

Universidade de São Paulo
Faculdade de Filosofia, Letras e Ciências Humanas
Universidade de São Paulo

Stefanie Tomé Schmitt

**RELAÇÕES EMPRESARIADO-ESTADO NOS GOVERNOS PT:
POLÍTICA PARTICIPATIVA NO BRASIL**

(**BUSINESS-STATE RELATIONS UNDER PT GOVERNMENTS:
PARTICIPATORY POLICY-MAKING IN BRAZIL**)

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BUSINESS-STATE RELATIONS UNDER PT GOVERNMENTS:
PARTICIPATORY POLICY-MAKING IN BRAZIL

Original Version

Stefanie Tomé Schmitt

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ABSTRACT *The thesis addresses the impacts of participatory policy-making on business political action during the Partido dos Trabalhadores (PT) – Workers Party, Governments in Brazil. Its focus relies on the mechanisms of participation, known in Portuguese as ‘órgãos colegiados’ – collegiate bodies, joined by the peak sectoral corporatist business associations of agriculture, commerce, industry and financial services. Research depicts the rule configuration of 125 collegiate bodies operational at the federal level and traces the policy process in three cases, in which business was empowered to influence policy outcomes. In-depth analysis explores deliberative moments, assessing the extent that collective deliberations included and engaged business in policy-making, formalizing business political action. Whereas business was overrepresented in 65% of the collegiate bodies with information about membership, engendering a more formalized pattern of business politics relied not only on choices of institutional design that promoted business inclusiveness in participatory policy-making, but also on the levels of commitment building achieved by business and government representatives within mechanisms of participation and in related policy networks. Even though collegiate bodies increased the organization of the policy process, they formalized business political action to the extent that business perceived them as political activities that could generate greatest returns. As such, apart from institutional choices, formalization depended on the capabilities within the political system, and the preferences arising from them, that compounded the informational sets of business and government representatives and influenced their actions regarding participatory policy-making between 2003 and 2016.*

KEYWORDS *Brazil; business-state relations; participatory policy-making; mechanisms of participation; policy networks.*

RESUMO A tese aborda os impactos da política participativa sobre a ação política do empresariado durante os Governos do Partido dos Trabalhadores (PT) no Brasil. Seu foco recai sobre os mecanismos de participação, conhecidos como ‘órgãos colegiados’, que contaram com participação das confederações patronais da agricultura, comércio, indústria e sistema financeiro. A pesquisa descreve a configuração das regras em 125 órgãos colegiados em funcionamento no nível federal e rastreia o processo político em três casos, nos quais o empresariado detinha poderes para influenciar os resultados de políticas públicas. A análise detalhada explora momentos deliberativos, aferindo o quanto deliberações coletivas incluíram e engajaram o empresariado na definição de políticas públicas, formalizando a ação política empresarial. Enquanto o empresariado apareceu sobrerepresentado em 65% dos órgãos colegiados com informação sobre membros, engendar um padrão mais formalizado de política empresarial dependeu não somente de escolhas de desenho institucional que promoveram a inclusividade do empresariado na política participativa, mas também dos níveis de construção de comprometimento atingidos por representantes empresariais e governamentais tanto nos mecanismos de participação, quanto nas redes de políticas relacionadas. Mesmo que os órgãos colegiados tenham aumentado a organização do processo político, eles formalizaram a ação política empresarial na medida em que empresários os perceberam como atividades políticas com o potencial de gerar grandes resultados. Como tal, para além de escolhas institucionais, a formalização dependeu de capacidades no sistema político, e das preferências decorrentes delas, as quais compuseram os conjuntos informacionais de representantes empresariais e do governo e influenciaram suas ações em relação à política participativa entre 2003 e 2016.

PALAVRAS-CHAVE Brasil; relações empresariado-estado; política participativa; mecanismos de participação; redes de políticas.

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1. INTRODUCTION

During Luiz Inácio Lula da Silva and Dilma Rousseff Governments (2003-2016), non-electoral and extra-parliamentary political participation grew significantly in Brazil. The Federal Executive made use of an increasing number of mechanisms of participation (Fung, 2006; 2009), known in Portuguese as *órgãos colegiados* – collegiate bodies, for democratizing policy-making. Under the political sociology perspective, direct participation was not only praised, but it was also an outcome of the 1988 Constitution, as well as of the *Partido dos Trabalhadores (PT)* – Workers Party, previous experience in local governments. Collegiate bodies promoted inclusion in the policy process, encouraging the participation of excluded social groups, besides members of the establishment, such as business (Pires, 2011). Along similar lines, the political economy perspective approached public-private collaborations in the form of councils and other similar institutional arrangements as industrial policy (Rodrik, 2004). Under the new developmentalism (Bresser-Pereira and Diniz, 2009; Bresser-Pereira, 2011; Schneider, 2015), the goal of formalized business politics (Schneider, 2009; 2010) was to uncover obstacles to better economic performance. In Brazil, its revival came along with a pluralization of group activity (Gozetto and Thomas, 2014; Doctor, 2017). Collegiate bodies became more open and, though business continued overrepresented, labour started to join the work (Doctor, 2007b; Boschi, 2011; Araujo, 2015).

This thesis combines the political sociology and political economy perspectives while analyzing business-state relations under PT Governments in Brazil. Its focus relies on the collegiate bodies joined by peak sectoral corporatist business associations between 2003 and 2016. The term collegiate body refers to councils, committees, commissions, chambers, working groups, forums, and other spaces used for non-electoral and extra-parliamentary political participation operating within the Brazilian Federal Executive during PT Governments. These multiple denominations stem from usage within different parts and levels of the government, as well as from the moment of the establishment of these mechanisms of participation. Even though the *Secretaria-Geral da Presidência da República* – General Secretariat of the Presidency, considered national councils to be at a

superior level¹, and the *Política Nacional de Participação Social (PNPS)* – National Policy of Social Participation², defined a council of public policy as “a permanent thematic collegiate body, created by a normative act, [set for] the dialogue between civil society and government, [used for] promoting participation in the decision-making process and in the management of public policies”³, other mechanisms of participation served for the same purpose during PT Governments. The *Comissão Nacional de Erradicação do Trabalho Infantil (CONAETI)* – National Commission for the Eradication of Child Labour, for example, not only had broader goals than other commissions of public policies⁴, but also functioned at superior level⁵. Thus, the mechanisms of participation under investigation are taken all together as collegiate bodies, which also follows the way business and government referred to them between 2003 and 2016⁶.

The investigation, however, does not take in consideration all the collegiate bodies functioning during the period of interest. First, their total number seems to be unclear. In 2011, the *Instituto de Estudos Socioeconômicos (INESC)* – Institute for Socioeconomic Studies, identified 59 councils. In 2013, the General Secretariat of the Presidency, in partnership with the *Instituto de Pesquisa Econômica Aplicada (IPEA)* – Institute for Applied Economic Research, listed 40 councils, also including some commissions on the list⁷. Though both samples focused on the same type of collegiate body⁸, it was not possible to identify a common reason for the selection of the councils and commissions considered, nor a justification for the variance between totals. Let it go, numbers were not as odd as in

¹ They were advisory bodies to the Presidency of the Republic (Secretaria-Geral da Presidência da República, 2010).

² See Decree No 8,243, 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

³ Free Translation, Art 2, II, Decree No 8,243, of 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto1/D8243impressao.htm.

⁴ PNPS defined a commission as “a thematic collegiate body, instituted by normative act, created for the dialogue between civil society and government on a precise goal, operational until purposes fulfilment”. Free translation. See Art 2, III, Decree No 8,243, of 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

⁵ See IPEA (2010) [In Portuguese] [Online]. Available: http://www.ipea.gov.br/participacao/images/pdfs/relatoriosconselhos/120911_relatorio_conaeti.pdf.

⁶ According to the interviews pursued during research.

⁷ Both samples included commissions. See Polis-Inesc (2011); and Guia dos Conselhos Nacionais [Online]. Available: <http://www.polis.org.br/uploads/1262/1262.pdf> and http://www.ipea.gov.br/participacao/images/pdfs/participacao/guiaconselhosnacionais2013_abril_web.pdf.

⁸ Based on the categorization provided in Art. 2, Decree No 8,243, 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

comparison to the figure that came out in 2019. According to the Chief of Staff of President Jair Bolsonaro, Minister Onyx Lorenzoni, there were 700 collegiate bodies operational during PT Governments. The list was not accessed, but it is known that the number was an outcome of a comprehensive survey within the Federal Executive. Ministries had to inform *Casa Civil* – the Office of the Chief of Staff, all operational mechanisms of participation under their umbrellas, as non-effective collegiate bodies would be extinguished⁹. Even though previous samples contemplated only councils and commissions, and this later one may have included more types of mechanisms of participation¹⁰, there may have been additional differences among them. Considering, as well, that there was not an explosion in the establishment of collegiate bodies under Michel Temer (2016-2018), the last list may cover non-permanent¹¹ and subsidiary¹² collegiate bodies too. Research, in turn, covers only permanent mechanisms of participation¹³. And, in view of the mentioned disparities, these lists are used only as a reference.

Second, while the focus of the investigation is business-state relations, the fact that peak sectoral corporatist business associations traditionally joined collegiate bodies addressing industrial and development policy (Diniz and Boschi, 2007; Doctor, 2007b; Bresser-Pereira and Diniz, 2009; Araujo, 2015), represented a venue for identifying the mechanisms of participation of interest. In legal terms, the *Consolidação das Leis do Trabalho* (CLT) – Brazilian Labour Law (1943), recognizes peak sectoral corporatist business associations as employer confederations of superior level, what makes them responsible for representing economic sectors at the federal level, in front of authorities and other members of the civil society¹⁴. That included taking part in corporatist collegiate

⁹ See O Globo, Governo Bolsonaro quer extinção de conselhos sociais criados por Dilma [In Portuguese] [Online]. Available: <https://oglobo.globo.com/brasil/governo-bolsonaro-quere-extincao-de-conselhos-sociais-criados-por-dilma-23591925>.

¹⁰ Such as committees, working groups, chambers and forums.

¹¹ Not created by law or decree, as permanent collegiate bodies. Besides laws, the Executive used two kinds of decrees to establish collegiate bodies. The first kind was the ministerial or inter-ministerial decrees, which served to regulate laws. The second was administrative acts named portarias. They also regulate laws, but they were more specific, as they served for organizing the Administration. Throughout the thesis, all are treated as decrees.

¹² Created under the umbrella of a broader mechanism of participation with a specific purpose.

¹³ Permanent collegiate bodies were part of the Federal Executive, being established by law or decree. Considering other collegiate bodies, the number increases to 273.

¹⁴ See CLT (1943) [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm.

bodies, which were tripartite mechanisms of participation¹⁵. During PT Governments, even though collegiate bodies may have assumed a more open form (Boschi, 2010), peak sectoral corporatist business associations continued to be legitimate representatives of business interests. Thus, the collegiate bodies studied in this thesis are the ones joined by the following peak sectoral corporatist business associations:

- *Confederação Nacional da Agricultura (CNA)* – National Confederation of Agriculture;
- *Confederação Nacional do Comércio de Bens, Serviços e Turismo (CNC)* – National Confederation of Trade in Goods, Services and Tourism;
- *Confederação Nacional da Indústria (CNI)* – National Confederation of Industry; and
- *Confederação Nacional das Instituições Financeiras* and *Confederação Nacional do Sistema Financeiro (CNF/CONSIF)* – National Confederation of Financial Institutions and National Confederation of the Financial Service¹⁶.

These peak sectoral corporatist business associations represented the interests of the agricultural, commerce, industrial and financial sectors at the federal level. Together, they encompassed all classic economic sectors, being representative of Brazilian business.

Data collected with them reveals that the number of permanent collegiate bodies joined by business added to 125 during PT Governments¹⁷. In 78 of them, business representatives could effectively influence policy decisions, as these mechanisms of participation were responsible for deliberations, oversight or monitoring¹⁸. Besides being involved in economic decision-making, as well as in traditionally taken as related areas, such as labour and science and technology, CNA, CNC, CNI and CNF/CONSIF also joined collegiate bodies dealing with educational and cultural matters (Schmitt 2018a; 2018b; 2018c; 2019). Even though these peak sectoral corporatist business associations had

¹⁵ Together with peak sectoral corporatist business associations, they are constituent units of the Brazilian system of interest intermediation (Schmitter, 1971; 1974).

¹⁶ They operated together.

¹⁷ Considering non-permanent collegiate bodies, the number increases to 273. See Appendix 2.

¹⁸ The other 37 mechanisms of participation promoted consultations. As such, there was no obligation, on the government side, of considering members' views on the subject.

encompassing responsibilities¹⁹, and educational and cultural matters impacted social and economic development, membership in such an encompassing number of collegiate bodies ended up making business part of policy-making within, at least, 22 ministries and the Presidency of the Republic²⁰. Boosting even more CNA, CNC, CNI and CNF/CONSIF capacity of influencing policy decisions, business was overrepresented in relation to labour in 65% of the joined mechanisms of participation with information about membership (Schmitt, 2019). Whereas the number of business representatives was greater than the number of labour representatives, disparities may have smoothed the consideration of business interests in the policy process. In parallel, the availability of such a great number of formalized channels to the state facilitated access to not only information, but also decision-makers.

Findings supported that the policy process became more democratic during PT Governments (Pires, 2011). They also lent weight to the advent of the new developmentalism in Brazil (Bresser-Pereira, 2011; Schneider, 2015). Yet, business overrepresentation was puzzling, counterintuitively at least. Lula (2003-2010) and Rousseff (2011-2016) may have attached importance to business participation in collegiate bodies for having shared the belief that it “was crucial for the improvement of economic and investment conditions” (Doctor, 2007b: 9). Additionally, they may have sought to safeguard business political support. According to Doctor (2007b), both applies to the *Conselho de Desenvolvimento Econômico e Social (CDES)* – Council for Economic and Social Development. An alternative explanation, however, would put weight on organization (Schneider, 2009; 2010). Differently from *Centrais Sindicais* – National Trade Unions Centers, which became legitimate representatives of labour interests in collegiate bodies in 2008²¹, CNA, CNC, CNI, and CNF/COSIF represented business interests since their recognition in the applicable legislation, in 1964, 1945, 1938, and 1999 – respectively. Hence, these business associations may have been better organized to take part in participatory policy-making, which targeted either reducing the costs of doing

¹⁹ If not directly provided, institutes linked to member companies offered training, leisure activities and cultural services to employees.

²⁰ The number of ministries varied between 32 and 39 during PT Governments.

²¹ See Art. 1, Law No 11,648, of 31 March 2008, Art. 1, II [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2008/Lei/L11648.htm

business, or shifting private behaviour (Schmitter, 1971; Leopoldi, 2000; Bresser-Pereira, 2011; Devlin and Moguillansky, 2011; Araujo, 2015; Schneider, 2015). Consequently, whereby business overrepresentation could have its roots in the need of building up network ties with business, it may have been, as well, influenced by inherited inequalities within the Brazilian system of interest intermediation (Doctor, 2007b). As such, it was a choice of institutional design (Fung, 2003; 2009) that corresponded to available capabilities and preferences within the political system (Schneider, 2015).

Assuming that formalized business politics takes the form of councils and associations (Schneider, 2009; 2010), formalization could be more strictly defined as business political action through peak sectoral corporatist business associations' participation in collegiate bodies, as well as in the policy networks that emerged and shaped the policy-making process set up by these mechanisms of participation. Based on that definition, CNA, CNC, CNI and CNF/CONSIF's membership in an encompassing number of collegiate bodies, including in a preferential position, could be taken as to have promoted the formalization of business political action in Brazil. It engendered a more organized, structured and centripetal pattern of business politics (Schneider 2009; 2010). Reversely, however, Brazilian business is seen as to have followed a more fluid, disperse and centrifugal pattern of business politics (Schneider, 2009; 2010). Based on the revelations of the *Operação Lava Jato* – Operation Car Wash, it invested in personal networks, and in corruption, for influencing political decisions during PT Governments²². As for avoiding the dichotomy between patterns of business politics, one could argue that the Brazilian system of interest representation became more pluralistic in the period (Boschi, 2010; Gozetto and Thomas, 2014; Mancuso and Speck, 2014; Mancuso, Angelico and Gozetto, 2016; Mancuso, Horochovski, and Camargo, 2016; Baird, 2017; Doctor, 2017). Thus, the use of formalized channels to the state would have evolved in parallel to personal networks, corruption, and other forms of political investments, such as campaign financing and legislative lobbying (Schneider, 2009; 2010).

²² See The Guardian, 1 June 2017, Operation Car Wash: Is this the biggest corruption scandal in history? [Online]. Available: <https://www.theguardian.com/world/2017/jun/01/brazil-operation-car-wash-is-this-the-biggest-corruption-scandal-in-history>

Nevertheless, a relation between patterns of business politics (Schneider, 2009; 2010) would set the stage for the consideration of an alternate possibility: business could have not perceived peak sectoral corporatist business associations' participation in collegiate bodies as an attractive political investment (Schneider, 2009; 2010). The consequence of that perception was increasing informality, in parallel to the operability of a great number of collegiate bodies with business participation. While participatory policy-making usually face resistance for delivering expected outcomes (Abers, 2003), the establishment of mechanisms of participation, even based on advantageous choices of institutional design in view of business' political interests, may have been insufficient for engendering a more organized, structured and centripetal pattern of business politics (Schneider, 2009; 2010). This is precisely what is explored in the following pages. The thesis examines participatory policy-making within the collegiate bodies, and in related policy networks, which counted with the participation of CNA, CNC, CNI and CNF/CONSIF, investigating the extent that mechanisms of participation changed patterns of business politics in Brazil between 2003 and 2016. Expressly, the inquiry seeks to answer the following research question:

'Why were PT Governments unable to engender a more formalized pattern of business politics by ensuring business overrepresentation in collegiate bodies?'

The premise that formalization was not achieved has its roots in the pessimistic view of the political sociology perspective about participatory policy-making (Abers, 2003). However, the rationale behind it reckons that rational business people balance the available portfolio of political investments for taking advantage of evolving opportunities, shifting investments to activities that generate greatest returns (Schneider, 2009; 2010). Among such activities, in Brazil, one had, in parallel to peak sectoral corporatist business associations' participation in collegiate bodies, a range of informal channels to the state, which included personal networks and, out of legality, corruption. Thus, it may not have been possible for engendering a more formalized pattern of business politics during PT Governments, because CNA, CNC, CNI and CNF/CONSIF participation in collegiate bodies was not seen as a preferable activity. Among the reasons that may have hampered

direct or extra-parliamentary participation (Pires, 2011) of becoming a political investment generating greatest returns, interactions could not have been intense or consequential, as collegiate bodies were not empowered to decide about the matters they were set to address (Fung, 2003; 2009). In contexts such as this one, costs of policy-making may have been reduced, but peak sectoral corporatist business associations' participation in collegiate bodies would not matter much for changing patterns of business politics (Schneider, 2009; 2010). In addition to that, the fact that business was held overrepresented, would not be of much difference either, as it would not serve for definitely influencing policy outcomes.

All the same, the assumption that PT Governments were unable to formalize business political action does not mean that none degree of formalization was achieved. As long as Lula and Rousseff were responsible for more than doubling the number of the operational collegiate bodies with business participation (Schmitt 2018a; 2018b; 2018c; 2019), they increased the amount of formalized channels (Schneider, 2009; 2010) serving for business interest representation. Their use not only increased transparency, but also assisted in further organizing the policy process (Araújo, 2015; Schmitt, 2018a; 2018;b;2018c; 2019). Though, once more, that did not imply that participatory policy-making was effective. And, if collegiate bodies were not effective in terms of policy (Avritzer, 2011), incentives were to continue influencing policy outcomes through the use of other activities. According to Abers (2003), effective participatory policy-making would rely on a dual process of commitment building. For Schneider (2015), it depended on capabilities, and the preferences arising from them, within the political system. Fung (2003; 2009) adds in complexity, for affirming that stakes in relation to the matters under deliberations should be high (Fung, 2003; 2009). Empowered collegiate bodies would, then, increase the stakes involved in participatory policy-making, but authority to make decisions would still be insufficient, for decisions should affect members' lives as "more participants will be drawn to hot deliberations and they will be more sustainable over time" (Fung, 2003: 345).

