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A Look at Cooperative Federalism and Intergovernmental Relations in Brazil Based on the 1988 Federal Constitution

Abstract

Brazil is administratively organized under a federal system. For the population to be able to live under the social welfare state provided for in the 1988 Federal Constitution and have their social rights guaranteed, public policies and intergovernmental relations must function effectively. Even with many problems yet to be resolved and a persistently high level of inequality, we can say that the past three decades in Brazil have been a period of progress for the Brazilian population. Universal public health care and the gradual expansion of the right to education, first at the elementary level and then extending to all levels of basic education, are among the most frequently cited milestones. There are others. This text aims to bring all these developments together, as well as to interpret them and identify paths forward to address the challenges that still remain.

Keywords: Brazil; federalism; intergovernmental relations

Resumo

O Brasil está organizado administrativamente sob o regime federativo. Para que a população consiga viver sob o Estado de Bem-Estar Social previsto na Constituição Federal de 1988 e tenha seus direitos sociais garantidos, é preciso que as políticas públicas e as relações intergovernamentais funcionem. Mesmo com muitos problemas a resolver, e um grau de desigualdade persistentemente alto, podemos dizer que essas últimas três décadas no Brasil foram um período em que a população brasileira experimentou avanços. A saúde pública universalizada e o gradativo direito ao acesso à escolaridade, primeiro em nível fundamental, e depois alcançando toda a educação básica, são marcos entre os mais citados. Há outros. O texto tem como objetivo amarrar todos esses acontecimentos bem como interpretar e apontar caminhos para os desafios que ainda permanecem.

Palavras-chave: Brasil; federalismo; relações intergovernamentais

Introduction

The 1988 Federal Constitution (CF 1988) represented a milestone in the country's redemocratization, ensuring the full restoration of Brazilian federalism, along with the strengthening of subnational units and the underlying political process. In the formulation of public policies, the framers of the Constitution chose to prioritize the principle of concurrent jurisdiction: the federal government, states, and municipalities are responsible for providing social services and must act in a cooperative and coordinated manner (Arretche, 2000; C. Souza, 2006; Ismael, 2005).

In this sense, in Brazil, intergovernmental relations are fundamental to the advancement of the welfare state, to combating poverty, and to addressing social inequality.

The list of shared responsibilities would suggest that Brazilian federalism is more cooperative than competitive in nature. However, difficulties are observed in the exercise of intergovernmental cooperation, due to a process marked by political antagonisms and conflicts among federated entities, the presence of significant regional inequalities, and the absence of clear rules for institutionalizing partnership at the federal level (C. Souza, 2006; Ismael & Pereira, 2022).

The purpose of this article is to discuss and address the challenge of understanding the Brazilian federation through an analytical framework that resists the labels of "centralized" or "decentralized." This federation is characterized by the implementation of federal public policies that are imposed on subnational entities, although their approval depends on the National Congress. This federal arrangement is also characterized by limitations imposed on the legislative capacity of subnational entities with regard to the formulation of their own policies. These limitations stem both from the constitutional framework governing the powers of federal entities and from decisions of the Federal Supreme Court. This institutional aspect has influenced the analysis of Brazilian federalism by various authors, particularly in their recognition of the central role played by the Judiciary in the dynamics of federal centralism in Brazil (Macedo, 2018). Furthermore, few exclusive constitutional powers are allocated to states and municipalities. On the other hand, states and municipalities enjoy broad administrative autonomy, are responsible for implementing various national public policies, and have access to a share of public resources unprecedented in Brazilian constitutional history, especially in the case of municipalities (Souza, 2005). In other words, the institutional arrangement of Brazilian federalism operates with both centralizing and decentralizing tendencies, driven by different forces with diverse motivations that produce a wide variety of outcomes (Almeida, 2005).

Since our objective is to discuss the main characteristics of Brazilian federalism in the context of the country's redemocratization, particularly beginning in the 1990s, a period during which the 1988 Constitution was consolidated, we will begin our analysis with a brief examination of the implementation of the federalist model in Brazil. The focus will be on highlighting the main differences between this trajectory and that observed in the United States. Next, we will highlight that the dynamics of federalism changed with the end of the military dictatorship and the enactment of the 1988 Constitution, expanding the participation of subnational units in the decision-making process, while still preserving the central government's leading role. Mechanisms of a cooperative federal arrangement are present, but one cannot ignore the growing competition between Brazilian states and the centralizing power of the federal government. Furthermore, we will argue that, during the period under study, the lack of intergovernmental cooperation presented a persistent challenge to be resolved, with negative repercussions in social areas, such as basic education. Despite this, we will argue that the central government proved to be essential at specific moments, such as in the case of the implementation of sociology in high school. Finally, we will emphasize that social and economic inequalities among states and municipalities in Brazil remain profound, renewing the challenge of finding the most effective institutional pathways capable of reducing these disparities.

Historical Aspects of Brazilian Federalism

Many countries have adopted federalism as a model for state organization in the contemporary world, and Brazil is among them. The federalist model has spread throughout the world and demonstrated its ability to adapt to distinct realities. And, of course, it has stimulated theoretical and conceptual debate regarding its main characteristics, since no two federations are alike (Carvalho, 2016; ENAP, 2017).

