilities of earnings within the proper capitalist space. The decisive factors that take one to this decision were: a) State financing motivated by the high rates of remuneration of public debt titles; b) the opportunities to gain motivated by business associated with buying and selling, mergers, incorporating businesses and, principally, privatizations – most privileged capitalist spaces for the expansion and accumulation of great capital.⁴²

This movement of partial de-institutionalization of the State and the reduction of its production and intermediation capacity were reduced, especially, the management capacity with the consequence of disorganization of the social relations of production, realization, and distribution. With this, and with the reserve of fiscal resources to guarantee the income of the creditors, we are at once finishing the dismantling of the little that still remains of the programs that gave social coverage. All of this is taking us to a political fight of proportions, and of unknown results, as the political and social crisis of Greece and Spain attest to.

What is the alternative for overcoming the crisis and the transformation of the actual situation? Or, according to Lenin, *What to do?* Not considering the bizarre belief that capitalism can be ethical in its social relations (but preserving the present institutionalism), an expansion of wealth more symmetric among nations (including fully incorporating the space for the non-capitalists), accompanied of a vigorous program of distribution of income, it appears to be only possible by the management centralization of the social macro-processes.

This signifies saying that the task of establishing civilized patterns in the referred to social relations will fit the State, as occurred in the crisis and post-crisis 1929/1933 until 1970 – the most prosperous phase of capitalism in all history. How to proceed? We think it is possible through the exercise in the field of Administration – not just the Professional Administration, that is being practiced for more than a century and that developed extraordinary operational instruments that took it to its own imprisonment and to the alienation of the worker; but of Political Administration, capable of developing management forms (conception) more aligned to the interests of our civilization process than those that are being practiced presently, fountains of conflict and of cycles or structures of crisis.

Harvey (2011, p. 224) considers that the alternative should be found is another, and, so,

⁴⁰ Santos (2010, p. 18) expresses this same sentiment mentioning that the capital system “has an extraordinary capacity to produce material wealth associated to the other phase no less extraordinary of transforming part of humanity in something abject, negligible, and without possibility to access any portion of the produced wealth. This procedure has been so cowardly accepted as normal that our eye already appears to transform this excluded parcel of beings of a nature that they no longer belong to the human race.”

⁴¹ See Thomas Piketty (2014).

⁴² This fact of capital not creating earnings opportunities that open new spaces for the expansion of production in the periphery of capitalism explains, in good part, the opportunity that opens for China – that, as we said earlier, is more of a project of itself and not of European or United States capitalism.

[...] it is that the emergence of a global movement of co-religionists becomes critical, but only to deter the tide of self-destructive behavior of capitalism [...] but also the new reorganization and for us to begin to construct new forms of collective organizations, knowledge banks and mental concepts [...].

And, finally:

For as much as capital has furnished us with an abundance of means with which we approach the task of anti-capitalist transition, the capitalists and their lackeys will do all in their reach to avoid this type of transition, not worrying about how grave it can be. But the task of transition is with us, not with the plutocrats. (HARVEY, 2011, p. 224).

Whatever the transformation plan there are two possibilities for it, as:

- a) one by the way of revolutionary movements – that while there are rapid procedures in reaching the goals, historical balance ends as not advisable this way - at least we recommend caution in its adoption; and,
- b) another possibility, more in accordance with the established historical order, has been through “consensus” changes – however, the slowness in the appearance of the results is so irritating that it seems to suggest a rupture as the only alternative possible. (SANTOS, 2010, p. 5).

Even considering that the task of transformation is with us, before initiating it, for whatever alternative selected, we should ask the billions of human beings that live in deplorable material conditions if they are willing to fight and by which means.

Additionally, before we would know that the fight is ours, it is necessary to have consciousness of the fight; and, to have this consciousness it is necessary to have clarity that capitalism is a critical system by its nature: economic as well as morally. Even though, what happens, now, is a generalized crisis in its vital space: finances. It is with this that the social sciences have to lead, that they have to work, inclusive with the most hard and driven – and not tergiversate.

Considering the extraordinary advance of science and technology, the last two hundred and fifty years was an especially long time for whatever problems in relation to human materiality to be resolved !