Consequently, whereas the research sees the increasing use of collegiate bodies as insufficient for engendering a more organized, structured and centripetal pattern of business politics (Schneider, 2009; 2010), it presumes that a dual process of commitment building, which depended on capabilities and preferences within the political system

(Schneider, 2015), was needed for formalizing business political action. As such, besides choices of institutional design (Fung, 2003; 2009) that included business in participatory policy-making, formalization relied on the extent that business and government representatives were prepared and reveal interest in taking part of the participatory policy process. In view of the Institutional Analysis and Development (IAD) framework, that is to say that, whereby the rule configuration defined actors' possible actions in action situations, attributes of the world affected those actions for compounding actors' informational sets (Ostrom, 2007; 2011). Together, they impacted the outcomes of the operational collegiate bodies. Thus, the causal factors taken as to cause formalization are: i) the institutional arrangement delimiting business inclusiveness in participatory policy-making, and ii) the dual process of commitment building that evolved surrounded by business and government capabilities and preferences within the political system. Whereas the institutional arrangement should have promoted business inclusiveness in participatory policy-making, making possible to peak sectoral corporatist business associations influencing policy outcomes, the dual process of commitment building should have supported increasing government consent, preferably, in the form of inclusion in policy-making, as well as increasing business participation, preferably, in the form of engagement in policy-making.

That being so, the formalization of business political action relied not only on an ambitious institutional arrangement that secured business inclusiveness in participatory policy-making, but also on the extent that government and business representatives got involved in the work of the available collegiate bodies. If they only used mechanisms of participation for promoting transparency and the exchange of information, the impacts of participatory policy-making in terms of formalization would be weak, as there would be a lack of inclusion and engagement. Inclusion, in here, means that the government included peak sectoral corporatist business associations in the policy process. It implies high levels of government consent to business participation in decision-making. Engagement, in turn, means that peak sectoral corporatist business associations sought to actively influence political decisions within collegiate bodies and the policy networks stemming from them. It implies high levels of business participation in the policy process. As such, if conversations were not intense and consequential as to reveal either inclusion, or

engagement, chances were that business would use other means for influencing policy outcomes, including informal activities. However, if government representatives included business in policy-making, or business representatives engaged in participatory policy-making, the impacts of collegiate bodies in terms of formalization would be greater. With those levels of commitment, direct or extra-parliamentary participation (Pires, 2011) would have greater chances of generating greatest returns, making business see participatory policy-making as a useful activity for influencing policy outcomes, what would make the use of other means less likely.

The formalization of business political action would, then, be achievable when choices of institutional design securing business inclusiveness in participatory policy-making combine with a dual process of commitment building expressed by either inclusion, or engagement in policy-making.

Viewing formalization in that way, the first research hypothesis sustains that:

H1: formalization entails great business inclusiveness in participatory policy-making, but is not achievable without commitment building between business and the government.

As seen, the causal factors taken as to cause formalization are: i) the institutional arrangement delimiting business inclusiveness in participatory policy-making, and ii) the dual process of commitment building that evolved surrounded by business and government capabilities and preferences within the political system (Schneider, 2015). Following from this, the first research hypothesis holds that not only great “*business inclusiveness in participatory policy-making*” was needed for formalizing business political action, but also “*commitment building between business and the government*”. Whereas choices of institutional design determined the extent that PT Governments promoted “*business inclusiveness in participatory policy-making*”, for defining the rule configuration restricting actors’ possible actions within mechanisms of participation, it should have been as great as to have made possible to peak sectoral corporatist business associations influencing policy outcomes through their participation in collegiate bodies. Nevertheless, “*business inclusiveness in participatory policy-making*” is still an insufficient factor for

formalization, as business depended on the commitment to participatory policy-making of representatives of both, business and the government, for effectively influencing policy outcomes. Thus, formalization depended, as well, on “*commitment building between business and the government*”. That means on the capabilities within the political system, and the preferences arising from them, that appeared contained in the informational sets of business and government representatives and influenced their actions in collegiate bodies, as well as in related policy networks.

The second research hypothesis further develops on this, holding that:

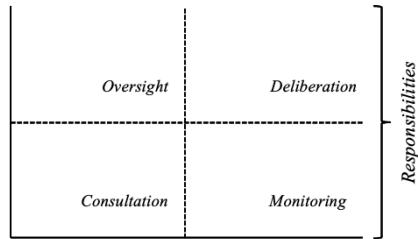
H2: commitment-building between business and the government drives formalization, contingent on business inclusiveness in participatory policy-making, when there is both inclusion and engagement in participatory policy-making, or when there is at least either inclusion on the government side, or engagement on the business side.

In other words, the second research hypothesis sustains that formalization is the outcome of an interaction between “*business inclusiveness in participatory policy-making*” and “*commitment building between business and the government*”, whereby the first should have made possible to peak sectoral corporatist business associations taking part in decision-making and the latter should have revealed, in the least, either inclusion in policy-making on the government side, or engagement in policy-making on the business side. Underlying the problem is that only under certain choices of institutional design, as well as under certain levels of commitment building, expressly greater levels of either government consent, or business participation in participatory policy-making, business political action would follow a more formalized pattern.

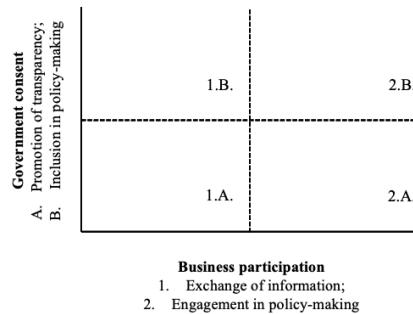
The following schemes – see Figures 1 and 2, describe modes of “*business inclusiveness in participatory policy-making*” and possible levels of “*commitment building between business and the government*”.

Figure 1

BUSINESS INCLUSIVENESS IN
PARTICIPATORY POLICY-MAKING

**Figure 2**

COMMITMENT BUILDING BETWEEN
BUSINESS AND THE GOVERNMENT



In order to improve comprehension, “*business inclusiveness in participatory policy-making*”, which is the outcome of the rule configuration defining actors’ possible actions, appears epitomized in four different “*Responsibilities*”, in Italic – refer to Figure 1. They are: “*Consultations*”²³, “*Oversight*”²⁴, “*Deliberations*”²⁵, and “*Monitoring*”²⁶. “*Commitment building between business and the government*”, in turn, which is the outcome of attributes of the world affecting business and government representatives’ actions, presumes the interaction between, in Bold – refer to Figure 2, “**Business participation**” (X-Axis) and “**Government Consent**” (Y-Axis) to participatory policy-making. As illustrated, business actions are classified in two levels of “**Business participation**”, which combine with government actions, also classified in two levels of “**Government consent**”. The lower level of “**Business participation**” is “1. Exchange of information”, the higher is “2. Engagement in policy-making”. Similarly, the lower level of “**Government consent**” is “A. Promotion of transparency”, the higher is “B. Inclusion in policy-making”. These levels of commitment building interact, forming “1.A.”, “1.B.”, “2.A.” and “2.B.”

²³ Collegiate bodies holding consultations advises on policies’ implementation.

²⁴ Collegiate bodies responsible for oversight focus on policies’ compliance with desired goals and rules.

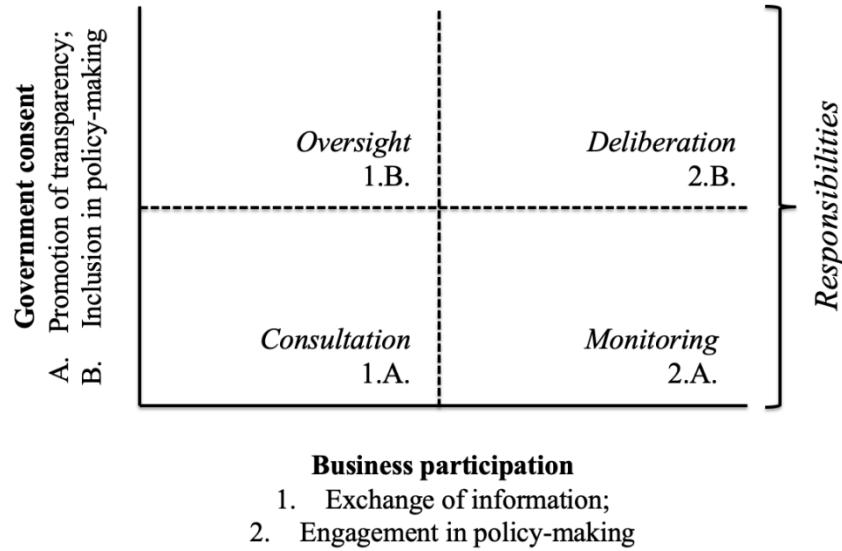
²⁵ Deliberative collegiate bodies command discussions, for deciding about policies’ implementation.

²⁶ Collegiate bodies responsible for monitoring track progress, evaluating policies’ implementation. Monitoring is different from oversight because it promotes an active stance towards implementation, while the latter is passive.

As below – see the scheme in Figure 3, when roles are fulfilled, modes of “*business inclusiveness in participatory policy-making*” and levels of “*commitment building between business and the government*” combine.

Figure 3

FORMALIZATION RESULTING FROM COMBINATIONS BETWEEN RESPONSIBILITIES AND THE DUAL PROCESS OF COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT



For overlapping Figures 1 and 2, Figure 3 portrays the occasions in which the dual process of “*commitment building between business and the government*” corresponds to the responsibility that delimited “*business inclusiveness in participatory policy-making*”. These are the combinations between “*Consultations*” and “1.A.”, “*Oversight*” and “1.B.”, “*Deliberations*” and “2.B.”, and “*Monitoring*” and “2.A.”. However, over time, these interactions between levels of “**Government Consent**” and “**Business Participation**” describing “*commitment building between business and the government*” may not lead to the fulfilment of the given responsibility. For example, a collegiate body responsible for “*Deliberations*” could have described a dual process of “*commitment building between business and the government*” of “1.B.”, or “1.A.”, or “2.A.”, but not “2.B.”.

Considering that formalization was achieved to the extent that business could influence policy decisions through the participation of peak sectoral corporatist business

associations in collegiate bodies, interactions between “**Business participation**” and “**Government consent**” describing “*commitment building between business and the government*” taken as to have great chances of having formalized business political action are the ones resulting in “2.B.”, “1.B.” and “2.A.”. These three interactions outline “Inclusion in policy-making” on the government side, and/or “Engagement in policy-making” on the business side, what means that business could influence policy decisions through the participation of peak sectoral corporatist business associations in collegiate bodies. As the rule configuration restricted actors’ possible actions in mechanisms of participation, all these combinations presumed the “*Responsibilities*” of “*Deliberations*”, but collegiate bodies responsible for “*Oversight*” or “*Monitoring*” also made possible to business influencing policy outcomes based on the combinations of “*commitment building between business and the government*” of “1.B.” or “2.A.” – respectively. Thus, they, also, could have engendered a more formalized pattern of business politics.

Yet, the interaction between “**Government Consent**” and “**Business Participation**” revealing “1.A.” is taken as to have lower chances of having formalized business political action. In that case, “*commitment building between business and the government*” would describe less intense and consequential conversations, in which business had lower chances of influencing policy outcomes based on peak sectoral corporatist business associations’ participation in collegiate bodies. As such, if a mechanism of participation responsible for “*Deliberations*” revealed “1. Exchange of information” and “A. Promotion of transparency”, in spite of its great “*business inclusiveness in participatory policy-making*”, it would have lower chances of engendering a more formalized pattern of business politics. Equally, mechanisms of participation responsible for “*Consultations*”, for presuming the interaction “1.A.”, had lower chances of formalizing business political action as well. These collegiate bodies would not achieve either inclusion in policy-making on the government side, or engagement in policy-making on the business side.

Thus, whereas the research question asks “*why were PT Governments unable to formalize business political action?*”, it presumes that either the combination of choices of institutional design describing “*business inclusiveness in participatory policy-making*” did not empower collegiate bodies and, consequently, business to decide about the policies

under consideration, or the dual process of “*commitment building between business and the government*” within empowered collegiate bodies rarely went beyond the interaction “1.A.”. In short, the collegiate bodies operational between 2003 and 2016 either promoted or served for less intense and consequential interactions, what did not allow business to see them as political investments that could generate greatest returns.

Based on the premise that collegiate bodies should have empowered business to influence policy outcomes for formalizing business political action, the investigation starts by assessing the extent that the mechanisms of participation joined by CNA, CNC, CNI and CNF/CONSF promoted “*business inclusiveness in participatory policy-making*”. More precisely, research approaches PT Governments’ choices of institutional design regarding type (ex.: council, committee, commission), participation (who takes part in the work?), scope (what is the matter?), responsibility (what shall be done?), regularity (when do they meet?), and authority (were decisions consequential?) (Fung, 2003; 2009), for verifying if the collegiate bodies with business participation were, as a whole, empowered for addressing the matters under their scope (Abers, 2003; Fung, 2003; 2009). If they were empowered²⁷, business took part in policy decisions, and these mechanisms of participation were mostly responsible for “*Deliberations*”, “*Oversight*” or “*Monitoring*”. If not, these mechanisms of participation mostly promoted “*Consultations*”, among others, they reduced costs of policy-making.

Following this quantitative assessment, the investigation selects three deliberative collegiate bodies, for in-depth analysis. At this stage, the expectation was to confirm that, even in collegiate bodies responsible for “*Deliberations*”, the “*dual process of commitment building between business and government*” did not go beyond the exchange of information and the promotion of transparency. In-depth analysis, then, first evaluates how choices of institutional design combined in a configurational manner (Fung, 2003; 2009; Ostrom, 2007; 2011) and evolved through time, securing or not “*business inclusiveness in participatory policy-making*” in the form of “*Deliberations*”. Next, it identifies capabilities and preferences that influenced the dual process of “*commitment building between business and the government*” within the collegiate body under analysis, as well as within the policy

²⁷ As previous research revealed (Schmitt, 2018a; 2018b; 2018c; 2019).

networks that emerged and shaped the policy process set up by this mechanism of participation. Lastly, research explores the interaction between “*business inclusiveness in participatory policy-making*” and “*commitment building between business and the government*”. Based on the process-tracing of the policy-making process, the investigation searches for causal factors of formalization, verifying the extent that roles have been fulfilled by practice. That means by the dual process of “*commitment building between business and the government*” within each of the studied collegiate bodies.

The procedure aims at fitting the three deliberative collegiate bodies in the scheme in Figure 3, in terms of what has been achieved through sequencings of deliberative moments (Avritzer, 2011) that presumed collective deliberations, which are, in here, interactions between “**Government Consent**” and “**Business Participation**” revealing “2.B.”. As such, while deliberative effectiveness relies on an array of deliberative moments (Goodin, 2008; Avritzer, 2011), the studied mechanisms of participation would have formalized business political action to the extent that not only choices of institutional design, but also capabilities and preferences made possible to business influencing policy outcomes through the arrays of deliberative moments that described participatory policy-making in the studied deliberative collegiate bodies. If, due to “*commitment building between business and the government*”, collective deliberations mostly describe the interaction “1.A.”, what would fit the studied collegiate bodies in the lower-left quadrant, case analysis would confirm the inability of PT Governments of formalizing business political action between 2003 and 2016. In-depth analysis would show that neither “Inclusion in policy-making” on the government side, nor “Engagement in policy-making” on the business side was achieved, what would make the faced difficulties regarding formalization more an outcome of attributes of the world that influenced business and government representatives’ actions within collegiate bodies, than of the rule configuration of these mechanisms of participation.

Findings, on the contrary, reveal that not only PT Governments’ choices of institutional design promoted the formalization of business political action between 2003 and 2016, but also “*commitment building between business and the government*” led business people to perceive the studied collegiate bodies as political investments generating greatest returns. The additive combination of choices of institutional design unveils high

levels of “*business inclusiveness in participatory policy-making*”, which resulted in a general improvement of the organization of the policy process. Case analysis, in turn, confirmed that “*commitment building between business and the government*” within the studied mechanisms of participation resulted in interactions that draw either “Inclusion in policy-making” on the government side, or “Engagement in policy-making” on the business side. However, capabilities and preferences still affected arrays of deliberative moments. In none of the studied cases, the process-tracing of the policy process revealed that business and government’s actions fully complied with what was described by the rule configuration. Attributes of the world that affected commitment building were, on the government side, budgetary cuts and the relative political power of ministries hosting executive secretariats, on the business side, organization and concurrent political interests of peak sectoral corporatist business associations. Certainly, three cases are not representative of the whole sample, but case-analysis supported large-N analysis, confirming that PT Governments promoted business inclusiveness in participatory policy-making, formalizing business political action. In parallel, though formalization did not follow the anticipated outcome, collegiate bodies organized the policy process, structuring policy-making, and engendering a more centripetal pattern of business politics.

The thesis has eight chapters. The next two chapters, Theory and Model (Chapter 2 & 3), together with this Introduction (Chapter 1), set the stage for the test of hypothesis, which follows a unified logic of inference (King, Keohane and Verba, 1994). An abstract model of causal inference organizes research with formalization as the dependent variable. “*Business inclusiveness in participatory policy-making*” and “*commitment building between business and the government*” are the independent variables causing formalization. As per research hypothesis, individually, their effects are insufficient for engendering a more formalized pattern of business politics. They shall interact, with either the government including business in policy-making, or business engaging in policy-making. As such, formalization has as precondition great “*business inclusiveness in participatory policy-making*”, what would empower business to influence policy outcomes through the participation of peak sectoral business associations in collegiate bodies. The first step of the investigation is, then, the assessment of PT Government’s choices of institutional design regarding the whole sample of collegiate bodies joined by CNA, CNC,

CNI and CNF/CONSIF (Chapter 4). Second, on the basis of this assessment, research tests hypothesis through in-depth case-analysis (Chapters 5, 6 and 7). On those terms, as described in the conclusion (Chapter 8), the investigation adds to research under the political sociology and the political economy perspectives, revealing traces of participatory policy-making during PT Governments, as well as the impacts of capabilities and preferences in the operability of mechanisms of participation.

The next chapter, Theory (Chapter 2), has the aim of setting the theoretical contribution of the research. The chapter starts by introducing the IAD framework (Ostrom, 2011). It explains the application of the framework to the identification of the elements of analysis, and the relationships among them, which, together, specify the model organizing the investigation. Whereas the IAD framework assisted in shaping prescriptive inquiry and diagnostic, selected theories and approaches supported further specification of these elements and relationships, as well as making assumptions about them. As already mentioned, the investigation considers analytical work under two theoretical perspectives approaching participatory policy-making for further specifying and making assumptions about elements and relationships. The political sociology perspective, though focusing on civil society – which embodied social movements and non-governmental organizations, but not businesses, supported the specification of the elements of analysis. Yet, the political economy perspective, whereby focusing on business, allowed making assumptions about those elements. One of the main contributions of the thesis is, then, its attempt of building bridges between perspectives, though it follows a political economy viewpoint that applies findings within the pluralist, corporatist, and policy network analysis to the analysis of business-state relations in collegiate bodies between 2003 and 2016.

In Model (Chapter 3), the abstract model of causal inference organizing investigation is described in detail. The chapter starts by introducing the data sample adopted in the analysis, clarifying its reach. Then, it focuses on the research's abstract model of causal inference. It portrays its parameters and variables, describing formalization as the dependent variable caused by the interaction between "*business inclusiveness in policy-making*" and of "*commitment building between business and the government*". The model was crafted for organizing a mixed-method research in a unified logic of inference (King, Keohane and Verba, 1994). Thus, it sets the test of hypothesis, following a linear

logic that starts with the quantitative assessment of choices of institutional design (Fung, 2003; 2009). In weighing the effects of the participation of peak sectoral corporatist business associations in 125 collegiate bodies on business inclusiveness in participatory policy-making, investigation proceeds with the in-depth analysis of three pathway cases (Gerring, 2007). From this point forward, research focuses on testing hypothesis, exploring the extent that interactions between business inclusiveness in participatory policy-making and commitment building caused formalization, in the form of either inclusion, or engagement in participatory policy-making.

In view of the reviewed theories and approaches, as well as of the proposed abstract model of causal inference, the empirical analysis of formalization follows in four articles (Chapters 4, 5, 6 & 7).