Brazil has Iberian origins, like Peru, Argentina, and most Latin American countries; nevertheless, we take the U.S. federal model as our reference (Raposo, 2011). The nineteenth century was a period marked by significant constitutional and institutional changes in the country's political history. Initially, we adopted a unitary state and a monarchical regime, a model that prevailed after independence from Portugal, and later transitioned to a federal state and a presidential system, an institutional arrangement that emerged at the time of the Proclamation of the Republic and was enshrined in the 1891 Constitution.

One of the leading architects of Brazilian federalism was the jurist and politician Rui Barbosa. The movement toward federalism in Brazil was, in a sense, aimed at ensuring political and financial autonomy for the former provinces, subnational administrative units during the imperial period, with the intention of maintaining the country's political and territorial unity (Faoro, 2012). We moved away from the unitary system that existed during the imperial era, but we retained the idea of centralization in Brazilian political culture. The unitary state in colonial Brazil and later during the imperial period was a legacy of Portugal (Faoro, 2012).

Although Brazil took the American federalist model, adopted in the late 18th century, as its reference, Brazilian federalism would take on its own distinct characteristics, reflecting the historical, political, and cultural differences between the two countries (Ismael, 2005). A summary of the intellectual debate surrounding this issue should be highlighted. The first federal experiment in Brazil took place between 1891 and 1930. During this period, the member states of the federation gained political and financial autonomy as part of a classic decentralization movement. However, the process did not promote socioeconomic development or the implementation of high-quality public policies, serving instead the interests of state oligarchies. Beginning in the 1930s, with Getúlio Vargas's rise to national power, the idea of centralization would once again be vigorously supported, and federalism would be viewed with suspicion.

Sociologist Francisco Oliveira highlights two complementary perspectives on the characteristics of Brazilian society, which help explain the path that diverged from that of the United States, with Brazil adopting a more centralized federalist model (Oliveira, 1997). Francisco Oliveira notes that Oliveira Vianna, one of the leading intellectuals during the Vargas administration, believed that political decentralization would not succeed due to the lack of civic culture in subnational units, turning the country into a "republic of colonels", which indeed happened during the Old Republic (Faoro, 2012; Leal, 2012). Francisco Oliveira also states that Celso Furtado, another important figure in 20th-century social thought, advocated for cooperative federalism, with the central government playing the leading role in reducing social and economic inequalities among Brazilian regions and states. Although they took different paths, Oliveira Vianna and Celso Furtado both advocated for a more centralized form of federalism than that practiced in the United States.

Strictly speaking, one could say that the federalist model adopted in the United States reflects a particular political culture that already existed during the era of British rule (Tocqueville,

2014a, 2014b). The adoption of federalism in Brazil raises a central question: how was an institutional model conceived in a distinct historical context appropriated and adapted to the specific characteristics of Brazilian society? In fact, the implementation of the classic model of modern federalism in the Brazilian context required adaptations. Here, one observes a lack of civic culture at the local level, in the sense of low social participation, which ultimately hinders the implementation of a more decentralized political arrangement like the American one (Carvalho, 2016).

In addition to the American influence, given the cooperative conception of our 1988 Federal Constitution, we were also influenced by German federalism. The cooperative model of federalism emerged during the Bismarck era (1870) and was consolidated in the 1946 Constitution (Araujo, 2010). The idea was to free Germany from the traumatic experience of Nazism. The German model was established based on the principle of subsidiarity. This principle ensures that decision-making takes place as close to the citizen as possible (Berthier, 2016). The Union should act only when its action is more effective than action taken at the regional or local level, unless the matter falls within its exclusive jurisdiction. Furthermore, the postwar German Federal Constitution is guided by the principle of ensuring social homogeneity within the national territory, a decisive factor in Germany's reunification in the 1990s (Schultze, 1995).

Federal Dynamics in the Context of Redemocratization

The 1988 Federal Constitution introduced the novelty of strengthening the municipality as a third level of government, alongside the states and the federal government. Previously, municipalities were part of a state, a sort of state-level unit. Scholars refer to them as "mere administrative units without a political life of their own" (Leal, 2012, p. 255). With the country's redemocratization beginning in the 1980s, municipal elections were held in 1985 and 1988, which led to increased mobilization of mayors at the national level. Municipalities are the sphere closest to the population: people live in cities, and political citizenship begins at this territorial level. With the advancement of the decentralization process in Brazil, mayors and city council members can respond more quickly in terms of local solutions for their cities in areas such as basic sanitation, transportation, housing, and early childhood and elementary education, among others (Neves, 2000). We are a country of vast territorial dimensions with a majority of small and medium-sized cities, many of which lack sufficient tax revenue to finance the implementation of public policies, one of the essential items on the public agenda (Arretche, 2012; IBGE, 2019a).