REFERENCES

- ABRAÃO, B. S. (Org.). **História da filosofia**. São Paulo: Nova Cultural, 1999.
- ANDERSON, P. **Espectro**. São Paulo: Boitempo, 2012.
- BERNARDO, G. **O problema do realismo de Machado de Assis**. Rio de Janeiro: Rocco, 2011.
- ENGELS, F. **A origem da família, da propriedade privada e do Estado**. Rio de Janeiro: Vitória, s.d.
- GOMES, F. G. Ideologia e crise fiscal: uma interpretação crítica dos elementos básicos da reforma do Estado no período de ajustamento neoliberal brasileiro. **Revista Bahia Análise & Dados**, v. 19, n. 1, p. 15-34, 2009a.
- GOMES, F. G. Mobilidade do trabalho e controle social. **Revista de Sociologia e Política**, v. 17, n. 32, p. 33-49, 2009b.
- GONTIJO, C.; OLIVEIRA, F. A. **A crise da União Europeia (why pigs can't fly)**. Belo Horizonte: Corecon/AsseMG, 2012.
- HARVEY, D. **O enigma do capital e as crises do capitalismo**. São Paulo: Boitempo, 2011.
- HOBBSAWM, E. **A era dos extremos: o breve século XX**. São Paulo: Companhia das Letras, 1995.
- HOBBSAWM, E. **A era do capital**. São Paulo: Companhia das Letras, 2010.
- INTERNATIONAL LABOUR ORGANIZATION – ILO. World of Work Report. 2012. Disponível em: <<http://www.ilo.org/global/research/global-reports/world-of-work/lang--en/index.htm>>.
- KEYNES, J. M. **Teoria geral do emprego, do furo e do dinheiro: inflação e deflação**. São Paulo: Nova Cultural, 1983a.
- KEYNES, J. M. As possibilidades econômicas de nossos netos. In: SZMRECSÁNYI, T. (Org.). **Keynes (economia)**. São Paulo: Ática, 1983b. 150-159 p.
- KEYNES, J. M. O fim do “laissez-faire”. In: SZMRECSÁNYI, T. (Org.). **Keynes (economia)**. São Paulo: Ática, 1983c. 106-126 p.
- KEYNES, J. M. **As consequências econômicas da paz**. São Paulo: Imprensa Oficial do Estado, 2002.
- MALTHUS, T. R. **Princípios de economia política**. São Paulo: Nova Cultural, 1986. (Coleção Os Economistas).
- MARX, K. **O capital**. 2. ed. São Paulo: Abril Cultural, 1985. (Coleção Os Economistas).
- MARX, K. **Formações econômicas pré-capitalistas**. São Paulo: Paz e Terra, 2006.
- MÉSZÁROS, I. **Para além do capital**. São Paulo: Boitempo, 2002.
- MUSGRAVE, R.; MUSGRAVE, P. **Finanças públicas: teoria e prática**. Rio de Janeiro: Campus, 1986.
- PIKETTY, T. **O capital no século XXI**. Rio de Janeiro: Intrínseca, 2014.
- SANTOS, R. S. **A teoria das finanças públicas no contexto do capitalismo: uma conversa com os filósofos economistas – de Smith a Keynes**. São Paulo: Hucitec, 2001.
- SANTOS, R. S. Manifesto da administração política para o desenvolvimento do Brasil. **Revista Brasileira de Administração Política - REBAP**, v. 3, p. 11-40, 2010a.
- SANTOS, R. S. **Keynes e a proposta de administração política para o capitalismo: uma crítica aos pressupostos da externalidade do Estado e da crise fiscal**. São Paulo: Hucitec, 2010b.
- SCHUMPETER, J. **Historia del análisis económico**. Barcelona: Martinez Roca, 1996.
- VEBLEN, T. **Teoria de la classes ociosas**. 2. ed. México, DF: Fondo de Cultura Económica, 2005.

Reginaldo Souza Santos

Post-Doctor from the Superior Institute of Economy and Management (ISEG) at the Technical University of Lisbon (UTL); PhD in Economics at the State University of Campinas (UNICAMP); Professor titular at the Postgraduate Program in Administration at UFBA. E-mail: rsouza@ufba.br

Fábio Guedes Gomes

PhD in Administration at the Federal University of Bahia (UFBA); Associate Professor at the Faculty of Economics, Administration and Accounting of the Federal University of Alagoas (FEAC/UFAL). E-mail: fbgg30@yahoo.com.br

Thiago Chagas Silva Santos

PhD in Social Sciences at the Federal University of Bahia (UFBA); Associate Professor at the Federal Institute of Bahia (IFBA).
E-mail: thiago.santos@ifba.edu.br

Elizabeth Matos Ribeiro

PhD in Political Sciences and Administration at the Santiago de Compostela University – Spain (USC-ES); Associate Professor I of the Department of Finances and Public Policies of the School of Administration, Federal University of Bahia (EAUFBA). E-mail: ematos@ufba.br

Luiz Marques de Andrade Filho

MSc in Administration at the Federal University of Bahia (UFBA); Professor of the Bahiana Faculty of Law. E-mail: luizmaf@gmail.com