The first article, Business Inclusiveness in Participatory Policy-Making (Chapter 4), analyses how choices of institutional design shaped formalization, taken as business political action through peak sectoral corporatist business associations' participation in collegiate bodies, as well as in the policy networks stemming from these mechanisms of participation. Based on choices in relation to type, participation, scope, responsibility, regularity and authority, which were predictors of "*business inclusiveness in participatory policy-making*", the work assesses PT Governments' most common options. Findings reveal that 42% of the joined collegiate bodies were councils, the most empowered type of mechanism of participation in operation between 2003 and 2016. Additionally, 62% of the total promoted interactions in the form of "*Deliberations*", "*Oversight*" and "*Monitoring*". Lula and Rousseff, together, established 65% of all collegiate bodies in the sample. Yet, contrary to expectations, only 38% of the total were open to any part to join. Business was, as well, overrepresented in 65% of the mechanisms of participation with information about membership. Such assessments uncover, on the government side, a willingness to share responsibilities with business; on the business side, facilitated access to policy-making within 22 ministries and the Presidency of the Republic, what, among others, led to CNA, CNC, CNI and CNF/CONSIF further organization for representing business interests in front of the Federal Executive.

The next three articles (Chapters 5, 6 & 7) are case analysis of collegiate bodies depicting great business inclusiveness in participatory policy-making. Among other factors, selected mechanisms of participation were responsible for “*Deliberations*”. For instance, they empowered business to take part in decisions regarding labour, science and technology, and environmental policies.

The first case analysis, Employment Participatory Policy-Making (Chapter 5), focuses on CNA, CNC, CNI and CNF/CONSIF’s participation in the *Conselho Deliberativo do Fundo do Amparo ao Trabalhador (CODEFAT)* – Deliberative Council of the Workers’ Assistance Fund. Unlike the majority of the collegiate bodies in the sample, PT Governments inherited an organized institutional arrangement in the case of this tripartite deliberative council. CODEFAT was created in 1990, becoming part of the *Ministério do Trabalho e Emprego (MT)* – Ministry of Labour and Employment in the following years. Its executive secretariat had a decisive role in policy-making, for having great control over the agenda, and for facilitating deliberations based on the draft of nearly all policy proposals under consideration. Between 2003 and 2009, while CNA, CNC, CNI and CNF/CONSIF took part in work through high ranking representatives, responsibilities given by choices of institutional design (Fung, 2003; 2009) have been fulfilled. CODEFAT host collective deliberations, with inclusion and engagement in policy-making. Nevertheless, changes in participation led to the departure of these peak sectoral corporatist business associations, what undermined business representation. In parallel, budgetary cuts and a progressive modification of FAT’s financial model restricted the reach of CODEFAT’s decisions. All together impacted formalization, as the collegiate body stopped endorsing intense and consequential conversations. The path followed by CODEFAT reveals that, in the face of increasing adversities related to capabilities and preferences, the formalized pattern of business politics that the collegiate body achieved under Lula was progressively abandoned under Rousseff.

The second case analysis, Science, Technology and Innovation Participatory Policy-Making (Chapter 6), investigates CNI’s participation in the *Conselho Diretor do Fundo Nacional para o Desenvolvimento Científico e Tecnológico (CDFNDCT)* – National Fund for Scientific and Technological Development Directing Council. Lula created this deliberative council in 2007, assembling representatives of the federal government,

funding agencies, business and the Academia. Chaired by the *Ministro da Ciência e Tecnologia (MCT)* – Minister of Science and Technology, CDFNDCT institutional arrangement encompassed the managing committees of the sectoral funds forming FNDCT. Henceforth, the collegiate body had a coordinating role. It decided about policies, guidelines and norms concerning FNDCT allocation. In spite of counting on direct presidential support, CDFNDCT faced problems for formalizing business political action in the form of deliberations all along. These problems stemmed, most of all, from MCT difficulties in setting up the collegiate body. In 2010, notably, changes in the organization chart of the council, combined with MCT progressive appropriation of FNDCT for funding its own activities, undermined the scope of the collegiate body. CNI, in turn, alongside joining CDFNDCT deliberations, was heavily investing in further organization regarding innovation policy. Based on the *Mobilização Empresarial pela Inovação (MEI)* – Business Mobilization for Innovation, it pushed for advancements independently of developments within the collegiate body. The combination of lower capabilities on the government side and increasing capabilities on the business side impacted collective deliberations within CDFNDCT. Between 2007 and 2016, although there was inclusion in policy-making on the government side, business did not engage in policy-making within the collegiate body. It appears to have preferred acting through MEI. The outcome was, still, further formalization as not only CDFNDCT, at the very least, allowed business to exert oversight on policy decisions, but also MEI advanced business organization regarding innovation policy.

The last case analysis, Biodiversity Participatory Policy-Making (Chapter 7), examines CNA and CNI's participation in the *Conselho de Gestão do Patrimônio Genético (CGen)* – Genetic Heritage Management Council. In the case of this collegiate body, although business joined decision-making on the access to genetic heritage, associated traditional knowledge and benefit-sharing since 2003, according to the *Medida Provisória (MP) N° 2.186, de 23 de Agosto de 2001* - Provisional Measure No 2,186, of 23 August 2001, none peak sectoral corporatist business association was a full member of CGen. Hence, business engagement in the policy process throughout PT Governments targeted not only full inclusion in deliberations, but also the modernization of the legal framework, which was perceived as to hinder research and development regarding the use of Brazilian

biodiversity. The analysis of the policy process set up by CGen confirms the key character of commitment building in the form of government inclusion and business engagement in the formalization of business political action. Despite impediments stemming from the inherited institutional arrangement that defined CGen operability, inclusion in policy-making on the government side and engagement on the business side formalized business political action even before the achievement of business full membership in the collegiate body, which came on the very last day of Rousseff Government. CGen's reform was the outcome of policy-making within issue networks (Rhodes and March, 1992) that frequently included business in policy-making. Business, in turn, engaged in policy-making, also investing in further organization, for the higher stakes involved in the overhaul of the legislation. In the end, the interaction led to full membership in CGen, what formalized business political action regarding biodiversity policy.

As seen, empirical analysis of CODEFAT, CDFNDCT and CGen confirms that business inclusiveness in participatory policy-making promoted formalization during PT Governments. Nevertheless, commitment building between business and government impacted outcomes, revealing that expectations were not always fully fulfilled due to the available capabilities and preferences within the political system. Summing up all research findings, Conclusion (Chapter 8) discusses the extent that business inclusiveness in policy-making contingent on commitment building explains formalization under new developmentalism in Brazil.

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2. THEORY

The chapter sets the theoretical contribution of the research. In doing so it reviews theories and approaches to analyzing institutions and business-state relations, the dual objects of theoretical interest of the thesis.

Given the difficulties of conducting institutional analysis, it starts by reviewing main differences among research undertaken at the level of frameworks, theories and models. Whereas each level is taken as to provide different degrees of specificity related to a particular problem (Ostrom, 2007; 2011), the investigation works on the most specific level, which is the model level. As such, it applies the Institutional Analysis and Development (IAD) framework (Ostrom, 2007) for defining the variables, as well as for making assumptions about their combinations and effects. An effort that also takes into consideration approaches under the political sociology and the political economy perspectives, which addressed participatory policy-making (Abers, 2003; Fung, 2003, 2009; Avritzer, 2011; 2012; Lavalle, 2011; 2019) and industrial policy (Bresser-Pereira, 2011; Schneider, 2015). Though the investigation follows a political economy viewpoint, one of its main contribution is its attempt of building bridges between perspectives, as they do not dialogue under the Portuguese-language/Brazilian literature.

Following this introduction, the chapter has five sections. The first one refers to the study of institutions. It describes the conceptual map of the IAD framework and its application for the definition of the analytical model proposed in detail on the next chapter. The second section discusses selected works undertaken under the political sociology and the political economy perspectives. It gives special attention to the contributions of pluralism, corporatism and Policy Network Analysis (PNA) to analyzing business-state relations. The third section introduces a historical overview of business political action in Brazil, highlighting findings regarding capabilities and preferences within the political system. The fourth section defines patterns of business action, considering the impacts of the new developmentalism on business interest representation. In the fifth section, final remarks are provided.

2.1. STUDYING INSTITUTIONS: FRAMEWORK, THEORY AND MODEL

According to Ostrom (2007; 2011), the study of institutions relies on theoretical work undertaken at three levels, each of them providing different degrees of specificity in relation to a particular problem. While these levels are (1) frameworks, (2) theories, and (3) models, the first one represents the most general form of theoretical analysis and the latter the most specific. Frameworks identify the elements of analysis and the general relationships among them. They organize diagnostic and prescriptive inquiry, being useful for generating research questions, as well as to compare theories. Theories, in turn, “enable the analyst to specify which elements of a framework are particularly relevant to particular questions and to make general working assumptions about the shape and strength of these elements” (Ostrom, 2011: 8). Theories are, then, needed for diagnose a phenomenon, explain its processes, and predict outcomes. Yet, at the most specific level, a model makes possible assumptions on a limited set of variables. It delimits the parameters for deriving predictions about the results of combining these variables using selected theories.

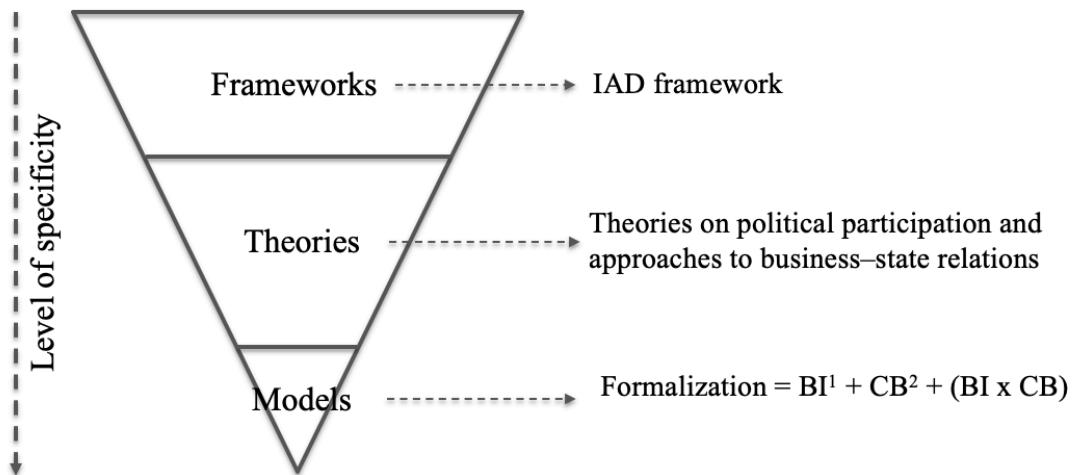
This thesis undertakes an investigation at the most specific level of analysis. It works with an abstract model of causal inference for assessing the formalization of business political action during the *Partido dos Trabalhadores (PT)* – Workers Party, Governments, in Brazil. As per the following diagram – refer to Figure 4, the model, on the bottom-right²⁸, was designed regarding the IAD framework and contingent to a number of theories and approaches on political participation and business-state relations, which are discussed in detail on the next sections.

From the most general form of theoretical analysis to the most specific – following the direction of the arrow on the left side of the diagram in Figure 4, this thesis applies the IAD framework for identifying the elements and the relationships that will be analyzed. As a conceptual map, it offers a general language about how (1) rule configurations, meaning the shared understandings about what actions are required, prohibited, or permitted; and (2) attributes of the world, considering the resource system, resource units, governance system, and users, all of them embedded in social, economic, and political settings (Ostrom, 2011), affect social spaces, in which individuals interact. Within the IAD

²⁸ Described in detail on the next chapter.

framework, these social spaces are known as “action situations”, a concept that enables isolating the immediate structure affecting the process of interest for explaining human actions and results. Thus, the identification of the action situation is a key part of the IAD framework. Nevertheless, “when one opens up the action situation and looks at the component parts of it, one can specify how one is analyzing the actor at that level” (Ostrom, 2011: 9). Hence, in identifying the action situation, the analyst may be able to not only evaluate resulting patterns of interactions and outcomes, but also inquire into the factors that affect action situations, also exploring how they change over time (Ostrom, 2011).

Figure 4
APPROACHING BUSINESS-STATE RELATIONS IN COLLEGIATE BODIES
BASED ON THE IAD FRAMEWORK



¹ Business Inclusiveness in Participatory Policy-Making.

² Dual Process of Commitment Building between Business and the Government.

The action situation identified, whose interactions and outcomes are evaluated in this thesis, is the collegiate bodies where business and state actors interacted between 2003 and 2016. The goal of the research is, then, to verify to which extent the structure arising from the combination between rule configuration and attributes of the world changed patterns of business politics in Brazil. Did it lead to formalization, meaning business political action through business associations’ interest representation within collegiate bodies and within the policy networks that emerged and shaped the policy process set up

by these mechanisms of participation? The model, on the most specific level, specifies that “business inclusiveness in participatory policy-making”, describing how choices of institutional design shaped actions within collegiate bodies, and “commitment building between business and the government”, referring to capabilities and preferences within the political system contained in the actors information sets, were the independent variables affecting formalization. Whereas they both affect the action situation, it is their interaction what formalizes business political action. As such, there shall be not only business inclusiveness, but also inclusion in policy-making on the government side, or engagement in policy-making on the business side.

Those working assumptions, as the specification of the variables under analysis addressed theories and approaches further reviewed. Their appraisal gives particular attention to industrial policy (Rodrik, 2004; 2008), considering its role in changing patterns of business politics (Schneider, 2009; 2010). It also reflects on the effects of mechanisms of participation on democratic governance, pondering forms of business interest representation and intermediation.

2.2. THEORETICAL PERSPECTIVES ON PARTICIPATION

Findings within two different perspectives informed research, for addressing the role of mechanisms of participation and interest intermediation in the policy process. The first perspective evolved within the subfield of democratic theory. Assessments concerned themselves with how democracies function, giving special attention to experiments in participatory governance (Fung, 2003; 2015). Within the Portuguese-language/Brazilian literature, scholars adopted a political sociology viewpoint and focused on non-electoral participation and extra-parliamentary representation (Lavalle, 2018). Yet, the second perspective centered analysis on industrial policy (Rodrik, 2004; 2008). Under the political economy, pluralist, corporatist/neo-corporatist, and PNA approaches to business-state relations revealed different modes of interest intermediation (Doctor, 2017). On the Brazilian case, they explained how business impacted policy-making (Mancuso, 2007; Gozzeto and Thomas, 2014), whereas formalized business politics (Schneider, 2009; 2010) was largely framed under government efforts regarding development (Leopoldi, 2000;

Diniz and Boschi, 2002; 2003; Bresser Pereira and Diniz, 2009; Diniz, 2001; 2010; Doctor, 2007; 2017; Boschi, 2010; 2012; Toni, 2013; Araujo, 2015).

Under the political sociology perspective, civil society embodied social movements and non-governmental organizations, but not business. As a member of the establishment, business seems to have not received attention, as attempts to increase political participation were perceived as to target the inclusion of historically excluded social fringes (Lavalle, 2011). At the other extreme, the political economy perspective centred analysis on business, approaching experiments in participatory governance as industrial policy (Rodrik, 2004; 2008). According to this literature, mechanisms of participation reduced the costs of policy-making, improving general efficiency (Schneider, 2015). They were valued for their capability of promoting better economic performance, not for increasing political participation. Due to the lack of dialogue between these perspectives, the following investigation is an attempt of building bridges between them, though it adopts the political economy viewpoint of the rational choice institutionalism (Ostrom, 2007). The extension of the participation of peak sectoral corporatist business associations in collegiate bodies is a suitable pathway, as it appears to have made industrial policy more encompassing during PT Governments (Schmitt, 2018a; 2018b; 2018c), at the same time that it reveals that business was a key actor in participatory governance.

This section reviews findings under both theoretical perspectives and clarifies essential definitions. It has two parts. It first appraisals political sociology approaches to political participation, giving special attention to definitions that address the impacts of institutional choices on democratic governance. In the second part, the focus relies on political economy approaches to interest representation. It considers the application of pluralism, corporatism/neo-corporatism and PNA to the study of business political action.

2.2.1. POLITICAL SOCIOLOGY

The political sociology perspective sees the emergence of participatory institutions in Latin America, especially in Brazil, as an undeniable fact that generated a relevant body of academic literature. Their extensive usage introduced changes in democratic practice to the extent that democracy, *per se*, became a hybrid between participation and

representation (Avritzer, 2012). In Brazil, in particular, the vast number of institutional channels, in which non-electoral participation and extra-parliamentary representation took place, shall not find a parallel in other latitudes (Lavalle, 2018). These experiments appear in all levels of the Brazilian government, and they are diverse. Although they “have been widely described and analyzed with the language of participation” (Zaremburg, Lavalle and Guarneros-Meza, 2017: 4), a significant part of them are examples of indirect representation of interest groups seen as commonly underrepresented in traditional circuits of political representation. Thus, for Zaremburg, Lavalle, Guarneros-Meza (2017) it is more suitable the language 'intermediation', as actors mostly intermediated interests within these institutional channels.

In here, however, the collegiate bodies portraying the action situation of interest are still taken as mechanisms of participation or participatory mechanisms (Fung 2006; 2009). The language of participation is more recurrent in democratic theory, as well as in political economy approaches to formalized business politics (Schneider, 2009; 2010; 2015). Besides, peak sectoral corporatist business associations did not report to distinguish direct participation from indirect representation or intermediation. Within the sample of collegiate bodies, there are mechanisms in which presidents of these business associations personally took part in the work, though official reports inform that they represented the interests of the organizations they chaired²⁹. Similarly, there are mechanisms in which peak sectoral corporatist business organizations had a seat and presidents, business personalities or members of the technical body represented the interests of their respective organizations. The *Conselho de Desenvolvimento Econômico e Social (CDES)* - Economic and Social Development Council, and the *Conselho Nacional de Desenvolvimento Industrial (CNDI)* - National Council for Industrial Development, are examples of the first. However, the *Conselho Diretor do Fundo Nacional para o Desenvolvimento Científico e Tecnológico (CDFNDCT)* – National Fund for Scientific and Technological Development Directing Council, is an example of the latter.

In parallel to this lack of differentiation between non-electoral participation, representation or intermediation, business was not a group commonly underrepresented in

²⁹ See CNI (2016).

traditional circuits of political representation. Actually, it was only a group whose participation in collegiate bodies was mainly ignored by the political sociology perspective. That poses additional difficulties for adopting its premises. As mentioned, to overcome the lack of representation of excluded social fringes was an idée-force, a normative statement that influenced studies addressing Brazilian experiments in democratic governance (Lavalle, 2011). Whereas business was part of the establishment, the ‘participatory ideology’ posed that mechanisms of participation addressed social injustice, advancing distributive demands. Such prospect not only led scholars to neglect business political action, but also impacted findings due to the normative load. The first wave of studies under the political sociology perspective focused on reporting deficiencies in enforcing the rights of popular layers. Even though the second wave replaced denunciation with more systematic descriptions of the outcomes of participatory institutions (Lavalle, 2011), these later assessments also weighted the effects of participation more on its value than on its utility. Following Wampler (2011), regarding what could have changed in policy-making, the role of participatory mechanisms still deserve more systematic attention.

Avritzer (2011; 2012) recognizes “few attempts to systematically compare and evaluate the workings of these mechanisms in different political and institutional contexts” (Avritzer, 2012: 114). As a rule, analysis of participatory experiments relied on the assumption that these arrangements would tackle the shortcomings of the representative policy process (Fung, 2004). Even though studies clarified about the means through which mechanisms of participation accomplished this task, they remained woolly in terms of the effects on policies or democracies (Avritzer, 2011). Based on the definition of "deliberative democracy", taken as a deliberative system consisted of sequencing deliberative moments (Goodin, 2008), Avritzer (2011) suggests working with the concept of “deliberative effectiveness”. While different parts of the deliberative task are allocated in different institutions of representative democracy, with networked micro-deliberative innovations connecting the public sphere with the process (Goodin, 2008), mechanisms of participation would not impact policies or democracies as deliberative moments, but as sequencings of deliberative moments. Deliberative effectiveness would, then, rely on an array of deliberative moments, in which mechanisms of participation influenced, controlled or decided about a policy (Avritzer, 2011). Their effects on policy or democracy could, then,

be systematically assessed by drawing near the causalities within a causal chain (Lavalle, 2011). Such an effort would favor the identification of the chain of deliberative moments leading to deliberative effectiveness, what could outline the impacts of these experiments on democratic governance.