The 1988 Constitution also expanded the responsibilities of the member states, for example in the areas of public safety, health, and education (for further details, see C. Souza, 2006, pp. 196–197), and established a more decentralized model of federal organization for the country. Historically, Brazilian federalism has followed a pendulum-like pattern, with alternating periods of centralization and decentralization (Carvalho, 2016). With the end of the military dictatorship, a period marked by strong centralization, the country returned to its federal structure and embraced the idea of strengthening subnational units (Arretche, 2012). Within the framework established by the 1988 Constitution, it is also possible to analyze Brazilian federalism through the cooperation-competition continuum, with the simultaneous presence of cooperative and competitive elements in the national federal system. On the one hand, there are constitutional transfers from the federal government to states, municipalities, and regions, which can be defined as mechanisms of vertical cooperation. On the other hand, as states gain greater leg-

islative autonomy in tax matters, competition among them to attract private investment gains momentum (Ismael, 2005).

The new institutional arrangement raised expectations regarding the decentralization process, with the aim of advancing toward democratic public administration and bringing governments closer to citizens. To this end, it sought to decentralize resources and decision-making authority to the subnational levels. The new legal framework was called by many the "Citizen's Constitution," as it sought to ensure a new social contract based on the universalization of citizens' rights, following nearly three decades of military dictatorship. From these new constitutional foundations, a decentralized and democratic federation would emerge, capable of addressing the social debt inherited from the authoritarian period. Arretche (2012) and Lessa (2001) argue that contrary to the expectations raised, 1988 was in fact yet another stage in the great movement toward state centralization that began in the 1930s, under the developmentalist state led by President Getúlio Vargas. The research agenda on Brazilian federalism has focused on the debate regarding the potential outcomes and consequences of a federation that centralizes decision-making on public policies, as mandated by the Constitution, but decentralizes their implementation.

It is important to note that developmentalism is an economic model based on an alliance between the state, business leaders, and workers for national development, with the primary goal of industrializing the country through high levels of public investment and the presence of state-owned enterprises in the economy. It is also worth noting that the connection between education and democracy is a recent one and was not previously recognized (Hochman, 2013). The central debate since the Vargas era, continuing through the military dictatorship, centered on development, but the prevailing view relegated the tackling of serious social problems to the background. Major national issues were expected to be linked to this overarching agenda: development, in other words, overcoming economic underdevelopment. Linking education, health, or the reduction of regional inequalities to the democratic experience was a novelty in the context of the 1988 Constitution. It was in this context that the recent federal design sought to grant greater autonomy to local governments in the implementation of public policies with the aim of increasing their effectiveness.

According to Arretche, for reasons linked to the trajectory of the developmentalist state in Brazil, the National Congress endowed the federal government with regulatory authority and spending capacity that allowed it (and continues to allow it) to decisively influence the agenda of subnational governments, despite the political, fiscal, and jurisdictional decentralization adopted under the 1988 Constitution. Expectations of greater decentralization did not materialize; on the contrary, they were gradually reversed: "In short, the 1988 Constitution did not produce political institutions that would weaken the central government in relation to subnational governments" (Arretche, 2012, pp. 69–70). Ismael (2013a) notes that, beginning in the second half of the 1990s, during the Fernando Henrique Cardoso administration, there was a reconcentration of tax revenues favoring the federal government, with the support of the National Congress. At that time, the primary alignment of state caucuses in both chambers of the National Congress was with the federal government, which explains many of the changes during that period, changes that were highly favorable to strengthening central power, particularly at the expense of state governments.

Arretche (2012) notes that, unlike other countries, we do not have politically relevant religious or ethnic divisions. However, one of the hallmarks of Brazilian federalism is the maintenance of a high degree of power concentrated in the federal government, with broad legislative and regulatory authority, and the fact that our federation comprises subnational units with profound socioeconomic inequalities. The author also states that Brazilians' distrust of local officials' commitment to citizens' rights is deeply entrenched in the national political imagination. There is a concern about leaving important decisions in the hands of local politicians. The concept of the nation, combined with these local distrusts, has firmly established in the public imagination the idea that the federal government is authorized to supervise and regulate subnational units.

According to Abrucio (1998), the tax decentralization approved in the 1988 Constitution was, in large part, the result of the strengthening of the governors elected in 1982. Furthermore, there was a loss of political support for the Sarney administration during the National Constituent Assembly held in 1987 and 1988. The difficulty in forming parliamentary majorities to support the federal government was one of the reasons for decentralization. It was a false impression that we had ushered in an unprecedented model of federalism. Years later, in 1995, the Fernando Henrique Cardoso administration managed to coordinate a coalition-based presidential system to recentralize tax revenues. To this day, governors protest this change that occurred in the mid-1990s, which made the states more dependent on resources from the federal government, especially those with less fiscal capacity. The Fernando Henrique Cardoso administration succeeded in coordinating an agenda that shaped Brazilian federalism as we know it today, taking advantage of the windows of opportunity left by the 1988 Constitution itself. And the National Congress voted in favor of fiscal recentralization, as lawmakers were more aligned with the central government than with the subnational units they represent (Arretche, 2012).