In view of these findings and suggestions, the investigation takes into consideration sequencings of deliberative moments, in which business and government decided about the matters under their responsibility within the studied collegiate bodies. Based on Fung (2015), it also assumes that participation would advance effective democratic governance to the extent that the effects of collegiate bodies were the solution of the problems that they were set to address (Fung, 2015). Deliberative effectiveness would, then, be an outcome of participation in a chain of deliberative moments. Being a functional consequence of collegiate bodies, it appears contingent to choices of institutional design (Fung 2003; 2006; 2009; 2012) as, whether conscious or not, decisions regarding: i) the type of the mechanism of participation, ii) the selection of its participants; iii) the scope of its deliberations, iv) the mode of deliberations, v) the recurrence of meetings, vi) the stakes involved in deliberations, vii) the power to decide about a policy or a public action, and viii) the extent that members would monitor policy-making (Fung 2003; 2006; 2009), impact the way that participation advances democratic governance.

According to Fung (2006; 2012), there are three important dimensions along which forms of direct participation vary based on their institutional design. They are the selection of participants, the communication and decision, and the authority and power. Firstly, mechanisms of participation can be more inclusive or exclusive depending on: i) self-selection, ii) selective recruitment, iii) randomly selection, iv) engagement of lay stakeholders (unpaid citizens with a more profound interest in the issue under consideration), and v) appointment of professional stakeholders. Secondly, they can serve to promote transparency in policy-making on one extreme, or they can be deliberative on the other, meaning that the interaction between citizens and state officials has the potential to impact preferences and political decisions. Lastly, mechanisms of participation can vary in terms of authority and power. That refers to the impacts of participation, to the extent that discussions are linked to policy or public action. The combination of decisions regarding these dimensions may suit the problems to be addressed, for achieving the

desired outcomes (Fung, 2006; 2012). For example, if the mechanism of participation were set to deliberate over a policy with distributive impacts, the selection of participants would be critical to address social injustice. Thus, while deliberative effectiveness relies on addressing the matters that the mechanism of participation was set to address, participation would be contingent on choices of institutional design.

The model used in this thesis considers the causality between choices of institutional design and the outcomes of mechanisms of participation. That is explained in further detail on the following chapter. The next section deals with the political economy of business-state relations, highlighting the contributions of this perspective to specifying the assumptions of the investigation.

2.2.2. POLITICAL ECONOMY

According to Maxfield and Schneider (1997), the political economy of business-state relations approached business political action under five perspectives. The first one took business as capital, as if it were an organized pressure on political decisions. The second treated business as one pressure sector. Similar to the capital approach, it paid little attention to its organization. The third approach took business as a firm, pondering the political impacts of size, horizontal diversification and patterns of financing. In Latin America, for example, including in Brazil, business conglomerates were taken as highly influential for, among other reasons, their close ties with politicians and small number (Schneider, 2008; Lazzarini, 2011). Under the fourth perspective, business was approached as association, which allowed researchers to focus on political organization and on the institutions that mediate business interests. Lastly, business was taken as a network. Interactions occurred at the personal level, not at the institutional level as when business is associations (Maxfield and Schneider, 1997).

While the two first perspectives do not pay much attention to organization, the last three are diligent in their attempt of understanding how business organize for representing interests. As this thesis reflects on interest intermediation during PT Governments, it approaches business as firms, associations and networks. However, it takes business mostly as associations, for centring analysis on its political organization, as well as on the

institutional channels mediating interests. Business is, in here, primarily organized in peak sectoral corporatist business associations, which based on the *Consolidação das Leis do Trabalho (CLT)* – Consolidation of Labour Laws³⁰, took part in the collegiate bodies for representing economic interests. Within these formalized channels (Schneider 2009; 2010), the political power of conglomerates, as well as the availability of personal networks also impacted PT Governments attempts of changing patterns of business politics, meaning moving the Brazilian system of interest representation from a more fluid, disperse and centrifugal pattern to a more organized, structured and centripetal pattern (Schneider 2009; 2010). Thus, perspectives that saw business as firms and networks assisted in structuring a mix-and-match analysis that takes business as associations but explores the relationship among size and access in policy-making.

The political economy of business-state relations approached business interest representation based on the following perspectives:

2.2.2.1. PLURALISM

The pluralist framework assumes that influence is benign. Whereas it allows citizens to defend themselves from the government, it promotes democratic responsiveness. However, considering that citizens have multiple interests, on the one hand, the possibility of influencing policy outcomes encourages organization in different interest groups for expressing preferences in front of the government. On the other hand, it leads to competition, as the more influential a group is, the more likely its interests will be considered in government decisions. In addition to that, in any political system, there will be multiple resources for influencing government decisions. Money is one of them, but information is, for example, another one. Whereas resources are not equally distributed, their availability and distribution impact not only citizens' capacity to push the government, but also democratic responsiveness (Dahl, 1962; Przeworski, 2011; Dür and González, 2013). Hence, if one takes into consideration that business, due to wealth, is more empowered to influence political decisions than other members of the civil society, the

³⁰ See CLT (1943) [In Portuguese] [Online]. Available at: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm.

most probable outcome is that the government will be more responsive to business interests than to other groups. Based on this supposition, collegiate bodies could be seen as a mean for increasing government responsiveness to other groups, such as posed by the political sociology perspective when analysing the role of mechanisms of participation in democratic governance.

Nevertheless, additional elements play a role in this framework. Business, for example, is not a cohesive group. In Brazil, business is a highly unequal group, with a small number of conglomerates being politically influential (Schneider, 2008; Lazzarini, 2011). Big companies have different interests than small and micro. The same applies to the business associations representing them. In addition to the availability of multiple interests (Gozetto and Thomas, 2014), there is, also, the fact that resources are unevenly distributed among the many interest groups interacting in any political system (Dahl, 1962). A group will be more or less influential depending on the value decision-makers give to the resources in its hands. Under left administrations, such as during PT Governments in Brazil, it would be reasonable to expect that organized labour would be more empowered to push for its interests than business. Political standing and organization also play a role. On the other side of the ideological spectrum, business shall be in a better position to defend its interests when a right pro-business party is in power. For these reasons, whereas resources are unequally distributed, democratic responsiveness is achieved when elected officials have election-induced attention to constituents' preferences. Resources shape the structure of the interest community, but their control is not static (Dahl, 1962).

The pluralist model also assumes that the information provided by different interest groups will facilitate the reflection on the available preferences. However, as sustained by Lowery and Gray (2004), the problems at stake and their proposed solutions also shape the interest community structure and, as a consequence, the way that information is shared. Policy outcomes, for example, influence not only the structure of interest populations but also the levels and types of the influence activities employed. To add in complexity, according to Lowery (2007), the solely pluralistic assumption that motivated actors will seek to influence policy is problematic. Interest organizations, in his view, are motivated actors whose primary purpose is to survive, not to influence policy outcomes. Following his reasoning, one can assume that peak sectoral corporatist business organizations lobbied,

as well, for ensuring their political relevance within the Brazilian system of interest representation. Organizational maintenance, processes of mobilization and political influence are related to each other, and the political behaviours of these organizations on different issues are linked to each one of these variables based on strategic reasons (Lowery, 2007).

Finally, another element considered in the investigation is Olson (1972) critics to the pluralist model, which poses as not to be rational the achievement of common or group interests. Individuals, according to him, are self-interested political actors and mobilization in interest groups is not rational. By joining groups, individuals will only get part of the benefit of any expenditure to obtain a collective good. Additionally, whereas in small groups each individual may get a substantial proportion of the total gain, in large groups, no member contribution will make a perceptible difference to the group as a whole. Thus, large groups shall face challenges to maintain membership, despite the fact that their sizes will make a difference when representing interests. Given this paradox, it is important to consider that peak sectoral corporatist business organizations were large groups in charge of representing whole economic sectors. While that made organized mobilization less likely, they had great influential power.

If in any political system, rational business actors will seek their own personal benefit, they will balance their portfolio of political investments to take advantage of evolving opportunities and shift investments to the activities that generate the highest returns (Schneider, 2008; 2009; 2010). In Brazil, the size of peak sectoral corporatist business associations may have impacted commitment building in collegiate bodies, for the costs and benefits implied in acting collectively in such large associations. However, that would depend, as well, on the structure of interest intermediation, which is the reason for reviewing corporatism/neo-corporatism in the following section.

2.2.2.2. CORPORATISM/NEO-CORPORATISM

Corporatism differs from pluralism as an ideal-type framework, because the government has a role in the organization of interest intermediation. In pluralism, on the contrary, government is neutral. Nevertheless, corporatism is not an substitute to the theory

of 'pluralist democracy'. It is compatible with pluralism (Lehmbruch, 2001). Both models share several underlying assumptions, including i) the importance of the associational units, ii) the expanding different and potentially conflicting interests, iii) the role of information and specialized knowledge, iv) the interpenetration of private and public arenas, and v) the decline in the importance of partisan representation. Besides, corporatism can be taken as a system of interest representation that followed pluralism in the developed countries that implemented the welfare state (Schmitter, 1974). These countries structured interest intermediation in a "system of interest representation in which the constituent units are organized into a limited number of singular, compulsory, non-competitive, hierarchically ordered and functionally differentiated categories, recognized or licensed (if not created) by the state and granted a deliberate representational monopoly within their respective categories in exchange for observing certain controls on their selection of leaders and articulation of demands and supports" (Schmitter, 1974: 94). Thus, the difference between corporatism and pluralism is that interest representation is politically exchangeable within the first. In exchange of autonomy, the state ensures to interest groups representational monopoly within corporatism (Schmitter, 1974).

Earlier literature on interest representation considered Brazil to be an artificial case of corporatism, as to pre-emptive co-optation. According to Schmitter (1971), the Brazilian state sponsored and supported the emergence of representative associations before they could further develop and diversify. Consequently, these associations cooperated with the state, while members perceived them as not representative of their interests (Schmitter, 1971). Seen in these terms, Brazil was a sort of state corporatism (Schmitter, 1974). Unlike advanced industrial societies, where corporatism rationalized decision-making within the state via the association or incorporation of interest groups in the political process, in Brazil, it targeted enforcing social peace. It repressed or excluded autonomous articulation, in a time in which the bourgeoisie was too weak to respond effectively and legitimately to demands within the framework of the liberal democratic state (Schmitter, 1974). Nevertheless, corporatism changed over time. Under Lula (2003-2010), Brazil may have evolved into a form of societal corporatism (Boschi, 2010). It kept on rationalizing decision-making, but it did not repress autonomous articulation (Schmitter, 1974). Hence,

corporatism became not only more comprehensive (Boschi, 2010; Araujo, 2015), but also less rigid (Lehmbruch, 1991), similarly to advanced industrialized societies.

Globalization, however, is seen as to have undermined the welfare state, as well as labour representation (Afonso, 2011). As a consequence, concomitant to the appearance of newly organized pressure groups and new arenas of interest intermediation, globalization pushed for a reconfiguration of the previous channels of intermediation (Molina and Rhodes, 2002). Corporatist concertation lost relevance, whereby the empirical validity of corporatism also declined. As a reaction to increasing criticism, neo-corporatism theorists emphasized the explanatory value of associational interest intermediation. In broad terms, they proposed to shift the focus from the national level to the meso level, where the analytical emphasis on associations would hold an explanatory power (Lehmbruch, 1991). Molina and Rhodes (2002) sustained, as well, to leave aside the structurally needed conditions of corporatism, conceiving it as a specific form of policy-making. Neo-corporatism would, then, be an exchanging process, which accepts less formal, less institutionalized, and less predictable types of concertation. Structures and actors should be understood in terms of networks, which simultaneously underpin themselves (Molina and Rhodes, 2002). Corporatism, in this ‘neo’ version, would involve a wider set of organized interests, and evolve and shift quickly (Schmitter, 2010).

According to Doctor (2017), the corporatist perspective provides a framework for interest intermediation in Brazil. However, it is "best seen as the starting point for understanding how Brazilian business seeks to influence policy outputs and outcomes" (Doctor, 2017: 13). In her view, institutional arrangements are becoming more pluralistic, although old patterns of business-state relations have not been displaced. In such a context, PNA is seen as an alternative to pluralist and corporatist approaches, because, similarly to neo-corporatism, it is a meso-level concept that emphasises the continuity of relations between interest groups and the state. And, it does so in an essentially pluralist context.

2.2.2.3. POLICY NETWORK ANALYSIS (PNA)

A policy network exists when there is an exchange of information between groups and the government, and that exchange leads to government’s recognition that a group has

an interest in a certain policy area (Smith, 1993). Government recognition is, then, a precondition to the existence of a policy network. Due to state autonomy, state actors can both adopt or not a particular policy, as well as they can consult or not a particular group. Hence, they may ignore or override groups, but the expectation is that they will recognize groups, forming a policy network. Their interests in exchanging resources will, as well, evolve along with the interests of the groups with which resources are exchanged. Frequently, there will be mechanisms of enhancing mutual powers, with groups supporting patron ministries or agencies in intra-governmental conflicts, rather than being involved in conflicts themselves. Ultimately, for lobbying purposes, interest groups would not be interested in conflicts as they will represent zero-sum relationships. Policy-making occurs in subsystems of multiple networked actors, policy domains, and modes of decision-making. The impacts of these subsystems rely on actors' relative power in terms of resources and resource exchange.

As an alternative model to pluralism and corporatism/neo-corporatism, PNA assumes that it is the organization of the policy process what structures relations between groups and the state (Smith, 1993). It sees a link between the micro-level of analysis, which deals with the role of interests and government in relation to particular policy decisions, and the macro-level of analysis, which is concerned with broader questions concerning the distribution of power within contemporary society. As a meso-level concept, it emphasizes the continuity in relationships, recognizing that a policy network influences, although it does not determine, a policy outcome. A policy network reflects a relative status, or even the power of particular interests in a broad policy area (Rhodes and Marsh, 1992).

In British politics, PNA highlighted the need of disaggregating policy analysis, stressing that relationships between groups and the government vary with a limited number of interests involved in the policy process. PNA also suggested that many policy fields could be portrayed by their continuity, not necessarily as far as policy outcomes were concerned, but in terms of the groups involved in policy-making (Rhodes and Marsh 1992). As such, PNA concentrated in inter-organizational relations at the sectoral level. It did not

concentrate on the micro-level, dealing with personal relations between actors³¹. PNA also saw different sorts of inter-organizational relations which, based on Rhodes and Marsh (1992), were more or less common in particular sectors. Those relations included:

- a. Policy communities: policy networks revealing stable relationships, continuity of highly restricted membership, vertical interdependence – taken as shared responsibilities, and limited horizontal articulation. Actors were insulated from both other networks and the general public.
- b. Producer networks: policy networks revealing fluctuating membership and limited vertical interdependence. They served for the interests of producers and relied on industrial organizations for delivering the desired goods and for expertise.
- c. Issue networks: policy networks revealing a large number of participants with a limited degree of interdependence. "Stability and continuity (were) at a premium" (Rhodes and Marsh, 1992: 14).

Based on this classification, the investigation will seek to describe the policy networks that arose and shaped the policy process set by the collegiate bodies with business participation between 2003 and 2016. As for Doctor (2017), corporatism is going to be taken as a starting point. It will add to the understanding of how business influenced policy-making, but PNA is mobilized for approaching policy-making per se, which, during PT Governments, took place in an increasing pluralist context (Gozzeto and Thomas, 2014; Doctor, 2017). Besides that, PNA is also taken as more than a form of interest intermediation. It is a specific form of governance (Börzel, 1998). Policy networks are taken as mobilizing mechanisms operating in contexts of dispersed political resources (Börzel, 1998). That manoeuvre puts in check the need of permanent collegiate bodies for more representative policy-making, what also challenges the effectiveness of these mechanisms of participation. The issue is the extent that policy networks could not substitute collegiate bodies. Additionally, if a type of policy network can describe policy-making set by a collegiate body, why establishing permanent and not temporary mechanisms of

³¹ If referring to such relationship, the investigation will use the term personal networks (Schneider, 2009; 2010).

participation? These are some of the questions that shall arise when considering PNA approach to policy-making in collegiate bodies.

A policy network, as a form of governance can be less hierarchical and market-oriented. Thus, it could be more efficient in contexts of increasing uncertainty of conditions and sectoral and functional overlaps of societal sub-systems (Börzel, 1998). However, as a mode of governance, policy networks would as well deal with inequality and its impacts not only on policies but also on democracy (Kohli, 2007; Eising, 2007; Przeworski, 2011; Dür, Bernhagen and Marshall, 2015; Fraussen, Beyers and Donas, 2015). According to LaPalombara (2017), because there is no stable equilibrium among political competitors, resources are not widely available and distributed to competing groups, and these groups do not enjoy equal access to all places involved in the policy process. Alike the diagnostic that inspired the establishment of mechanisms of participation (Lavalle, 2011), democratic governance through policy networks would have to take into consideration unequal access to resources and the state, as the risk remains to keep overlooking the political and material interests of the majority of Brazilians. If the role of interest groups in the policy process is vital for government responsiveness:

"Everything we are learning regarding the making and administration, as well as the judging, of public policies is that interest groups are immensely more directly salient than are elections as to what it is public officials do once elections are concluded. To count, to have a discernible effect, where governmental and regulatory processes are concerned, most of those in democratic societies today have markedly fewer advocates at their disposal than was the case in earlier times. The lopsided nature of advocacy serves to assure that systems will come to lack the kinds of redistributive policies on which political equilibria and peace have depended." (LaPalombara 2017: 183)

The state, like the market, remains a system that could allocate resources, including those that it does not own (Przeworski, 2011). Reforms, including the ones addressing policy-making³², "must be based on a clear analytical understanding of the causal paths

³² As an example, President Jair Bolsonaro (2019-2022) issued a decree, on 11 April 2019, ending the activities of all collegiate bodies created before 1st January 2019. To avoid extinction, they should prove to be effective in 60 days. See O Globo, Governo Bolsonaro quer extinção de conselhos sociais criados por Dilma [In Portuguese] [Online]. Available at: <https://oglobo.globo.com/brasil/governo-bolsonaro-quer-extincao-de-conselhos-sociais-criados-por-dilma-23591925>.

through which unequal resources affect political outcomes and on solid empirical evidence: otherwise they will be futile or even counterproductive” (Przeworski, 2011: 17).

In the next section, it is provided a short description on how business-state relations evolved in Brazil according to the political economy. Emphasis is given to reforms, as well as to assessments about features of business politics in the country.

2.3. APPROACHES TO BUSINESS-STATE RELATIONS IN BRAZIL

The *Constituição da República Federativa do Brasil* (CF) – Constitution of the Federative Republic of Brazil, promulgated in 1988³³, encourages citizens direct political participation (PR, 2010; Lavalle, 2011; Teixeira, Souza and Lima, 2012). As a general rule, it requires public engagement in policy design, implementation and oversight. In particular, Articles 198, 204 and 206 provide for the creation of public policy councils, for social control in the fields of healthcare, social assistance and education³⁴. The spirit implied in CF, known as the ‘Citizens’ Constitution’, echoed in other levels of the government and, following the establishment of these first councils, a broad number of collegiate bodies have been created. They increasingly engaged citizens in political decisions at the federal, state and local levels of the government (Lavalle, 2011; Lavalle, 2019).

Within the Federal Executive Power, these mechanisms assisted in policy design and coordination³⁵. During PT Governments, they could be found in practically all Ministries, as well as under the Office of the Presidency of the Republic (PR, 2010; Teixeira, Souza and Lima, 2012; Schmitt, 2018a; 2018b; 2018c). Their establishment, however, did not start in 1988. At least, where business participation is concerned, representatives have been invited to join councils, chambers and other similar mechanisms since the start of the industrialization, in the first decades of the 20st Century (Leopoldi,

³³ See Law nº 10.683, of 28 May 2003, repealed by Law 13.502, of 1st November 2017 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/Ccivil_03/leis/2003/L10.683.htm; and http://www.planalto.gov.br/Ccivil_03/_Ato2015-2018/2017/Lei/L13502.htm#art82.

³⁴ CF (1988) [In Portuguese] [Online]. Available at: http://www.planalto.gov.br/ccivil_03/constituicao/constituicao.htm.

³⁵ See *Política Nacional de Participação Social (PNPS)* – National Policy of Social Participation, Decree No 8,243, 23 May 2014 [In Portuguese] [Online] Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

2000; Diniz, 2001; 2010; Doctor, 2007; 2017; Boschi, 2010; 2012; Diniz and Boshi, 2002; 2003; 2007). The *Conselho Nacional do Trabalho* - National Labour Council, for example, was created in 1923, intending to institutionalize a formal space for the discussion of matters related to labour organization and social security³⁶. Business, labour and state representatives composed the council, which later inspired the organization of business-labour relations in a corporatist system under Vargas First Government (1930-1945)³⁷.

The Presidency of Getúlio Vargas is acknowledged as a critical juncture in Brazilian political and economic history. His government started a long trend in the nation's politics which centralized policy decisions at the Federal Executive (Leopoldi, 2000; Araujo, 2015; Bresser Pereira, 2017). This trend was reinforced during the Military Dictatorship (1964-1985), and, after re-democratization, centralism was maintained through the 1988 Constitution. In parallel to the concentration of policy decisions at the Federal Executive, Vargas erected a corporatist system that organized business and labour relations, defining the channels that would be used for direct participation in policy-making (Schmitter, 1971; 1974). Among these channels, his government established collegiate bodies, assembling high officials and selected members of the business community, for coordinating development policy design (Leopoldi, 2000; Araujo, 2015). Vargas corporatist system survived many shifts in Brazilian politics and is still in force today, although, in a more open and egalitarian way (Boschi, 2012).

The collegiate bodies established by Vargas for policy coordination were first planned to assemble only members of the administration. However, business representatives were informally invited to take part in their meetings. In the case of the *Conselho Nacional de Política Industrial e Comercial (CNPIC)* – National Council of Industrial and Trade Policy (1943), which was subordinated to the Ministry of Labour, leaders of business associations and experts were formally invited to join discussions, along with ministries and other members of the state bureaucracy. Labour representatives,

³⁶ Following a bill introduced in the Brazilian Congress in 1917 and the Versailles Treaty, signed in 1919, the Decree nº 16.027, of 30 April, 1923 created the *Conselho Nacional do Trabalho* - National Council of Labour. Decree nº 16.027 [In Portuguese] [Online]. Available at:

<http://www2.camara.leg.br/legin/fed/decreto/1920-1929/decreto-16027-30-abril-1923-566906-publicacaooriginal-90409-pe.html>.

³⁷ See CPDOC/FGV, National Labour Council [In Portuguese] [Online]. Available at:
<http://www.fgv.br/cpdoc/acervo/dicionarios/verbete-tematico/conselho-nacional-do-trabalho-cnt>.

nevertheless, did not take part in any of Vargas councils. According to Araujo (2015), the lack of correlation between labour and business in respect to political activity was usual in Brazilian politics, and it was partly surpassed after re-democratization, when President Fernando Collor (1990-1992) established the Sectorial Chambers. These tripartite collegiate bodies included labour unions representatives, but still in a smaller number than business (Doctor, 2007).

Vargas, however, organized business and labour in similar levels of associational structure within this corporatist system that also established the channels for direct political participation (Schmitter, 1971). Business associations and unions were divided by sector and location. Employer confederations represented economic sectors at the federal level, while employer federations comprised business associations within each economic sector and represented their interests at the state level. Confederations were the peak sectoral organizations, comprising all federations and business associations within an economic sector, as for industry, services, financing and agriculture. Labour, as business counterpart, was organized and separated by activity in unions, federations and confederations. Peak trade unions, representing workers from all sectors nationwide, however, were not envisaged in 1943³⁸. They were officially recognized by the legislation only in 2008, and after that they were located on the top of the corporatist system side representing workers³⁹.

On the business side, the establishment of the corporatist system, also, did not hamper autonomous business organization or implied a complete abandonment of pre-existing organizations, such as the *Centro das Indústrias do Estado de São Paulo (CIESP)* - Center of Industries of São Paulo State, created in 1928. While the government accredited corporatist organizations as lawful representatives in official forums, such as the collegiate bodies operational within the Federal Executive, the members of the pre-existing business associations pushed for keeping them in parallel, which was tolerated. Their maintenance served to ensure freedom of action in periods of restricted liberties, such as during the Vargas Dictatorship (1937-1945) and the Military Dictatorship (1964-1985) (Schmitter,

³⁸ See *Consolidação das Leis do Trabalho (CLT)* – Consolidation of Labour Laws (1943) [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Decreto-Lei-5452.htm.

³⁹ See Law nº 11.648, of 31 March 2008, recognizing central unions as representatives of all labour categories in forums, collegiate bodies and other spaces with tripartite representation (Article 2) [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2008/lei/L11648.htm.

1971; Leopoldi, 2000). Government tolerance also allowed the formation, in parallel to corporatist organizations, of sectoral business associations, (Diniz and Boschi, 2001), such as the *Associação Nacional dos Fabricantes de Veículos Automotores (ANFAVEA)* - National Association of Motor Vehicle Manufacturers, created in 1956. These independent business associations exercised political influence, meaning that, on the business side, a dual structure was in operation, shaped by corporatist associations and by independent business associations, representing specific industry sectors.

On the labour side, there was certain recognition of trade unions role in policy-making during the early years of Military Dictatorship (1964-1985). President Castelo Branco (1964-1967) invited labour representatives to take part in the work within the *Conselho Consultivo de Planejamento (Consplan)* – Planning Advisory Council (1965), but the Council per se was not operational through time. The Consplan was a collegiate body under the Ministry of Planning, joined by business and labour representatives, focusing on the institutionalization of the *Programa de Ação Econômica do Governo (PAEG)* – Government Economic Action Programme. After some meetings, as occurred with other participatory initiatives maintained by the Dictatorship, members realized that the aim of the Council was not to engage civil society in policy-making but to legitimize government decisions (Araujo 2015). In this environment, none of the civil society representatives had a voice, at least, openly and transparently, and Consplan lost its sense of purpose.

The corporatist system structured by Vargas spanned the so-called ‘developmental period’, which started in 1930 and ended in 1980, when the debt crises hit Brazil and accelerated political and economic liberalization (Bresser-Pereira and Diniz, 2009; Hochstetler and Montero, 2013; Bresser-Pereira, 2018). During the developmental period, the Federal Executive was accountable for key policy decisions in relation to development. It enjoyed, as well, great independence from parties and Congress. The civil society was relatively weak and dependent, while the state dominated society (Schneider, 1991). Even though developmentalism was followed by endless crises, which eventually led to the neoliberal reforms in the 1990s, the Presidency and the state bureaucracy maintained their central roles as arbitrators of conflicts (Boschi, 2010). It may have been a consequence of neither a relentless preponderance of the state, nor a total subjection of interest groups. For

the most part of the Dictatorship, the state was preponderant, but private groups had their role in pushing for adjustments in government's decisions (Schmitter, 1971). Starting in the late 1970's, this led to business engagement and support to political liberalization and re-democratization (Bresser-Pereira, 1985; Schneider, 2010).

After 1988, democratic governments maintained the practice of creating collegiate bodies for coordinating policy-making and engaging business in political decisions. José Sarney (1985-1990), who was the first civilian president after the Military Dictatorship, established the Sectoral Chambers that replaced the *Conselho de Desenvolvimento Industrial (CDI)* - Council for Industrial Development (1964), established by Castelo Branco (1964-1967). Sarney and, the first elected president, Fernando Collor (1990-1992), launched Sectoral Chambers to promote targeted discussions on sectoral industrial policies. The movement fragmented policy design on the matter, contrary to what was envisaged for CDI, where discussions concentrate on an all-encompassing industrial policy. Although most of the Chambers ended up in shifting their focus to inflation control, for the economic impacts of hyperinflation, results were achieved in some sectors, such as the automotive one (Doctor, 2007). During President Fernando Henrique Cardoso's First Term (1994-1998), Chambers were reinstated under the label of Forums, targeting increasing their openness and participation. Nevertheless, the prioritization of monetary policy led to the discontinuation of the work within these Forums (Toni, 2013; Araujo, 2015).

The survival of the Brazilian corporatist system after re-democratization and the centralization of industrial policy (Rodrik, 2004; 2008) within the Federal Executive, did not, however, obstruct the rising in importance of the Legislative Power as a locus for business political action, nor did it block the reorganization of the business community, which started to consider other ways to exert political influence (Mancuso and Oliveira, 2006). While rational business actors balance their portfolio of political investments to take advantage of evolving opportunities (Schneider, 2009; 2010), in Brazil, although business launched new forms of collective action⁴⁰, in a context of demobilization, as in the 1990s,

⁴⁰ Such as the *Instituto de Estudos para o Desenvolvimento Industrial (IEDI)* - Institute for Industrial Development Studies; the *Pensamento Nacional das Bases Empresariais* - National Thinking of Business Fundamentals, the *Ação Empresarial - Business Action*; the *Agenda Legislativa da Indústria* - Legislative Agenda of Industry; and the *Coalizão Empresarial Brasileira* - Brazilian Business Coalition.

the use of personal networks, if not increased, remained a pattern of business politics. During this period, the rise in support of neoliberal ideas pushed for non-interference of the state in the market. In addition to that, political liberalization and economic deadlock impacted business organization (Diniz, 2001; 2010; Diniz and Boschi, 2002; 2003; 2007; Bresser-Pereira and Diniz, 2009; Schneider, 2009; 2010; Boschi, 2010; 2012).

After the achievement of economic stability through *Plano Real* – Real Plan, which was launched in 1994, business interest groups started to re-consider state intervention as positive and necessary to development (Bresser-Pereira and Diniz, 2009). Business ‘reappearance’ in Brazilian politics is broadly identified in the academic literature with Lula’s decision to create the *Conselho de Desenvolvimento Econômico e Social (CDES)* - Economic and Social Development Council, in 2003. The council was primarily composed by business (Doctor, 2007) and would:

“Support the President in the design of public policies and other guidelines targeting economic and social development, through the elaboration of normative instructions, policy proposals and procedural agreements, and through the analysis of public policy proposals and structural and economic and social development reforms submitted by the President of the Republic, in view of the coordination of the relations between the government and civil society representatives and in view of the agreement among the diverse sectors represented by the council”. (Art 8, of Law No 10,683, 28 May 2003, on the organization of the Presidency of Republic and Ministers, and other arrangements)

CDES was part of Lula’s efforts to achieve business support to government decisions, as well as to increase political participation through extra-parliamentary mechanisms (Doctor, 2007; 2017; Schneider, 2009; 2010; Diniz, 2010; Boschi, 2010; Devlin and Moguillansky, 2013; Hochstetler and Montero, 2013; Araujo 2015). The Council aimed at building bridges among different interests within Brazilian society, targeting economic and social development. Hence, besides tripartite representation, it allowed a voice to members of the Church and other interests, such as academia. It also “tried to tap into a wide variety of views, for example, choosing labour union representatives on the basis of known differences in their positions on labour reform, especially the flexibilization of CLT” (Doctor, 2007: 08). Nevertheless, CDES kept the long tradition of business overrepresentation. Additionally, it favoured the participation of

business leaders detached from business associations, whether voluntary or corporatist (Doctor, 2007).

As a general rule, although more interests were represented in the collegiate bodies established after re-democratization (Boschi, 2010), and their institutionalization occurred at a faster pace – even more after Lula, disparities remained (PR, 2010; Teixeira, Souza and Lima, 2012). According to an investigation conducted by IPEA, civil society's counsellors were, in their majority, white men showing educational levels above the Brazilian average (IPEA, 2010). The sample considered 30 collegiate bodies, which were councils, committees and forums. They were, as well: i) central in their policy fields, ii) composed by members of the civil society, and iii) created by presidential decree or law passed by the National Congress⁴¹. In addition to that, previous research on the collegiate bodies joined by peak sectoral corporatist business associations points to the reminiscence of representation disparities and business overrepresentation in industrial policy-making (Schmitt, 2018a; 2018b; 2018c).

While corporatism assumed new forms, as a model, it yielded space to pluralist features, as “corporatist institutions were sufficiently flexible to allow the evolution of corporatist associations into policy networks based on more open democratic and pluralist approaches to business-state relations” (Doctor, 2017, p. 207). The Brazilian system of interest groups, as a whole, “made significant advances under democratic rule, including considerable expansion in both the number and range of interests operating in Brasília as well as a broader range of strategies and tactics” (Gozetto and Thomas, 2014, p. 236). It may have taken on many of the characteristics of a developed interest group system, with business making use of a variety of political investments for influencing policy-making (Boschi, 2010; Gozetto and Thomas, 2014; Mancuso and Speck, 2014; 2015; Mancuso, Angelico and Gozetto, 2016; Mancuso, Horochovski, and Camargo, 2016; Baird, 2017; Doctor, 2017). Thus, if Brazil rehabilitated industrial policy (Bresser-Pereira and Diniz, 2009; Devlin and Moguillansky, 2011), as to foster a more formalized pattern of business

⁴¹ See: Institute of Applied Economic Research (IPEA) *Conselhos Nacionais, Perfil e atuação dos conselheiros (2010)* – National Councils, Profile and councilors performance (2010), pp. 12 [In Portuguese] [Online]. Available at: http://www.ipea.gov.br/participacao/images/pdfs/relatoriofinal_perfil_conselhosnacionais.pdf.

politics, this occurred in parallel to the rising in use of other political investments, such as legislative lobbying, campaign financing and corruption. As revealed by the *Operação Lava Jato* – Operation Car Wash, the use of personal networks remained an undeniable feature of business politics in the 2000's.

The next section deals with industrial policy under the new developmentalism, giving particular attention to patterns of business politics.

2.4. BUSINESS POLITICAL ACTION UNDER NEW DEVELOPMENTALISM

According to Bresser-Pereira (2011) when it became clear that the Washington Consensus would not cause growth, but rather financial instability and increasing inequality, the political reaction in Latin America came from the ballot boxes, a great number of countries elected left governments. Meanwhile, the academic reaction was to observe the fast-growing Asian countries and became persuaded that, despite cultural and economic differences, these experiences would help devise a development alternative. The given name to this alternative was 'new developmentalism', which he defined as:

"a set of values, ideas, institutions, and economic policies through which, in the early 21st century, middle-income countries sought to catch up with developed countries. It is not an economic theory but a strategy; it is a national development strategy, based mainly on Keynesian macroeconomics and structuralist development macroeconomics" (Bresser-Pereira, 2011, p. 8)

Under the new developmentalism, the state plays a key role in the economy. It has a normative, enabling, and encouraging role, which targets ensuring the proper operation of the market, through the provision of the general conditions for capital accumulation. Whereas the new developmentalism supports industrial policy, industrialization is not a state-led enterprise. Government support to business enterprise is strategical, conditioned to international competitiveness (Bresser-Pereira, 2011; Schneider, 2015). Industrial policy, as such, is a public-private collaboration (Rodrik, 2004; 2008; Schneider, 2015) that address market failures, as, in extreme cases, they could retard the efficient allocation of resources (Devlin and Moguillansky, 2011; 2013).

Industrial policy is, then, seen as to offer the advantage of analyzing obstacles to better economic performance in a more concrete and specific manner (Schneider, 2015). Their removal is facilitated, among others, for the fact that the exchange of information between business and government reduce the costs arising from the identification and assessment of the opportunities for marketing positioning (Devlin and Moguillansky, 2011). In the 21st century, government has a less concrete and specific view of the market, as means of production are more in the private sector hands. Whereas business detains the contextual market information that serves to identify the opportunities to economic transformation, government retained the advantage of observing and assessing aggregate outcomes. The latter can avoid market failures occasioned by uncertainty, which can lead companies to inertia or status quo bias (Devlin and Moguillansky, 2011). Thus, the exchange of information is advisable, even though it implies significant risks. Collaborations could be harmful to development for their distributive impacts. Industrial policy may cause unproductive rent-seeking, while it goes beyond reducing the general costs of doing business, allocating resources, subsidies and regulation (Schneider, 2015).

According to Schneider (2015), for understanding the institutional challenges of public-private collaborations in the form of industrial policy, one should distinguish between passive and active industrial policy. The first would cover topics such as red tape, better regulation, taxes, infrastructure and trade negotiations. In sum, it refers to actions that can reduce the costs of doing business. The latter would target changing private sector behaviour. Thus, in its active form, industrial policy uses public rules and subsidies to increase selected sectors exports or investments, or it gets companies to enter in new business. The latter is, for that reason, more institutionally challenging than the first. It embroils: i) higher costs of sharing information, as it may be necessary to disclose trade secrets to government and other players⁴²; ii) subsidies with strings attached⁴³; iii) rent-seeking risks, as subsidies may be firm-specific; iv) higher monitoring costs on the government side, as it will have to determine whether subsidized firms are meeting

⁴² Trade secrets can be defined as not accessible information to the general public and essential for manufacturing or marketing products, providing services, the administrative or financial organisation, and for giving a competitive advantage in the market to whoever possesses that information.

⁴³ They can encompass special demands or limits, such as performance standards.

performance standards; and v) sanctioning low performing firms, what is not only difficult, but also politically costly.

Additionally, Schneider (2015) supports that features of institutional design would foster effective collaborations to the extent that they promote three general reinforcing functions: meaningful exchange of information, authoritative allocation and minimal rent-seeking. While arrangements used to achieve these functions are many and vary from case to case, the "important analytical task – when assessing any particular case – is to sort out which institutional components are really essential to these general functions" (Schneider, 2015: 4). Benchmark councils, such as the Korean export council, combined active industrial policy with clear performance standards, succeeding based on: i) reiterate interactions; ii) private information; iii) allocative authority and resources; iv) peer monitoring; v) measurable goals; vi) competitive context; and vii) technical staff. However, this is still an exceptional case. In Latin America, industrial policy councils for their most part served as forums to exchange information, as the institutional requirements for effective joint problem solving may have been too high. Experiments reduced costs, but could not reinforce all three general functions, engendering "incentives to sustain engagement from the public sector (access to private information) and from the private sector (access to public authority and resources) and mechanisms to discourage rent seeking (peer monitoring, measurable goals, and competitive context)" (Schneider, 2015: 25).

Success, meaning that council activities somehow improved the process of policy-making, promoting joint problem solving, rely on how public-private partnerships answer to a number of questions (Schneider, 2015). The first one refers to participation; more precisely, it defines 'who are going to seat at the table?'. Implications of this choice will include, but would be not restricted to, the fact that a small number of participants facilitates decision making, whereas to find common ground is more difficult in diverse and encompassing councils (Olson, 1972; Devlin and Moguillansky, 2011). However, homogeneity may, also, hamper peer monitoring and incentives against unproductive rent-seeking (Schneider, 2015). Another point of attention concerning participation is the level of the representation. Whereas high-level members would assist in convincing business that legitimized decisions on allocations would be taken, Presidents or Ministers also

signalize that the collaboration would not last long (Schneider, 2015). In addition to that, it is advisable to minimize politicization and ensure the representation of the civil stakeholders with the market-based and scientific or technical information required to build the necessary strategies that would improve market efficiency (Devlin and Moguillansky, 2011). To find the ideal balance among these institutional choices is not an easy task.

To complicate even more, another set of questions relates to communication and decision, as well to allocative authority. While it is advisable to make mandates clear (Devlin and Moguillansky, 2011), "a council charged with promoting general discussions between government and business may appear to accomplish little in terms of changing policy or firm behaviour" (Schneider 2015: 18). It would face the risk of being of small interest to business interlocutors, as "to overcome the costs of participation, councils must be perceived (...) to make authoritative allocations, to decide on the distribution or redistribution of resources (Schneider, 2015: 19). Thus, even though it could be more realistic to a particular stage of business-state relations, as well as to the economy, an alliance with the limited mandate of serving to the exchange of information, such an experiment would face challenges for keeping the regularity of its work. Alternatively, the partnership could ensure increasing benefits, starting with a very specific problem-solving at a lower level of aggregation and progressively leading to consensus building on big issues and directions (Devlin and Moguillansky, 2011). Following Schneider (2015), "best long-term mechanism for ensuring some benefit (...) is to set by statute some allocation as subsidized loans, grants, export quotas, minimum wages, training programs, or infrastructure investment" (Schneider, 2015: 19). Nevertheless, though necessary, these are as well not sufficient conditions for serious engagement.