Scholars of the federalist model in the contemporary world point out that states serve as laboratories for public policy and experimentation, and it is significant that this is the case. In fact, states are valued within the federal system because they represent the setting where citizenship and democracy can be fully exercised, and also because it is believed that states more frequently provide the necessary means to implement public services in innovative ways, at low cost, and with greater effectiveness (Elazar, 1984). Nevertheless, the federal government still decides almost everything in Brazil. Arretche (2012) points out that implementing public policies and having a say in revenues and expenditures says little about autonomy in the decision-making process. The author cites several aspects that point in this direction. Ministries within the federal government have the authority to regulate and supervise the departments responsible for their respective portfolios at the state and municipal levels. Constitutional transfers made by the federal government to municipalities are the main source of revenue for the overwhelming majority of local governments. And even with this revenue, many of them depend on additional funds from the central government to ensure that social needs are met. In summary, Arretche (2012) asserts that, in Brazil, it is possible to combine the decentralized delivery of public services with the centralization of authority over the rules governing their delivery, which brings the Brazilian federalist model closer to centralized European federations.

Therefore, it is argued that Brazilian federalism can be understood as a model of cooperative federalism with centralized decision-making, in which the federal government concentrates legislative and regulatory powers, while states and municipalities are responsible for implementing a significant portion of public policies.

This line of reasoning suggests four premises: Premise 1: Brazil is constitutionally a federation. Premise 2: Subnational entities possess political and administrative autonomy. Premise 3: The federal government concentrates: legislation; financing; coordination; and the setting of national standards. Premise 4: Day-to-day implementation takes place in the states and municipalities. These premises support the conclusion that Brazilian federalism combines centralized decision-making with decentralized implementation. We must now empirically test this conclusion. But first, we need to discuss intergovernmental relations under Brazilian federalism.

Intergovernmental Relations and the Provision of Public Policies in Brazil

According to C. Souza (2006), with regard to concurrent powers, that is, those shared by the three levels of government, which are the primary drivers of intergovernmental relations, the framers of the 1988 Constitution made a clear choice in favor of the principle that responsibility for providing most public services, especially social services, is shared by all three levels. The extensive list of shared powers would suggest that Brazilian federalism is more cooperative in nature than dual or competitive. These powers are classified into two broad groups, substantive and legislative, each with their respective subdivisions. However, despite the large number of shared competences, in practice there is a significant gap between what the Constitution provides for and its implementation. The goal of cooperative federalism is far from being achieved for two main reasons: the first relates to the varying capacities of subnational governments to implement public policies, given the enormous existing inequalities in finances, human resources, and management. The second is the absence of constitutional or institutional mechanisms to regulate intergovernmental relations and foster cooperation, making the system highly competitive.

The same author further asserts that the logic governing the distribution of powers among the constituent entities of the federation is paradoxical. On the one hand, the framers decided to reduce federal financial resources relative to the other two levels of government, a situation that was relatively reversed beginning in the mid-1990s. On the other hand, the framers of the Constitution expanded the federal government's legislative and jurisdictional powers, while simultaneously broadening the range of shared powers without adopting more comprehensive mechanisms for intergovernmental relations.

C. Souza (2006) also states that overlapping powers are the primary drivers of intergovernmental relations. The same author clarifies that, since our federal system is highly competitive, conflicts between levels of government are resolved by the Federal Supreme Court. This assessment is similar to that of other researchers who highlight the role of the judiciary in Brazilian centralism (Macedo, 2018). With regard to education, conflicts between different branches of government within subnational units or disagreements among different State Boards of Education, for example, are also resolved at the federal level, specifically by the National Education Council/Chamber of Basic Education (Cury, 2010).

The 1988 Constitution expanded the states' authority to enact laws granting tax incentives, thereby influencing the establishment of private companies within the country. This possibility was exploited by several governors and created a competitive environment known as the "tax war" (Ismael, 2005). For example, if an automobile manufacturer, part of a large foreign multinational, announces its intention to establish a plant in Brazil, this causes interested Brazilian states to compete with one another to secure that factory for one of their cities. This dynamic

was particularly strong in Brazil during the 1990s and thereafter. Setting limits on competition among Brazilian states requires tax reform in the National Congress, which should aim to promote federal balance (Rezende, 2012).

The Brazilian federal experience since the 1990s has been marked by the predominance of a competitive-cooperative federalism, which originates in the national Constitution and is fueled by the political process itself involving the Union and the states of the federation. There is a simultaneous presence of vertical cooperation, resulting from constitutional transfers from the federal government to the states, municipalities, and regions, and horizontal competition, as in the aforementioned "fiscal war" among the states. This dynamic often transforms federal entities into economic actors, fueling conflicts and tensions among them (Varsano, 1997). It is perhaps no exaggeration to say that, beginning in the 1990s, the federal government progressively assumed a role more focused on integrating the country into the international economy than on reducing regional inequalities. In other words, "the great pressure is to integrate the country into the international community with greater urgency than the country integrates itself" (Camargo, 1999, p. 46). The drive to establish external ties has become a priority, to some extent postponing any discussion of changes to and the strengthening of federal policies aimed at reducing regional inequalities.

Objectively speaking, the concentration of power at the federal level is very high in Brazil. The federal government wields considerable political influence, and this fact has concrete and observable manifestations. The National Congress has extensive legislative prerogatives, significant regulatory capacity, and substantial control over the allocation of resources (Arretche, 2012; Ismael, 2005). The National Congress centralizes nearly all decision-making and wields considerable power over state legislature. The federal government's economic policy has a significant impact on the economic growth of the states. Furthermore, great importance is attributed to the President of the Republic in Brazilian political culture. Some describe the presidential system here as "imperial presidentialism," and the federation is structured based on this political legacy (Fernandes, 1988). And for good reasons. The President of the Republic wields significant decision-making power over tax collection and also has the authority to appoint top executives at state-owned companies and public banks that play a significant economic role in Brazil, such as Petrobras, Banco do Brasil, and the National Bank for Economic and Social Development, among others.

Arretche (2012) asserts that one of the major dilemmas facing modern democratic states concerns the authority of the central government and, by extension, the rights of subnational governments. This relates to the debate over the system of checks and balances in the federalist model (Hamilton et al., 2011). The Brazilian federal system combines broad legislative authority for the federal government with limited institutional opportunities for subnational governments to exercise a veto. On the other hand, still regarding institutional controls, it is worth highlighting the role of the Public Prosecutor's Office and the Courts of Auditors, which oversee public spending by the federal government, states, and municipalities.

An analysis of the relationship between the federal government and the National Congress beginning in the 1990s indicates that legislative caucuses remained loyal to the interests of the federal government during the administrations of Fernando Henrique Cardoso (1995–2002) and Luiz Inácio Lula da Silva (2003–2010), reflecting the strength of the incumbent president (Cheibub & Limongi, 2007). Arretche (2012) notes that in a democratic setting, it is more diffi-

cult for the federal government to convince other levels of government that it should concentrate resources. In Brazil, however, this did occur, largely because the 1988 Constitution left open the possibility of concentrating tax revenues at the federal level. We will now discuss the impacts of these specific characteristics of the Brazilian federation and empirically test the hypothesis of centralized federalism that recent literature has addressed.

Centralization versus Decentralization: The Case of Implementing Sociology in High School

One of the major questions regarding Brazilian federalism is why some national social policies are implemented by subnational units while others are not. The answer, as many studies have shown, lies in the federal government's ability to design policies with incentives strong enough to encourage federated entities to participate. Policies that lacked such incentives failed to gain the support of subnational governments (Souza, 2010). In other words, one of the defining characteristics of Brazilian federalism is precisely its centralizing nature in decision-making and, paradoxically, its decentralizing nature in implementation. Therefore, within this institutional framework, the role of rules and incentives for subnational governments' participation is even more critical.

The case of sociology in high school illustrates this dynamic. While its presence in the state school system was based on administrative regulations and exhibited a low degree of institutionalization, the enactment of Law No. 11,684/2008 altered this scenario by making the offering of the subject mandatory throughout the country. Following the establishment of this policy at the federal level, Sociology began to enjoy greater institutional support, reflected, among other aspects, in the inclusion of specific textbooks in the National Textbook Program (PNLD), participation in federal teacher-training programs such as the Institutional Program for Teaching Initiation Scholarships (PIBID), and, subsequently, in the creation of the National Network Professional Master's Program in Sociology (PROFSOCIO). For the period between 2008 and 2018, the centralization of decision-making regarding the mandatory nature of the subject was associated with the strengthening of its institutionalization within the Brazilian educational system. This finding aligns with the literature on federalism, which examines, across various areas of public policy, the effects of decision-making centralization by the federal government and the decentralization of implementation to states and municipalities. In the case of Sociology in high school, the evidence suggests that establishing its mandatory status at the federal level contributed to expanding the subject's normative and institutional support.

In total, this study identified five types of incentives that the federal government can use to implement public policies at the national level.

Financial incentives

The federal government makes the transfer of funds contingent on meeting certain requirements, such as: the creation of management councils; the development of municipal plans; the establishment of specific funds; the provision of data to national information systems; the achievement of targets; and accountability.

Municipalities comply because the cost of non-compliance means losing federal funds. Literature asserts that, although implementation is decentralized, decision-making power remains

largely concentrated in the federal government, precisely because it controls a large portion of the funding.

Regulatory Incentives

The federal government establishes national standards that reduce the discretion of subnational governments. This can occur through: laws; decrees; administrative orders; national guidelines; curriculum standards; and operational standards.

Technical incentives

The federal government provides administrative capacity to local governments. For example, it offers: computerized systems; training for managers; technical assistance; the production of indicators; and the development of manuals.

This aspect tends to receive less attention, but it is very important for small municipalities.

Political incentives

Participation yields political benefits. Mayors and governors gain: resources; visibility; public works; and expanded services. Furthermore, not participating can result in electoral costs.

National monitoring systems and coordination by the federal government

Coordination does not end with the transfer of funds. The federal government establishes permanent monitoring mechanisms, such as: indicators; audits; evaluations; accountability; and information systems. But how does federal coordination take place?