Finally, the institutional design of any business-state partnership will have to impede unproductive rent-seeking, what favours features, such as transparency, which conflict with features that facilitate the dialogue between business and government (Schneider, 2015). Whereas it is advisable to "keep deliberations confidential to encourage frankness and an environment where compromise is possible" (Devlin and Moguillansky, 2011: 89), unproductive rent-seeking can harm development. Additionally, if discussions are of public record, rent-seekers would see incentives for relying on side conversations (Schneider, 2015), as interest groups exhibit a preference for quieter, low-profile, less

publicly visible forms of competition over public policies (LaPalombara, 2017). Hence, building contrary incentives, such as a dedicated and competent technical staff may be an alternative solution (Evans, 1995; Schneider, 2015), as:

“if government participants and technical staff for councils are drawn from career civil servants in line with ministers (Weberian bureaucrat), on secondment, then their long-term interests lie with their ministries, and they gain less by acceding to collusion with business. In contrast, if government representatives are political or confidence appointees, they might see options for later employment with (or campaign contributions from) business participants, and then, as in cases of regulatory capture, incentives for work against rent seeking are diminished” (Schneider, 2015: 22).

For Schneider (2015), the role of staff is crucial. It will not only assist in deliberations, generating new information and items for discussion or decision, but also keep the work of the council. At the same time, business interlocutors would perceive themselves as part of an initiative that can and will make allocations. As long as business must be well-organized for effective representation, government “must continually demonstrate its political leadership, its commitment to the process, and its respect for the alliance’s recommendations for strategies underpinning public policy” (Devlin and Moguillansky, 2011: 89). A private-public collaboration is embedded in preexisting networks. It may be, as well, the iceberg tip of multifaceted relations between top officials and business (Schneider, 2015). Hence, how these relations are structured would shape the exchange of information and the policy process. In many occasions, where long-standing network ties are absent, councils would be the only means for policymakers to start flows of information. Yet, the potential of any partnership will depend on the broader political economic context. That means on the structure of the political system and on the capabilities – and the preferences that arise from them – of main business interlocutors (Schneider, 2015).

On the government side, for example, there is a historical correlation between successful developmental states and authoritarian rule (Schneider, 2015). However, in more democratic states, powerful insulated bureaucracies with strong backing from ruling parties had a key role in industrial policy (Schneider, 2015). The Brazilian combination of majoritarian presidentialism and proportional representation then poses difficulties to

effective collaboration. To say the least, it increases the points of access to business interlocutors, while the ruling party has to work to maintain an unstable majority in congress. Such a context makes it hard for government officials associating performance standards to the allocation of resources (Schneider, 2015). On the business side, the availability of diversified political investments (Boschi, 2010; Gozetto and Thomas, 2014; Mancuso and Speck, 2014; 2015; Mancuso, Angelico and Gozetto, 2016; Mancuso, Horochovski, and Camargo, 2016; Baird, 2017; Doctor, 2017) makes business more influential. In addition to that, an unequal economic political context, with traditional business groups, such as family conglomerates, which hold important ties with politicians, would reduce the capability of encompassing business associations to represent the interests of their economic sectors (Schneider, 2008; 2015). It would make preferable to big business the use of personal networks for influencing government decisions regarding the application of industrial policy instruments (Schneider, 2009; 2010).

As seen, the political and economic context, together with the institutional framework, impose several risks to industrial policy. These risks arise from the combination between choices of institutional design and capabilities and preferences within the political system. Both factors influence business-state collaborations. Their combination impacts the extent that market failures are addressed conditioned to competitiveness (Bresser-Pereira, 2011), as well as the way through which patterns of business politics will evolve. According to Schneider (2010), they can vary between fragmentation and centralization. Based on three dimensions, business politics can move from an unformalized pattern to a formalized pattern. These dimensions are: i) the level of business organization; ii) the degree in formality of state channels; and iii) business preferences among councils, associations, legislative lobbying, personal networks and corruption. If organization increases through industrial policy, as well as the formality of state channels, patterns of business politics shall change, moving them from a more fluid, disperse and centrifugal pattern to a more organized, structured and centripetal pattern (Schneider 2009; 2010). In other words, formalized politics, such as councils and associations, may become preferential. However, that would still depend on the authority of these formalized channels, as their power to influence in final decisions will outline the extent that they become preferable to business people.

2.5. FINAL REMARKS

While specifying the elements of the IAD framework relevant to the research and making assumptions about them (Ostrom, 2007), this chapter considered two different theoretical perspectives on political participation and sustained the viability of applying findings within the political sociology perspective to a political economy investigation that targets business-state relations in collegiate bodies.

The review acknowledged that previous research on the role of participatory mechanisms under the political sociology perspective disregarded not only business political action, but also the impacts of mechanisms of participation on policies and democracy (Avritzer, 2011; Lavalle, 2011; Wampler, 2011). Thus, for assessing the effects of peak sectoral corporatist business associations' participation in collegiate bodies on formalization, research accepts Avritzer (2012) suggestion of focusing on sequencings of deliberative moments (Goodin, 2008). It seeks to systematize analysis approximating causes and consequences (Lavalle, 2011), whereas it considers formalization a functional consequence of participatory policy-making. As such, formalization is an outcome of choices of institutional design in relation to type, participation, scope, responsibility, regularity and authority (Fung 2003; 2009), and of capabilities and preferences within the political system (Schneider, 2015).

As also seen, theories and approaches under the political economy perspective clarified how business is taken in the research, as well as how attributes of the world impacted collegiate bodies outcomes. Business is essentially associations, though it is also firms and networks (Maxfield and Schneider, 1997). Yet, deliberative moments within collegiate bodies are analyzed in view of: i) business organization (Schneider 2009; 2010), ii) resources within a political system (Dahl, 1962; Schneider, 2008; Przeworski, 2011; Dür and González, 2013), iii) the cohesion of interest groups (Schneider, 2008), iv) the size of interest groups (Olson, 1972), v) the problems at stake (Lowery and Gray, 2004), vi) the available incentives (Lowery, 2007), vii) the structure of the system of interest intermediation (Schmitter, 1971; 1974; 2010; Lehmbruch, 1991; Molina and Rhodes, 2002; Boschi, 2010; Doctor, 2017), viii) inter-organizational relations (Rhodes and Marsh 1992; Börzel, 1998; Schneider, 2009; 2010), and iv) unequal access to the state (Kohli,

2007; Eising, 2007; Przeworski, 2011; Dür, Bernhagen and Marshall, 2015; Fraussen, Beyers and Donas, 2015).

In addition to that, particularities of the Brazilian system of interest representation, more specifically its pluralization (Gozetto and Thomas, 2014; Doctor, 2017) combined with the advent new developmentalism, which foresaw a great role for industrial policy (Rodrik, 2004; 2008; Bresser-Pereira, 2011; Devlin and Moguillansky, 2011; Schneider, 2015), assisted in shaping analysis. While development policy relied on public-private collaborations, it depended on the structure of business-state relations (Schneider, 2015). Thus, the investigation portrays an attempt of considering not only rules, but also attributes of the world (Ostrom, 2007) whereby assessing business political action regarding economic policy. More precisely, it looks at the formalization of business political action for the impacts on rule-making, and inequality (Przeworski, 2011).

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3. MODEL

In view of the theories and approaches previously reviewed, the chapter describes the model organizing the investigation. It starts by introducing the data sample adopted in the analysis, clarifying its reach. Next, it focuses on describing the abstract model of causal inference used for organising research. The model portrays formalization as a dependent variable caused by two independent variables: business inclusiveness in participatory policy-making, and commitment building between business and the government. While the Institutional Analysis and Development (IAD) framework (Ostrom, 2007) assisted in specifying this causality, the model organizes research in a unified logic of inference (King, Keohane and Verba, 1994). It sets the test of hypothesis, following a linear logic that starts with the quantitative assessment of business inclusiveness in participatory policy-making and ends with three case studies. In-depth analysis of selected collegiate bodies further assesses the effects of independent variables on the dependent variable, in view of business interest in influencing policy-making from 2003 to 2016.

Formalization, as business political action through peak sectoral corporatist business associations' participation in collegiate bodies, as well as in the policy networks that emerged and shaped the policy process set up by these mechanisms of participation, depended on business inclusiveness in participatory policy-making and on commitment building between business and the government. Their interaction portrays a relationship amid rule configuration and attributes of the world (Ostrom, 2007) that could engender a more organized, structured and centripetal pattern of business politics (Schneider, 2009; 2010). As such, the first independent variable refers to the combination of choices of institutional design (Fung, 2003; 2009) that made possible to business influencing policy outcomes through the participation of peak sectoral corporatist business associations in collegiate bodies. The latter, in turn, refers to the capabilities, and the preferences arising from them (Schneider, 2015), that affected business political action for unfolding the extent that government and business' representatives complied with their duties while part of participatory policy-making in collegiate bodies and in related policy networks.

Whereas the goal of the research is answering the question “*Why were PT Governments unable to formalize business political action by ensuring overrepresentation of business participation in collegiate bodies?*”, the model tests the impacts of the operational institutional framework of collegiate bodies on formalization, what includes overrepresentation, as well as of features of the political system contained in the informational sets of both business and government representatives in mechanisms of participation. According to research hypothesis, business inclusiveness in participatory policy-making is a necessary condition to formalization, whilst commitment building is not only contingent on business inclusiveness in participatory policy-making, but should also assume the form of either inclusion in policy-making on the government side, or engagement in policy-making on the business side. Thereby, difficulties in formalizing business political action relied on the effects of both independent variables on formalization, more precisely, on their interaction. That is the reason why the test of hypothesis follows the test of the effects of each independent variable on the dependent variable. In this format, the investigation has the potential of revealing not only the reach of business participation in participatory policy-making, but also the constraints imposed by the political system when fostering formalization through the use of collegiate bodies.

The chapter, besides this introduction, has six sections. The first one introduces the data sample. The second describes the abstract model of causal inference organizing research. The third delineates the assessment of business inclusiveness in participatory policy-making. The fourth clarifies the methodological option of selecting pathway cases (Gerring, 2007) for further in-depth analysis. The fifth introduces the second independent variable, commitment building between business and the government. Finally, the sixth section describes the assessment of the effects of the interaction between independent variables on formalization.

3.1. DATA

The investigation assesses business inclusiveness in participatory policy-making, based on the collegiate bodies joined by the following peak sectoral corporatist business associations:

- *Confederação Nacional da Agricultura (CNA)* – National Confederation of Agriculture;
- *Confederação Nacional do Comércio de Bens, Serviços e Turismo (CNC)* – National Confederation of Trade in Goods, Services and Tourism;
- *Confederação Nacional da Indústria (CNI)* – National Confederation of Industry; and
- *Confederação Nacional das Instituições Financeiras* and *Confederação Nacional do Sistema Financeiro (CNF/CONSIF)* – National Confederation of Financial Institutions and National Confederation of the Financial Service⁴⁴.

The representativeness of these business associations substantiated their selection. CNA, CNC, CNI and CNF/CONSIF represented interests nationwide within the three classical economic sectors: primary, secondary and tertiary.

Besides representativeness, the *Consolidação das Leis do Trabalho (CLT)* – Brazilian Labour Law⁴⁵, secured CNA, CNC, CNI and CNF/CONSIF's authority for representing agricultural, services, industrial and financial interests nationwide. In being "peak", at the sectoral level, these business associations encompassed at least three federations operating at the state level (Kalil, 2010). CNI, for example, comprised 27 state federations within the industrial sector. Such federations gathered all state-level business associations within the industrial sector of each one of the 27 states. Together, these state business associations, called *sindicatos patronais* – 'employer syndicates', summed up to more than 1,250 business organizations, encompassing around 700 thousand firms⁴⁶. In the case of CNI, the whole Brazilian industrial sector was under its umbrella and, despite sectoral particularities, the same applies to CNA, CNC and CNF/CONSIF. Though there were, as well, associations representing selected business activities, such as for

⁴⁴ Both associations operate together. CNF gathers sectoral business associations of the financial sector. CONSIF is the peak sectoral corporatist business association of the financial sector (Kasahara; 2013), it represents the interests of the financial sector, among others, in corporatist collegiate bodies.

⁴⁵ See CLT (1943) [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm.

⁴⁶ See Portal da Indústria [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/institucional/conheca-cni/>.

machinery⁴⁷, they frequently operated in partnership with state syndicates that acquired national relevance (Diniz and Boschi, 2001). Such arrangements were similar to the one between CNF and CONSIF. They ensured a funded tie-in representation of business interests⁴⁸.

Concurrently, CLT validated peak sectoral corporatist business associations representation of economic interests before the Executive and Judiciary Powers. Whereas, Art 513 foresaw as the first prerogative of any sindicato – ‘syndicate’, “to represent, in front of administrative and judicial authorities (...) members interests in relation to their business activity”⁴⁹, Art 533 recognized confederations as associações de sindicatos de grau superior – ‘associations of syndicates of superior level’. That meant CNA, CNC, CNI and CNF/CONSIF were the peak sectoral corporatist business associations representing agricultural, services, industrial and financial interests in front of the Federal Executive. As for the Brazilian Supreme Court, the 1988 Constitution ensured to employer confederations the right of petitioning Ações Diretas de Inconstitucionalidade (Adin) – Direct Actions of Unconstitutionality⁵⁰. That entitled peak sectoral corporatists business associations to plea the unconstitutionality of regulations at the Supreme Court (Kasahara, 2013). Consequently, CNA, CNC, CNI and CNF/CONSIF had the means for not only

⁴⁷ See *Associação Brasileira da Indústria de Máquinas e Equipamentos (ABIMAQ)* - Brazilian Machinery and Equipments Association [In Portuguese] [Online]. Available: <http://www.abimaq.org.br/>.

⁴⁸. Until 2017, CLT secured resources for funding employer syndicates, federations and confederations activities, besides labour counterparts. Additionally, corporatist business associations counted with funds of the Sistema S, which stemmed from a mandatory contribution on companies (Schmitter, 1971). See also Folha de São Paulo (2017) ‘O que muda com a nova lei trabalhista e o que os tribunais ainda podem rever’. 11 November Available: <https://www1.folha.uol.com.br/mercado/2017/11/1934569-o-que-muda-com-a-nova-lei-trabalhista.shtml>; Valor Econômico (2017) ‘Gestão do Sistema S rende R\$ 1 bilhão a entidades patronais’. 30 August [In Portuguese] [Online]. Available: <https://www.valor.com.br/brasil/5100102/gestao-do-sistema-s-rende-r-1-bilhao-entidades-patronais>; and Senado Notícias, Sistema S. [In Portuguese] [Online]. Available: <https://www12.senado.leg.br/noticias/glossario-legislativo/sistema-s>.

⁴⁹ See Art 513 of CLT [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm. In 1946, the already repealed Decreto-Lei No 8.740, de 19 de Janeiro de 1946 – Decree-Law No 8,740 of 19 January 1946, even predicted in its Art. 536 that confederations were the representatives of the represented business activities or practices (as for labour) nationwide. See: Decreto-Lei No 8.740, de 19 de Janeiro de 1946 - Decree-Law No 8,740 of 19 January 1946 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del8740.htm.

⁵⁰ See *Constituição da República Federativa do Brasil de 1988* - Brazilian Federal Constitution of 1988. [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/constituicao/constituicao.htm; and *Ação Direta de Inconstitucionalidade (ADI) 3153* - Direct Action of Unconstitutionality (ADI) 3153. [In Portuguese] [Online]. Available: <http://redir.stf.jus.br/paginadorpub/paginador.jsp?docTP=AC&docID=363459>.

influencing policy-making, but also for blocking policies through appeals at the Judiciary or the Supreme Court.

Concerning the National Executive, due to the increase in the use of mechanisms of participation from 2003 to 2016 (Doctor, 2007; 2017; Schneider, 2009; 2010; Diniz, 2010; Boschi, 2010; Araujo, 2015; Schmitt, 2018a; Schmitt, 2018b; Schmitt, 2018c; Schmitt, 2019), CNA, CNC, CNI and CNF/CONSIF took part in the work of a growing number of collegiate bodies. Data made public by them provided the following scenario:

- CNA: did not maintain a descriptive public list of joined collegiate bodies; however, its website informed that it took part in the work of 219 *representações* – representations⁵¹, within the public and private sectors⁵².
- CNC: based on its website, in 2016, it was part of 70 collegiate bodies. The total number of CNC representatives in these mechanisms of participation was 174⁵³.
- CNI: reported through a special publication on the topic to be part of 175 different collegiate bodies in 2016. They covered 19 different policy fields. The total number of CNI representatives in these mechanisms was 464⁵⁴.
- CNF/CONSIF: based on its website, in 2016, CONSIF was part in conversations within 15 Councils, 13 Commissions, 4 Committees, 3 Forums and 8 Working Groups⁵⁵. Yet, according to a special publication on “*Representações Externas*” – External Representations, CNF/CONSIF, together, were part of 45 collegiate bodies⁵⁶.

Based on the systematization of the available information⁵⁷, previous assessments revealed that a great number of the joined collegiate bodies were established by law or

⁵¹ That means collegiate bodies.

⁵² Updated in 2019 [In Portuguese]. See <https://www.cnabrasil.org.br/representatividade-do-setor>.

⁵³ See: CNC, Representações, Órgãos Públicos [In Portuguese] [Online]. Available: http://www.portaldocomercio.org.br/sgr/representacao_orgao.asp?nroTp=1

⁵⁴ See CNI (2016) [In Portuguese].

⁵⁵ See CONSIF, Atuação [In Portuguese] [Online]. Available: <http://www.consif.org.br/atuacao>.

⁵⁶ See CNF (2016) [In Portuguese].

⁵⁷ Refer to Appendix 2.

decree (Schmitt, 2018a; Schmitt, 2018b; Schmitt, 2018c; Schmitt, 2019), what made them part of the federal governing structure.

Nevertheless, a disturbing fact about CNA, CNC, CNI and CNF/CONSIF data was that it dramatically deviated from other publications on direct participation during PT Governments⁵⁸. It covered more types of collegiate bodies, including on the list councils, committees, commissions, chambers, dialogues, working groups, forums, conferences and other mechanisms of participation. Accessed publications, in turn, restricted analysis to councils, commissions, and conferences. Yet, even when restricting CNA, CNC, CNI and CNF/CONSIF data, findings were inconsistent. Schmitt (2018a; 2018b; 2018c) recognised 53 councils and 32 commissions operational between 2003 and 2016. The *Instituto de Pesquisa Econômica Aplicada (IPEA)* - Institute of Applied Economic Research (IPEA), acquainted 60 councils in a discussion paper published in 2012⁵⁹. Yet, the *Instituto Pólis (IP)* – Institute Polis, in partnership with the *Instituto de Estudos Socioeconômicos (INESC)* – Institute of Socioeconomic Studies, identified 71 councils in 2011⁶⁰. Among the councils within the latter two samples, 6 commissions were on the list. Considering only those, 4 were among the 32 with business participation (Schmitt, 2018a; 2018b; 2018c).

Disparities, however, ended up not posing a drawback to the use of data collected with CNA, CNC, CNI and CNF/CONSIF. First, research considered that business could not have been part of all operational mechanisms of participation. A member of CNI staff even informed that the association rejected invitations because the matters under consideration were seen as not to be 'prerogatives' of the *Sistema Indústria* – Industry System⁶¹. Second, the mentioned surveys restricted analysis to councils, including selected commissions, and conferences on the list. To use such samples or to restrict research to

⁵⁸ See IPEA, Participação em Foco [In Portuguese] [Online]. Available: <http://www.ipea.gov.br/participacao/estudos-do-ipea>.

⁵⁹ See Arquitetura da Participação no Brasil: Uma Leitura Das Representações Políticas em Espaços Participativos Nacionais. Texto para discussão [In Portuguese] [Online]. Available: http://www.ipea.gov.br/portal/index.php?option=com_content&view=article&id=15081.

⁶⁰ See Polis - Inesc (2012) Projeto/Pesquisa: Governança Democrática no Brasil Contemporâneo: Estado e Sociedade na Construção de Políticas Públicas Arquitetura da Participação no Brasil: avanços e desafios [In Portuguese] [Online]. Available: <http://polis.org.br/noticias/polis-e-inesc-lancam-pesquisa-sobre-a-participacao-social-no-brasil/>.

⁶¹ In other words, they did not align with CNI practice areas, which include CNI, SENAI, SESI and IEL. Interview, 2017.

these types of collegiate bodies would imply in data loss. Both members of CNI and CNF/CONSIF staff, when asked about the types of the joined collegiate bodies, admitted not to see substantive differences among them, one even affirmed that “they all served for the same purpose”⁶². Besides that, research also did not access either a broader list of collegiate bodies operational during PT Governments⁶³, or a typification that could justify the use of all different denominations⁶⁴. Although the General Secretariat of the Presidency recognized national councils as to be advisory bodies to the Presidency⁶⁵, laws and decrees establishing the permanent mechanisms of participation compounding the data sample collected with CNA, CNC, CNI and CNF/CONSIF confirmed that they had similar purposes. They were all advisory bodies at ministerial level (2018a; 2018b; 2018c; 2019). As such, despite disparities and different types, all collegiate bodies joined by these business associations, when permanent⁶⁶, were considered in the research.