The literature generally states that it occurs through federal coordination. This involves several mechanisms simultaneously. The federal government: defines national objectives; establishes minimum standards; creates implementation rules; funds a significant portion of the policy; monitors results; and negotiates continuously with states and municipalities. In other words, implementation is decentralized, but policy formulation, regulation, and a large portion of the funding remain centralized.

The Case of Sociology in High School

In 2008, the federal government did more than just pass a law (No. 11,684/2008). It created the conditions for its implementation through various mechanisms. For example: making the subject mandatory nationwide; developing curriculum guidelines; including sociology in the National Book Program (PNLD); strengthening teacher training through the PIBID program; subsequently, creating the PROFSOCIO program; and including the subject in national assessments and curricula.

These instruments significantly increased the states' capacity to implement educational policy.

In other words, the federal government's capacity for coordination stems from a combination of regulatory authority, financial capacity, incentive mechanisms, and permanent monitoring and evaluation tools. It is this combination that makes the relatively uniform implementation of national policies possible in a federation that is highly decentralized from an administrative standpoint.

Law No. 11,684/2008 is not a typical example of a policy based primarily on financial incentives, as is the case with the SUS (Sistema Único de Saúde, or Unified Health System), the SUAS (Sistema Único de Assistência Social, or Unified Social Assistance System), or Fundeb (Fundo de Manutenção e Desenvolvimento da Educação Básica e de Valorização dos Profissionais da Educação, or Fund for the Maintenance and Development of Basic Education and Appreciation of the Teaching Profession). It illustrates, above all, the combination of regulatory coordination, institutional support, and, to a lesser extent, technical and financial incentives.

Prior to 2008, there was relative decentralization and little coordination among the federated entities. The offering of Sociology depended largely on the decisions of state education systems. This meant that: some states included the subject; others removed it; there was significant curricular instability; and the subject had a low degree of institutionalization.

In terms of federalism, the federal government did not exercise a sufficiently strong coordinating role to ensure uniform implementation. With the passage of Law No. 11,684/2008, the decision ceased to be predominantly a state matter and became a national one. The federal government established a mandatory standard for the entire country. This is the first instrument of coordination: normative coordination. From that point on, states and municipalities no longer decide whether or not to offer the subject. Mandatory status now stems from federal legislation.

However, the coordination of public policy among different levels of government is not limited to the law. The mere existence of a law would hardly be sufficient to consolidate the subject. The federal government began to mobilize various complementary instruments. For example: inclusion of the subject in the National Textbook Program (PNLD); funding for teacher training through the PIBID program; subsequently, the creation of PROFSOCIO; development of national curriculum guidelines; and incorporation of the subject into national curriculum documents. These mechanisms significantly reduced implementation costs for the states.

Therefore, in the case of sociology in high school, the incentives were not primarily conditional transfers of funds to encourage states to participate. The states did not participate voluntarily. They began to comply with a legal requirement. The incentives worked in a different way. It can be said that the federal government created the conditions for implementation to take place. These conditions involved normative incentives, national mandatory requirements and curriculum standards, technical incentives, teacher training, production of materials, and pedagogical guidelines, as well as indirect financial incentives, funding for the PIBID program, free distribution of textbooks, and funding for training programs. These mechanisms reduced the administrative and financial costs faced by the states.

The case of Sociology demonstrates that, in certain public policies, the federal government's capacity for coordination does not stem solely from direct funding of subnational governments. It results from a combination of regulatory authority, financial support, and technical assistance, creating conditions for national policies to be implemented in a relatively uniform manner by state education system.

As a result, the process of institutionalizing Sociology in high school vividly illustrates the federal government's capacity for coordination within the Brazilian federal system. Prior to Law No. 11,684/2008, the inclusion of the subject depended largely on the decisions of state education systems, which led to significant curricular heterogeneity and instability. The mandatory requirement established at the federal level changed this situation by standardizing the decision regarding its offering throughout the national territory. However, federal coordination was not

limited to the enactment of the legal provision. The federal government mobilized a set of instruments designed to facilitate its implementation, including the production and distribution of textbooks, teacher training programs such as PIBID, the creation of PROFSOCIO, and the development of national curriculum guidelines. These mechanisms reduced the implementation costs faced by the states and expanded their administrative capacity to carry out the policy. From this perspective, the strengthening of Sociology between 2008 and 2018 serves as an example of how the combination of regulatory coordination, technical support, and financial incentives can facilitate the relatively uniform implementation of a national public policy in a federation characterized by administrative decentralization.

Brazil, a continental country with territorial inequalities

Social inequality, in its various forms (racial, gender, class, territorial, age, or income inequality in the labor market), represents one of the greatest challenges facing democratic societies at the beginning of the 21st century (Scalon, 2004). Brazil is no exception, with a history marked by social, economic, and political processes that have produced and perpetuated inequality among families and individuals. According to the Human Development Report 2021/2022, prepared by the United Nations Development Program, Brazil's Gini index was close to 0.50, the highest in South America (UNDP, 2022).

When the analysis focuses on the territorial dimension, it becomes clear that Brazil is an example of an asymmetric federation. The country has 5,568 municipalities (IBGE, 2023). There is, however, a long-standing spatial concentration of economic activity. Consequently, some localities have few economic activities and, as a result, a low capacity to collect taxes and no financial autonomy, which compromises the implementation of public policies. Most of their revenue comes from mandatory constitutional transfers from the federal government, and even so, meeting the population's needs depends on the federal government's social programs.

National statistics on the distribution of municipalities according to their share of Brazil's GDP indicate that, in 2020, the group of the most developed localities, comprising 425 municipalities, accounted for 75% of GDP (IBGE, 2022). It can be said that in this group of cities we find the best opportunities for employment and social mobility, the highest-quality public education and health services, recreational areas equipped with adequate infrastructure, and so on. This does not mean they are without problems; urban violence is worth mentioning. But few doubt the strong appeal of these municipalities, so the phenomenon of internal migration is a common response to territorial inequalities in the country.

Horizontal cooperation between Brazilian states and municipalities is also rarely practiced. There are good examples of intergovernmental consortia in some areas, particularly in urban settings, but they fall far short of their potential. At the municipal level, cooperation could help solve common problems, optimize available resources, and promote the professional development of human resources (Dieguez, 2011). At the state level, it is still difficult for governors to work together to find solutions. This rarely happens. In general, meetings take place between states and the federal government as part of the process of competing for resources concentrated in the central government. This is one reason, though not the only one, why states do not discuss solutions to common problems without the federal government. The state of Rio de Janeiro, for example, faces a serious and well-known problem in the area of public safety. Neighboring

states in Brazil's Southeast region (São Paulo, Minas Gerais, and Espírito Santo) could devise coordinated strategies, but this does not happen.

Given the significant federal asymmetries and the low financial autonomy of many subnational entities, it is common to see subnational units seeking to establish partnerships with the central government. Even more developed states do not shy away from entering this federal competition, as they recognize the importance of federal resources for infrastructure projects and improvements in social services. The distribution of tax revenues in 2007, after constitutional transfers, was as follows: 53.41% went to the federal government, 26.94% to the states, and 19.58% to the municipalities. This result takes into account the recentralization approved by the National Congress in the mid-1990s, which resulted in gains for the federal government and greater losses for the states (Ismael, 2013). Assuming that the federal government holds approximately 53% of the national tax revenue, this means it has substantial resources to distribute across the country, which translates into enormous political power, encouraging governors and mayors to engage with the federal government as negotiators (Mazzini, 2021).

According to P. H. G. F. Souza (2018), territorial inequality in Brazil exists across all dimensions, to a greater or lesser extent. There are significant differences between regions, within regions, within states, and even within the same city. The author asserts that it is difficult to speak of reducing inequalities in such a scenario. And there is no sign that this will be resolved. Data from 2019 show that per capita income in the Northeast is half that of the Southeast (IBGE, 2019b). Given this scenario, with a region having half the country's per capita income and facing greater difficulty in attracting private investment capital, how can we even consider increasing decentralization in a way that allows states and municipalities to implement their public policies using their own tax revenue? Is it possible? Is it desirable? Would it be fair? In other words, this type of decentralization, in a country like Brazil, would pose major obstacles to the expansion of political, civil, and social rights.

Arretche (2012) asserts that there is little fiscal space for states to govern themselves, and that each state's specific situation is a determining factor. Among the states of the Northeast, budgetary constraints are more severe. In Brazil, an agenda for the future must include combating regional inequalities. Other dimensions of inequality, such as income, gender, and race, rightfully have a place in public debate, but regional inequalities must also be placed on the agenda.

For Celso Furtado, the challenge was to integrate the Northeast into the national industrialization process. Oliveira (2008) noted that until the early 20th century, Brazil was a vast archipelago made up of various regional "islands"; there was no integration. Furtado made a major contribution to the emergence of cooperative federalism in Brazil during the 1940s and 1950s. He understood that the process of industrialization and economic modernization did not encompass the entire country, and that a specific strategy was needed for the economy of the Northeast. In this regard, he advocated for cooperative federalism, in which one of the federal government's roles was to cooperate with less developed states and municipalities, thereby reducing regional inequalities. The assumption that the federal government should play a greater leading role, without this being problematic, highlights a central aspect of the differences between Brazilian and U.S. federalism (Ismael, 2005).

Arretche (2012), like Furtado, also believes that Brazil's significant regional inequalities were and remain one of the main drivers behind the adoption of federalism. The author argues that,

throughout the 20th century, the Brazilian federation became highly integrated, even though each level of government possesses its own political authority. The process of building the national state operated toward the centralization of political authority. It is true that ethnic or religious divisions hold no significant political weight; however, the divide between poor and rich constituent units lies at the root of the choice for a state design that allows for "maintaining the Union" and avoiding the disruptive risks associated with a majority-rule system. Ensuring a balance in the representation of rich and poor jurisdictions has historically been a central component of the design of Brazilian political institutions.