Moreover, an explanation for the great number of collegiate bodies with business’ participation is that CNA, CNC, CNI and CNF/CONSIF did not only take part in industrial or development policy (Rodrik, 2004; Bresser-Pereira, 2011; Schneider, 2015). They seem to have expanded business areas of influence. In fact, CNA, CNC, CNI and CNF/CONSIF were more than the lawful voices of economic sectors, they had broader competencies. They offered to employers and employees leisure spaces and activities, technical and higher education and other cultural and social activities. Hence, there were reasons for their participation in collegiate bodies dealing with educational or cultural matters for example (Schmitt, 2018a; 2018b; 2018c; 2019). Still, the encompassing responsibilities of CNA, CNC, CNI and CNF/CONSIF indicate that there could have been a ubiquitousness of

⁶² Interviews, 2017.

⁶³ In April 2019, President’s Jair Bolsonaro Chief of Staff, Minister Onyx Lorenzoni sustained that 700 collegiate bodies were operational under Rousseff (2011-2016). See O Globo, Governo Bolsonaro quer extinção de conselhos sociais criados por Dilma [In Portuguese] [Online]. Available:

<https://oglobo.globo.com/brasil/governo-bolsonaro-quer-extincao-de-conselhos-sociais-criados-por-dilma-23591925>.

⁶⁴ In 2014, Rousseff established the *Política Nacional de Participação Social (PNPS) e o Sistema Nacional de Participação Social (SNPS)* – National Policy of Social Participation and the National System of Social Participation, but it defined only some types of mechanisms of participation. [In Portuguese] [Online]. See http://www.planalto.gov.br/ccivil_03/ato2011-2014/2014/decreto/D8243impressao.htm.

⁶⁵ See Presidência da República, Secretaria-Geral da Presidência da República, Conselhos Nacionais [In Portuguese] [Online]. Available: <http://www.secretariadegoverno.gov.br/participacao-social/conselhos-nacionais>

⁶⁶ Meaning that they were created by law or decree, being part of the Federal Executive.

industrial policy (Rodrik, 2004; Schneider, 2015) in the period. Based on accessed data, it appeared scattered within the Federal Executive, covering matters not traditionally related to market dysfunctions. As such, Lula (2003-2010) and Rousseff (2011-2016) could have amplified industrial policy remits, what makes this investigation a contribution to studies about the new developmentalism in Brazil, as well as in other latitudes (Bresser-Pereira, 2011; Schneider, 2015).

In view of the formalization of business political action, CNA, CNC, CNI and CNF/CONSIF's encompassing access to participatory policy-making made available to businesses with activities in the agricultural, services, industrial and financial sectors, a political investment that had the potential of generating greatest returns (Schneider, 2009; 2010). Depending on the inclusiveness of those peak sectoral corporatist business associations in participatory policy-making, political action through their participation in collegiate bodies, as well as in the policy networks stemming from these mechanisms of participation, made possible to influence policy outcomes regarding a great number of industrial policy instruments, what included tax exemptions and subsidies (Schneider, 2015). Thus, data collection and classification targeted not only the identification of the joined collegiate bodies, but also PT Governments' choices of institutional design (Fung, 2003; 2009). The effort, then, took in consideration data made available by CNA, CNC, CNI and CNF/CONSIF, as well as in laws, decrees⁶⁷ and in official websites. It also used the following parameters for identifying and classifying the collegiate bodies with business participation:

- a. Member: which confederation joined the collegiate body? CNA, CNC, CNI and/or CNF/CONSIF;
- b. Name: the name of the collegiate body;
- c. Main or subsidiary: was the joined collegiate body "main" or "subsidiary"?

While main collegiate bodies are superior advisory bodies established by law or decree, subsidiary collegiate bodies are temporary mechanisms normally

⁶⁷ Not provided for all collegiate bodies, among other reasons, because only permanent mechanisms of participation were established by law or decree.

established under a main collegiate body. For avoiding duplications, research only considered main mechanisms of participation.

- d. Law/Decree: establishing laws and decrees, when applicable.
- e. Type: according to the name of the collegiate body, which was the type? Council, committee, commission, chamber, dialogue, working group, forum, conference or other.
- f. Participation: was the joined collegiate body open, selective or corporatist? This categorization aims at assessing how open mechanisms of participation were. An open collegiate body is defined as accessible to every organization or individual recognized as an interested party. A selective collegiate body is defined as accessible to determined organizations or individuals, which are listed in laws, decrees or other subsidiary legal documents. Yet, a corporatist collegiate body is a tripartite mechanism. It is a special sort of selective collegiate body, as it entails proportional representation. Laws, decrees or other subsidiary legal documents define the organizations representing each interested party, as well as the number of government, business and labour representatives. Besides this categorization, the investigation also assessed the number of business representatives in relation to labour, for weighing business overrepresentation. It also checked if the mechanisms of participation provided for members' turnover, what would result in greater openness.
- g. Scope: the matter or policy of competence, for example, economic, cultural, science and technology, labour, etc. Collegiate bodies were, then, classified in relation to competent ministries, as well as to a number of policy areas.
- h. Responsibility: according to establishing laws and decrees, mechanisms of participation promoted oversight, consultations, deliberations or monitoring? Although collegiate bodies' aims appeared defined in legal texts, the following definitions further assisted in categorizing the mechanisms within the sample. The Cambridge Dictionary defines oversight as "actions to control an activity and make sure that it is done correctly and legally". An oversight collegiate body is, then, a mechanism focusing at the macro level on the implementation of a policy in compliance with applicable laws and regulations. A consultative

collegiate body advises on policy implementation. A deliberative collegiate body commands, according to the Cambridge Dictionary, “careful thought and discussion when making decisions”. Within these mechanisms, members shall deliberate about policies likeability and format. Finally, monitoring is defined as “to watch and check a situation carefully for a period of time in order to discover something about it”. A monitoring collegiate body tracks progress in implementation, for evaluating the need of adaptions. Monitoring is different from oversight because it promotes an active stance towards implementation, while the latter is passive.

- i. Regularity: due to its contingency on other choices of institutional design, such as scope and responsibility (Fung, 2003; 2009), what posed difficulties for quantitatively classifying mechanisms of participation, regularity was assessed based on the date of establishment, as peak sectoral corporatist business associations confirmed that all mechanisms of participation within their samples were operational between 2003 and 2016.
- j. Authority: collegiate bodies were classified in relation to authority as superior or technical, according to the level of their representatives. As such, the collegiate bodies joined by presidents of business associations and ministers were superior, and the ones joined by members of the technical body and staff were technical.
- k. Website: indication of the website when applicable.

In collecting and classifying data based on those parameters – refer to Appendix 2, it became possible to assess business inclusiveness in participatory policy-making, as further explained in the third section of this chapter. Nevertheless, before turning the attention to the model organizing research, as well as to the assessment of business inclusiveness, the following two remarks are provided. They deal with data selection.

The first remark is about measuring business overrepresentation based on data collected with peak sectoral corporatist business associations. For such a task, working with an unbiased sample, comprising mechanisms of participation joined or not by business would be more suitable. A broader sample would have the potential of appraising the extension of business access to the state in comparison to other interest groups, such as

labour. CNA, CNC, CNI and CNF/CONSIF sample does not admit such appraisal. However, its magnitude, combined with the assessment of the relation between the number of business and labour representatives in the joined collegiate bodies, can confirm business overrepresentation in a great number of the operational mechanisms of participation during PT Governments (Schmitt, 2018a; 2018b; 2018c; 2019). Those findings support previous studies that claimed overpreparation was a feature of Brazilian corporatism. Approaches either reveal a lack or a lesser number of labour representatives in either industrial or development participatory policy-making (Doctor, 2007; Araujo, 2015). The investigation dialogues with these approaches, pondering the effects of business overrepresentation on formalization, for its impacts on policy-making and inequality (Pzerworski, 2011).

The second remark deals with the assessment of formalization based on peak sectoral corporatist business associations' data, which implies restricting analysis to formalized business politics (Schneider, 2009; 2010). How, then, without paying much attention to less formalized activities, research will confirm that PT Governments failed to formalize business political action? The answer is that the use of personal networks or corruption (Schneider, 2009; 2010), for example, is taken as to be a consequence of collegiate bodies' lack of success in either promoting business inclusiveness in participatory policy-making, or in engendering commitment building that draw either inclusion in policy-making on the government side, or engagement in policy-making on the business side. The rationale considers that mechanisms of participation could have not engendered a more formalized pattern of business politics for not being consequential. As such, peak sectoral corporatist business associations' participation in them have not became attractive political investments, what induced business to use alternate lobbying strategies. Those activities may be detected in case analysis. The process tracing of the policy process carefully looks at business organization, seeking to identify efforts taken for engaging firms in formalized policy-making. Thus, it may reveal alternate political investments used for influencing policy outcomes.

3.2. MODEL

In accepting that the same method applied to quantitative research can provide the framework of an inquiry that is neither purely quantitative nor qualitative (King, Keohane and Verba; 1994), the investigation tests hypothesis based on an abstract model of causal inference. This abstract model delimits the parameters of the investigation, combining a large-N analysis with three in-depth case analysis. As such, the inquiry follows a linear logic of inference that starts with a quantitative assessment and ends with three qualitative studies. Whereas quantitative analysis appraises the extent that PT Governments consented with the participation of peak sectoral corporatist business associations in participatory policy-making, qualitative analysis assesses the effects on formalization of bestowed business inclusiveness in participatory policy-making, contingent on business and government commitment building to the policy process undergone within three selected collegiate bodies, as well as within the policy networks stemming from these mechanisms of participation.

The model, then, describes a causality of two independent variables, and of their interaction, on the dependent variable. As following described, it specifies multiple regression, which, in here, provides a framework for a mix-method research.

$$\text{Formalization}_i = \alpha + \beta_1 \text{BI}_i + \beta_2 \text{CB}_i + \beta_3 (\text{BI}_i \times \text{CB}_i) + \mu_i$$

In this regression, ‘Formalization’ is the dependent variable caused by: i) ‘BI’ – business inclusiveness in participatory policy-making; ii) ‘CB’ – commitment building between business and the government; and iii) ‘BI x CB’ – the interaction between business inclusiveness in participatory policy-making and commitment building between business and the government. The Greek letter alpha ‘ α ’ – the y-intercept parameter, represents the starting point of the inference. The Greek letter beta ‘ β ’, as ‘ β_1 ’ and ‘ β_2 ’, postulate the additive impacts of ‘BI’ and ‘CB’ on ‘Formalization’. ‘ β_3 ’, in turn, postulates the impacts of the interaction between ‘BI’ and ‘CB’ on the dependent variable. It represents the effects of ‘BI’ contingent on ‘CB’. The component ‘ μ_i ’ – the random error component, represents the influence of variables not considered in the research on ‘Formalization’.

With that specification, the model aligns the test of hypothesis to the test of the effects of each independent variable on ‘Formalization’. The starting point of the investigation is, then, the assessment of PT Governments’ choices of institutional design (Fung, 2003; 2009), as they defined the role of peak sectoral corporatist business associations in participatory policy-making. After approaching ‘BI’ based on the whole sample of collegiate bodies with business participation between 2003 and 2016, three collegiate bodies are selected for further analysis. Case studies, first, focus on the configural combination of choices of institutional design, clarifying the additive effects of ‘BI’ on ‘Formalization’. Next, they look to the political system. Whereas capabilities and preferences compounded business and government informational sets, they shaped ‘CB’. Their identification, thus, uncovers the additive effects of the dual process of commitment building between business and the government on ‘Formalization’. Lastly, the inquiry targets the contingency between ‘BI’ and ‘CB’. It explores causal factors of ‘Formalization’ based on the process-tracing of the policy process in each mechanism of participation. In doing so, the goal is to verify the extent that the roles given to peak sectoral corporatist business associations in participatory policy-making have been fulfilled by practice. More specifically, by business political action through CNA, CNC, CNI or CNF/CONSIF’s participation in collegiate bodies, as well as in the policy networks that emerged and shaped the policy process set up by these mechanisms of participation.

As for the first research hypothesis, both ‘BI’ and ‘CB’ have additive impacts on ‘Formalization’, but the effects of the first independent variable on the dependent variable are contingent on the effects of the second independent variable. While ‘BI’ would make possible to business to influence policy outcomes through the participation of peak sectoral corporatist business associations in participatory policy-making, it is a necessary condition for ‘Formalization’, though insufficient. ‘Formalization’ relies on ‘CB’ too. It presumes a combination between government consent and business participation that describes an active stance towards the fulfilment of the responsibilities defined by choices of institutional design (Fung, 2003; 2009). As per the second hypothesis, while ‘CB’ discloses the dual process of commitment building between business and the government, it drives ‘Formalization’ through ‘BI’ on occasions when there is either inclusion in policy-making on the government side, or engagement in policy-making on the business side.

Fundamentally, for changing patterns of business politics, collegiate bodies should have been appealing investments to not only PT Governments, but also to business people. Whereas members of the first should have seen mechanisms of participation as effective venues for solving problems under their remit and, ideally, exhibit sufficient embedded autonomy (Evans, 1995) that representatives were rewarded for participatory accomplishments, the latter should have perceived mechanisms of participation as valuable political investments in comparison to other activities, such as personal networks and corruption (Schneider, 2009; 2010). In other words, business people should have seen in CNA, CNC, CNI and CNF/CONSIF's participation in collegiate bodies greatest political returns, what depended on 'BI', as well as on 'CB'. If their interaction promoted joint problem solving, the participation of peak sectoral business associations in collegiate bodies became a preferable political activity, what would engender a more organized, structured and centripetal pattern of business politics (Schneider, 2009; 2010). If not, 'Formalization' would hardly be achieved, despite the advent of collegiate bodies.

The problem of promoting 'Formalization' based on collegiate bodies is, then, that most public-private collaborations could not go beyond the exchange of information (Schneider, 2015). As such, they reduce costs, but less likely they change patterns of business politics (Schneider, 2009; 2010). Yet, "beyond simple exchange, a more intense and potentially consequential interaction comes in the form of problem solving" (Schneider, 2015: 13). This way, participatory policy-making make possible to influence policy outcomes. And, more likely it will engender a more formalized pattern of business politics (Schneider, 2009; 2010). Thus, if collegiate bodies only promoted transparency and information exchange, they had little chances of having formalized business political action. Although consultations may lead to more robust decisions, they not necessarily make the participation of peak sectoral corporatist business associations in collegiate bodies a political investment generating returns (Schneider, 2009; 2010). One should also consider that there are costs in sharing information. Becoming part of a policy process that will impact business activity is an anticipated return that counts to business when choosing to act through formalized channels to the state (Schneider, 2009; 2010). Hence, rationally, 'Formalization' would only be achieved in cases that collegiate bodies held collective

deliberations, or that served either for oversight policy-making, or for monitoring policy developments.

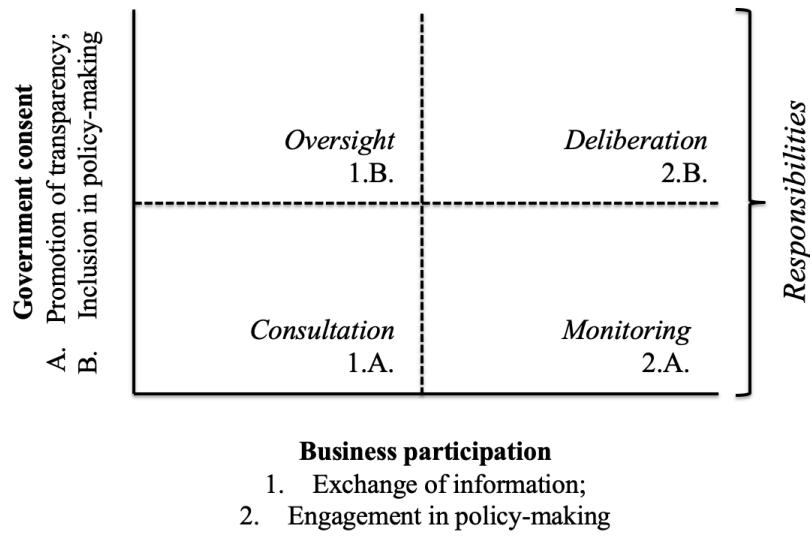
That postulate is schematized in Figure 5, based on a scheme describing the effects of ‘BI’ on ‘Formalization’, contingent on ‘CB’. In order to improve comprehension, ‘BI’ appears epitomized in four different “*Responsibilities*”, in Italic. They are: “*Consultations*”, “*Oversight*”, “*Deliberations*”, and “*Monitoring*”. Each quadrant, then, describes a different responsibility, though they, also, refer to a particular interaction between “**Business participation**” (X-Axis) and “**Government Consent**” (Y-Axis). Those interactions describe ‘CB’. As illustrated, two different levels of “**Business participation**” combine with two different levels of “**Government consent**”. The lower level of “**Business participation**” is “1. Exchange of information”, the higher “2. Engagement in policy-making”. Similarly, the lower level of “**Government consent**” is “A. Promotion of transparency”, the higher “B. Inclusion in policy-making”. Thus, possible combinations describing ‘CB’ are “1.A.”, “1.B.”, “2.A.” and “2.B.”, which, in turn, correspond to the “*Responsibilities*” of “*Consultations*”, “*Oversight*”, “*Deliberations*”, and “*Monitoring*” (respectively). Ideally, in a case-by-case scenario, ‘CB’ would correspond to the responsibility described by ‘BI’, what would mean that roles have been fulfilled. However, that may not happen. A collegiate body responsible for “*Deliberations*” could have not achieved “2.B.”, but “1.B.”, “1.A.”, or “2.A.”.

When assuming that ‘Formalization’ depended on ‘BI’ contingent on ‘CB’ in the form of either “Inclusion in policy-making” on the government side, or “Engagement in policy-making” on the business side, research recognizes that roles could not have been fulfilled. However, based on the first hypothesis, it also acknowledged that choices of institutional design (Fung, 2003; 2009) defining ‘BI’ were crucial for formalizing business political action, as they should have made possible to influence policy outcomes through the participation of peak sectoral corporatist business associations in mechanisms of participation. As such, collegiate bodies should have been responsible, preferably, for “*Deliberations*”, but mechanisms of participation responsible for “*Oversight*” or “*Monitoring*” have, as well, great chances of having formalized business political action. Nevertheless, as per the first research hypothesis, ‘BI’ is not a sufficient condition for ‘Formalization’. It depended, as well, on combinations of ‘CB’, which according to the

second research hypothesis, should reveal “1.B.”, “2.A.” and “2.B.”. Whereas these combinations outline either “Inclusion in policy-making” on the government side, or “Engagement in policy-making” on the business side, they reveal commitment to participatory policy-making within the collegiate body, as well as in related policy networks. Consequently, any interaction of ‘BI’ in the form of “*Deliberations*”, “*Oversight*”, or “*Monitoring*”, with ‘CB’ in the form of “2.B.”, “1.B.”, or “2.A.” had chances of formalizing business political action. And, whereas the research question assumed that PT Governments were unable to formalize business political action, it presumed that interactions of ‘BI’ with ‘CB’, could rarely go beyond “1.A.”.

Figure 5

FORMALIZATION RESULTING FROM THE INTERACTION BETWEEN ‘BI’ AND ‘CB’



The final objective of the investigation is, then, to fit collegiate bodies’ in-depth studied in the scheme in Figure 5 not only according to ‘Responsibilities’, but also to the achieved combination between “Business participation” and “Government Consent” that describes ‘CB’. Quantitative analysis, as already mentioned, is the starting point of the investigation, for disclosing business inclusiveness in participatory policy-making during PT Governments. Case analysis, in turn, focuses on the test of hypothesis because it performs a cross-check of collegiate bodies’ roles and impacts, weighing the influence of the macro context on the micro. In other words, in-depth studies measure the effects of

business inclusiveness, contingent on commitment building, to assess the extent that they lead business to influence policy-making through collegiate bodies. As per Schneider (2015), business-state conversations do not occur in a vacuum. They take place within a political system that affects outcomes. The proposed model was outlined as to consider that assumption. It takes in consideration both the effects of the rule configuration on ‘Formalization’, as well as of identified attributes of the world, which shaped business choices between 2003 and 2016. As such, analysis shall clarify factors that hampered the formalization of business political action in spite of the operability of a great number of collegiate bodies with business participation during PT Governments.