Furtado (2009) did not view the Northeast in isolation, but as part of a national development project. He argued that it was necessary to envision the federation as a win-win game; some may win more than others, but everyone must win. And industrialization was the way to unite the country and redefine its place in the international division of labor. His ideas went far beyond combating poverty in the Northeast. The 1964 military coup put an end to this project to reformulate the federal pact, at least for the time being.

J. Castro (2012) describes our development as "superficial progress" and asserts that, behind the facade of progress, unproductive large estates, the system of slave-based plantations, backwardness, ignorance, extreme poverty, and hunger persisted. He makes it clear that the country's development projects did not aim to improve the population's food conditions and left most of the population starving. Furthermore, he argues that the philosophy of Brazilian development in recent years was conceived around the idea of further developing what was already developed, rather than integrating its two marginal regions, the Northeast and the Amazon, into the national economic system.

Shared federal responsibilities: the example of education

The National Congress has not established regulations for federal coordination involving the federal government, states, and municipalities in the area of basic education. The concept of basic education in Brazil comprises three stages: early childhood education, elementary school, and high school. This undermines the choice of cooperative federalism based on the principle of reciprocal collaboration. Because of this omission, it becomes possible to interpret intergovernmental cooperation, in order for it to occur, as a voluntary association among federated entities, something reduced to what it could (and should) be.

Cassini and Nascimento, exploring the complexities of Brazilian federalism, in which distinct administrative bodies must cooperate and collaborate to provide shared public services, ask: "But how can shared responsibilities be carried out if the Constitution establishes that each federated entity must provide public services separately?" (Cassini & Nascimento, 2018, p. 43).

The evidence examined throughout this study supports the hypothesis that Brazilian federalism combines centralized decision-making, decentralized implementation, and federative cooperation. The case of the institutionalization of sociology in high school illustrates this arrangement by demonstrating that national public policies tend to achieve a higher degree of implementation when the federal government exercises functions of normative coordination, financing, monitoring, and technical support for subnational entities. Decentralized implementation, in and of itself, does not ensure the uniformity of public policies; this depends on the federal government's ability to secure the adherence of subnational governments and coordinate their execution through various institutional instruments.

From this perspective, cooperation among levels of government does not eliminate the asymmetry of decision-making power characteristic of Brazilian federalism. On the contrary, it constitutes precisely the mechanism through which the federal government coordinates the decentralized execution of national policies, while simultaneously preserving the administrative autonomy of subnational entities and the capacity to define national objectives.

The literature characterizes Brazilian federalism as cooperative (Abrucio; Souza) and, at the same time, highlights the preservation of broad decision-making authority by the federal government (Arretche). Based on these elements, we propose interpreting the Brazilian case as a model of cooperative federalism with centralized decision-making, in which the cooperation among federal entities occurs under the Union's normative, financial, regulatory, and technical coordination. This formulation seeks to synthesize two characteristics that are often analyzed separately in the literature: the federal government's strong capacity for coordination and the decentralization of public policy implementation by state and municipal governments.

Final Considerations

The 1988 Constitution (CF 1988) adopted the concept of cooperative federalism in Brazil, recognizing that addressing social inequality is a central issue in redemocratization, and that social and economic disparities among subnational units weaken the federation and hinder the universalization of social rights throughout the country. The federal government must play a leading role in the federalist model to support localities where there is very little economic activity and a lack of their own resources to finance public services, even taking into account the mandatory transfers established by the 1988 Constitution. Furthermore, the central government must exercise federal coordination in areas critical to meeting social needs and establish a corresponding national evaluation system to assess the results achieved.

No one doubts the importance of the federal government in a country marked by regional inequalities. But state and municipal governments need to function effectively, addressing realities they know well, mobilizing a qualified bureaucracy, and interacting with the population to set priorities. Decentralization has faced historical challenges, and it cannot yet be said that these have been completely overcome. It is a goal to be achieved, for the sake of better public policy design, spending efficiency, and social participation. However, the exercise of shared powers by federated entities remains a problem to be resolved within the federal pact. This requires willingness to engage in dialogue rather than political confrontation; institutional development rather than voluntarism and improvisation; and a commitment to the public interest rather than personal agendas.

The decentralization process must also address legislative activity, which is currently heavily concentrated in the National Congress. State Legislative Assemblies and City Councils are often prevented from legislating, even when the bills address issues raised at the state or local level and reflect the diversity among the member states of the federation. This ultimately reduces the legislative bodies to a lesser role than they could play and discourages civic participation.

The cooperative federalism outlined in the 1988 Constitution still needs to be refined at the institutional level and in terms of political culture, because subnational entities often reject cooperative dynamic among themselves. In the area of basic education, for example, given that public services are provided by different levels of government, educational policies are becoming increasingly individualized, leading to disparities in the quality of education among states

and even among municipalities within the same state. This situation must be addressed, and the solution lies in intergovernmental cooperation. On the other hand, the competitive environment that has prevailed since 1990 among Brazilian states can only be mitigated through the passage of tax reform in the National Congress. Ultimately, if we seek a country with greater equality in access to social services and the creation of employment opportunities across all regions, incentives for cooperation are indispensable, and limits on federal competition are necessary.

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