The next section deals with the assessment of the effects of the first independent variable on the dependent variable.

3.3. BUSINESS INCLUSIVENESS IN PARTICIPATORY POLICY-MAKING

Business inclusiveness in participatory policy-making – ‘BI’, is the first independent variable causing ‘Formalization’. It embodies the rule configuration that shaped business-state conversations through the participation of peak sectoral corporatist business associations in collegiate bodies. ‘BI’ is, for that reason, more than the numerical comprehensiveness of the sample of collegiate bodies joined by CNA, CNC, CNI and CNF/CONSIF. Similarly, it is more than its policy coverage. It concerns the institutional framework resulting from PT Governments’ choices of institutional design about the type, responsibility, regularity and the authority of the joined collegiate bodies, besides decisions regarding participation and scope (Fung, 2003; 2006; 2009; 2013). Thereby, these categories represent the six sub-variables, whose combination define ‘BI’.

The methodological option of taking ‘BI’ as the outcome of combinations of choices of institutional design draw on political sociology approaches to democratic governance (Fung, 2003; 2006; 2009; 2013), as well as on political economy approaches to business-state relations (Schneider, 2009; 2015; Devlin and Moguillansky, 2011). Although these works have been developed under different theoretical perspectives, the first looking at the impacts of mechanisms of participation on democracy, and the latter focusing on industrial policy (Rodrik, 2004), they complement one another for their

combined analytical strength while evaluating business interest representation in mechanisms of participation. Contributions of the first outline ‘BI’ as a combination of choices of institutional design (Fung, 2003; 2006; 2009; 2013). Yet, the latter allowed assumptions about the political impacts of those choices, proper to an investigation that deals with business-state relations.

Referring works, however, did not appraise the transversal effects of choices of institutional design on patterns of business politics (Schneider, 2009; 2010). Hence, further adaptations were needed for making possible evaluating the additive effects of ‘BI on ‘Formalization’. The six categories of choices of institutional design were transformed in sub-variables that comprehended further predefined choices of institutional design. The latter allowed classifying data and measuring additively the effects of type, participation, scope, responsibility, regularity and authority on ‘Formalization’. The classification assumed the following parameters⁶⁸:

- A. Type: collegiate bodies were councils, commissions, committees, chambers, working groups, or forums.
- B. Participation: collegiate bodies were open, selective, or corporatist. Besides this categorization, the study assesses business overrepresentation and turnover.
- C. Scope: collegiate bodies were under which ministries and pertaining which policy areas.
- D. Responsibility: collegiate bodies promoted consultations, oversight, deliberations, or monitoring.
- E. Regularity: since when collegiate bodies have been operational.
- F. Authority: collegiate bodies were superior or technical.

Still, there was an additional problem. A cross-cutting analysis of ‘BI’ would approach PT Governments’ choices of institutional design additively, when they actually combine in a configural manner (Fung, 2003; 2009; Ostrom, 2007). Consequently, the additive assessment of choices restricted the reach of findings. It uncovered PT Governments’ intents when inviting peak sectoral corporatist business associations to join participatory policy-making, as well as the impacts of that participation on CNA, CNC,

⁶⁸ Described in detail under “Data”.

CNI and CNF/CONSF's operations, but it did not fully clarify the effects of the rule configuration on 'Formalization'. Whereas that requires more in-depth analysis, the quantitative assessment of 'BI' ended up serving for the selection of pathway cases (Geringer, 2007, 2009; Seawright and Geringer, 2008), as described on the next section. That made possible to further test hypothesis, based on the test of the effects of not only 'BI' on 'Formalization', but also of the other independent variables.

3.4. CASE-SELECTION

As for Gerring (2007), the goal of a pathway analysis is to gain insight into the mechanisms that connect X_1 and the outcome Y , as well as to use the insights from these cases to generate hypothesis about the mechanisms in the unstudied population. As such, while the additive assessment of 'BI' reveals the extent that PT Governments' choices of institutional design (Fung, 2003; 2009) promoted business political action through the participation of peak sectoral corporatists business associations in collegiate bodies, in-depth analysis of pathway cases focuses on explaining the effects of the configurational combination of choices, as well as of the other independent variables, on 'Formalization'.

Case selection, then, targets mechanisms of participation describing the expected relationship between ' $\beta_1 BI_i$ ' and 'Formalization_i'. Put simply, in them, 'BI' should have promoted 'Formalization'. Additionally, these mechanisms of participation should have had similar rule configurations, what would allow simulating "holding constant" the effects of 'BI' while studying the effects of other independent variables on 'Formalization'. Both served for answering the research question, as PT Governments difficulties for formalizing political action would not only be the outcome of choices of institutional design, which included overrepresentation, but they were also a consequence of available capabilities and preferences within the political system. As such, research verifies not only the effects of choices of institutional design on 'Formalization', but it also assesses 'CB' in cases where 'BI' had positive impacts on 'Formalization'. The procedure seeks to confirm that, even when securing 'BI', collegiate bodies could not engender a more formalized pattern of business politics (Schneider, 2009; 2010).

Based on an inductive approach, case selection, first, satisfies the following criteria:

- a. The selected case is not an outlier in the general model; and
- b. The selected case score on the outcome (Formalization_i) is strongly influenced by the theoretical variable of interest ($\beta_1 \text{BI}_i$)⁶⁹.

In addition to that, it will, as well, pursue the following 5 additional steps:

First step: it considers, based on the sub-variable responsibility, that if it were ensured to peak sectoral corporatist business associations the means to take part in deliberations, business had greater chances of having seen in the participation of CNA, CNC, CNI and CNF/CONSIF in collegiate bodies a political activity that could generate greatest returns. Thus, it would be reasonable to expect that mechanisms of participation responsible for deliberations, and to a lesser extent for oversight or monitoring had greater chances of having formalized business political action. Case selection will, for that reason, overlook collegiate bodies responsible for consultations and prioritize collegiate bodies responsible for deliberations⁷⁰.

Second step: it is based on the sub-variable authority. Collegiate bodies with more authority are taken as to have greater chances of having formalized business political action, as business stakes would be greater in them (Fung, 2009). Thus, superior mechanisms are seen as to fit better the criteria of “scoring on the outcome”, than technical mechanisms. Nevertheless, one collegiate body, at least, shall be technical, for comparison reasons. It is understood that comparing superior and technical mechanisms adds to research, because it can provide important insights about differences in government consent and business participation based on the rank of their representatives in participatory policy-making.

Third step: it is based on participation and it assumes that, whereas business overrepresentation would imply greater ‘BI’, for facilitating business interest representation, collegiate bodies in which business was overrepresented had greater chances of having formalized business political action. However, that did not imply in

⁶⁹ The approach follows Gerring (2007) technique of selecting pathway cases with continuous variables.

⁷⁰ If the number of these mechanisms is insufficient or do not comply with further steps, alternatively, there will be consider collegiate bodies responsible for oversight or monitoring.

restricting the selection to those mechanisms of participation. Once more, for comparison reasons, the presence of conflicting interests was considered as to add to research.

Fourth step: it is based on scope, and it aims at ensuring the thematical representativeness of case analysis. Hence, whether possible, each mechanism of participation should have been active in a different policy field. That will ensure a better comprehension of business inclusiveness in policy-making between 2003 and 2016. It will also shed light on industrial or development policy outreach, as well as on differences among policy areas concerning the level of government consent and business participation.

Fifth step: it is also based on scope. It deepens the analysis and, in view of the available information, targets selecting, whether possible, collegiate bodies in charge of deciding about the use of industrial policy instruments, such as tax exemptions and subsidies. It is understood that collegiate bodies with greater allocative authority (Schneider, 2015), would have more chances of having formalized business political action than mechanisms deliberating about topics with reduced distributive impacts.

These steps sought to ensure representativeness, though any in-depth analysis of policy-making within a collegiate body, as well as within the policy networks that emerged and shaped the policy process set up by this mechanism of participation, will be representative of the whole sample. Nevertheless, the expectation while adopting the described criteria was that case studies confirmed hypothesis, such as the need for a combination of determined levels of government consent and business participation for formalizing business political action. The value of in-depth analysis is, then, its potential of confirming that, besides using collegiate bodies that promoted business inclusiveness in participatory policy-making, ‘Formalization’ relied on a dual process of commitment building between business and government representatives in those mechanisms, which, in turn, depended on the available capabilities and preferences within the political system.

The next section deals with the assessment ‘CB’.

3.5. COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT

Commitment building – ‘CB’, is the second independent variable causing ‘Formalization’. It refers to the capabilities, and the preferences arising from them (Schneider, 2015), that affected business political action for unfolding the extent that government and business’ representatives complied with their duties while part of participatory policy-making in collegiate bodies and in related policy networks. As such, ‘CB’ portrays an interaction between ‘Government Consent’ and ‘Business Participation’ outlined by available capabilities and preferences within the political system that appeared contained in the informational sets of business and government representatives in collegiate bodies. Together with ‘BI’, ‘CB’ explains ‘Formalization’, because “business and government do not meet in vacuum, and businesses are simultaneously investing in many other venues for influencing politics and government policies” (Schneider, 2009; 2010). As such, if business or government representatives, for any reason, were not committed to participatory policy-making, what made possible to business influencing policy outcomes through peak sectoral corporatist business associations’ participation in collegiate bodies and in related policy networks, chances were that, in spite ‘BI’, ‘Formalization’ was not achieved.

‘BI’ is, thereby, insufficient to formalize business political action. However, the effects of the ‘CB’ are contingent on ‘BI’. Ultimately, there would be no ‘Formalization’ without the participation of peak sectoral corporatist business associations in collegiate bodies⁷¹. That explains why the pattern-matching investigation of each case starts by further clarifying the causality between ‘BI’ and ‘Formalization’. The purpose, though, is not only to assess the effects of the configural combination of choices of institutional design on ‘Formalization’, but it is also to guide the identification of ‘CB’. Taken as the rule configuration that defined possible actions within mechanisms of participations, ‘BI’ refers to a restricted level of analysis. ‘CB’, in turn, as the combination between states of the world and the nature of the community (Ostrom, 2007), belongs to another level of analysis. For the relation between these levels, ‘CB’s assessment is based on choices of institutional design. More precisely, it seeks to answer the following questions:

⁷¹ Based on the abstract model organizing the investigation.

a. Type:

Did business and government actions conform to the role of the mechanism?

If yes, what were the capabilities or preferences that assisted in doing it?

On the government side: where they related to interests, the organization of the bureaucracy or political power?

On the business side: where they related to interests, the organization of associations or political power?

b. Participation:

Who were the members of the collegiate body?

Were they organized to take part in participatory policy-making?

c. Scope:

What were the matters under deliberation?

Were government and business members aware of these policies, as well as of means for addressing those matters?

d. Responsibilities:

Were government and business members able to fulfil their responsibilities?

If yes, what were the capabilities or preferences in either part that triggered government consent and business participation?

e. Regularity:

How regular were meetings?

Did external factors – such as capabilities or preferences, impact regularity?

f. Authority

Were collegiate bodies empowered to decide about the matters under discussion?

Within Fung's catalogue of choices of institutional design (2003; 2009), stakes outline an additional choice. It is related to scope and authority, and represents members' expectations in relation to outcomes. According to Fung (2003), stakes matter because participants will invest more when deliberations are hot. That means, when there is much at stake. If the scope of the mechanism of participation covers matters with no direct impact on members' life, one can expect that there will be not the same level of commitment as if they were of their direct interest. In parallel, if mechanisms of participation were not

empowered to decide about the topics on the table, there would be not much on stake as well. Hence, the assessment of ‘CB’ considers stakes based on the following questions:

- a. Did members perceive the collegiate body as empowered to decide about the matters under discussion?
- b. Did these matters affect their lives? How?

In consideration of Schneider (2015), all these questions will be answered, on the government side, in view of government’s structure, with particular attention to the role of bureaucracies. On the business side, they will be answered in view of i) business structure in relation to the size and power of companies being affected by conversations; and ii) business organization, with particular attention to peak sectoral corporatist business associations. For being inductive, the assessment of ‘CB’ also considers the contribution of political economy approaches to business-state relations, reflecting on: i) business organization (Schneider 2009; 2010), ii) resources within a political system (Dahl, 1962; Schneider, 2008; Przeworski, 2011; Dür and González, 2013), iii) the cohesion of interest groups (Schneider, 2008), iv) the size of interest groups (Olson, 1972), v) the problems at stake (Lowery and Gray, 2004), vi) the available incentives (Lowery, 2007), vii) the structure of the system of interest intermediation (Schmitter, 1971; 1974; 2010; Lehmbruch, 1991; Molina and Rhodes, 2002; Boschi, 2010; Doctor, 2017), viii) inter-organizational relations (Rhodes and Marsh 1992; Börzel, 1998; Schneider, 2009; 2010), and iv) unequal access to the state (Kohli, 2007; Eising, 2007; Przeworski, 2011; Dür, Bernhagen and Marshall, 2015; Fraussen, Beyers and Donas, 2015).

Once finished the collection of information, what included interviews with business and government representatives in the selected collegiate bodies⁷², information is chronologically organized, for displaying the impacts of the acknowledged capabilities and preferences on the dual process of commitment building held between business and government representatives between 2003 and 2016. Whereas the exercise reveals the extent that business took part in participatory policy-making, as well as the extent that government consented with business participation, it reports if government promoted

⁷² See Appendix 1.

transparency or included business in policy-making, and if business exchanged information or engaged in policy-making as systematized in the following scheme – refer to Figure 6.

Figure 6

COMMITMENT BUILDING		
	Government Consent	Business Participation
<i>Lower:</i>	A. Promotion of transparency;	1. Exchange of information;
<i>Higher:</i>	B. Inclusion in policy-making.	2. Engagement in policy-making.

The classification enables fitting collegiate bodies according with the effects of ‘CB’ on ‘Formalization’ within the quadrants of the scheme introduced under Model – refer to Figure 5. Different combinations of “Business participation” and “Government Consent” will, then, disclose the extent that participatory policy-making in the form of joint problem-solving could be achievable due to capabilities and preferences within the political system. Nevertheless, as already mentioned, that would not be sufficient for formalizing business political action, as ‘CB’ and ‘BI’ are contingent variables. As such, the next section deals with the assessment of their interaction while affecting ‘Formalization’.

3.6. BUSINESS INCLUSIVENESS CONTINGENT ON COMMITMENT BUILDING

To assess the effects of ‘BI’ on ‘Formalization’, contingent on ‘CB’, is the last step of the investigation. Under this phase, hypotheses are tested through a theory-building exercise. Research traces the policy process within the selected collegiate bodies, as well as within the policy networks stemming from these mechanisms of participation, targeting the identification of causal mechanisms of ‘Formalization’. Thus, it explores “the possible empirical manifestations of an underlying causal mechanism between X and Y that fulfils the guidelines for a properly conceptualized causal mechanism” (Beach and Pedersen, 2013: 61). In other words, it explores sequencings of deliberative moments (Goodin, 2008; Avritzer 2011) that describe the policy process set up by each of the selected collegiate bodies, in view of the causality between ‘BI x CB’ and ‘Formalization’. The aim of this theory-building exercise is to bring to light the extent that business political action occurred

through the participation of peak sectoral business associations in mechanisms of participation, as well as in their related policy networks.

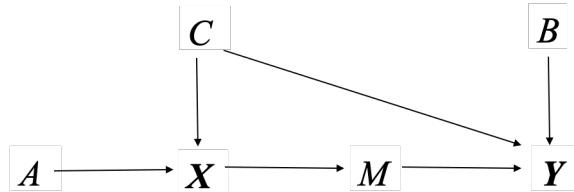
Based on that approach, the strategy of the investigation changes from confirmatory to exploratory (Gerring, 2009). The goal, then, becomes to check how roles have been fulfilled by the dual process of commitment building between business and government in each of the selected collegiate bodies, as well as in the policy networks that emerged and shaped the policy process set by these mechanisms of participation. In cases whereby ‘BI’ should have promoted ‘Formalization’, expectations were that high levels of government consent or business participation made the participation of peak sectoral corporatist business associations attractive political investments to business (Schneider, 2009; 2010). On the contrary, lower levels made ‘Formalization’ a less attractive political investment. Hence, whereas ‘Formalization’ is taken as resulting from sequencings of deliberative moments (Goodin, 2008; Avritzer 2011), a more formalized pattern of business politics would rely on a combination of choices of institutional design securing the participation of peak sectoral corporatists business associations in collective deliberations, as well as on a dual process of commitment building that could describe either inclusion in policy-making on the government side, or engagement in policy-making on the business side.

Considering that the test of the additive effects of ‘BI’ and ‘CB’ on ‘Formalization’ confirmed the hypothesis that ‘Formalization’ depended on both, in each of the selected collegiate bodies, the theory-building process-tracing would, then, search for deliberative moments and test if the interaction between independent variables caused ‘Formalization’. As per the research question, ‘CB’ should have troubled interactions in the selected mechanisms of participation. Thus, the inquiry focuses on exogenous constraints, as well as on opportunities for business political action through the participation of CNA, CNC, CNI, or CNF/CONSIF in collegiate bodies. It works with the following causal diagram – refer to Figure 7, which describes ‘Formalization’ (Y) as an outcome of ‘BI x CB’ (X).

If the collegiate bodies under analysis were responsible for deliberations, the causal mechanism to be explored would be joint problem solving with peak sectoral corporatist business associations representing business interests in collective deliberations (M) as in Figure 7. The causal factor (X), or predictor of such mechanism, would be the contingency

between ‘BI’ and ‘CB’. Antecedent causes (A) would be the assessed institutional choices, as well as capabilities and preferences, and the outcome (Y) would be ‘Formalization’, which, as described, could have been, a consequence of other causes (C)⁷³. Common cause cofounders (C) may have been the policy networks that emerged and shaped the policy process set up by the selected mechanisms of participation. Whereas policy networks could be taken as specific forms of governance (Börzel, 1998), any policy process would permeate their webs of relationships. Collegiate bodies, then, would not replace these webs, which mobilize and pool resources for collective action (Börzel, 1994). As such, in the extreme, policy networks could have either caused, or hampered ‘Formalization’ (Y), while they could, as well, have assisted in participatory policy-making.

Figure 7
CAUSAL DIAGRAM OF FORMALIZATION



- (A) Antecedent causes: institutional choices and capabilities and preferences;
- (B) Other causes: to be explored - represented by “ μ_i ” in the abstract model;
- (C) Common-cause confounder: policy networks;
- (X) Causal factor: contingency between institutional choices and capabilities and preferences;
- (M) Causal Mechanism: joint problem solving;
- (Y) Outcome: formalization.

That is the reason for expanding the process tracing from collegiate bodies to the related policy networks that linked business, government, and other interest parties in the policy process of interest. The aim of considering related webs of relationships in the investigation is not only to relate them to the work in mechanisms of participation, but it is also to further clarify how business most likely represented interests in an environment where the participation of peak sectoral corporatists business associations in collegiate bodies was one of the activities available in the business portfolio of political investments

⁷³ They are expressed in the abstract model framing this research as the random error component (μ_i).

(Schneider, 2009; 2010). Did business use personal networks in parallel to policy-making in collegiate bodies? Was that related to the work within collegiate bodies or personal networks served for bypassing participatory policy-making? Whether the first suggests further democratization, the second points out to the maintenance of a more fluid, disperse and centrifugal pattern of business political action (Schneider, 2010). Yet, in both cases, policy networks played a role in participatory policy-making. Hence, their consideration in the theory-building exercise is taken as to assist explaining ‘Formalization’.

The effort of collecting empirical evidence for reconstructing the policy-making process set up by each of the selected collegiate bodies will, then, contemplate the following:

- a. The policies under discussion;
- b. The topics of government, business and other members’ concern regarding the policy under discussion;
- c. The patterns of linkages and interactions among government, business and other interested parties;
- d. The relation of those patterns with the decision-making process;
- e. The relation of those patterns and policy outcomes; and
- f. The relation of outcomes with institutional choices.

In view of collected information, the policy process set up by each of the three selected collegiate bodies is reconstructed, focusing on the contingency between ‘BI’ and ‘CB’ while explaining ‘Formalization’. As illustrated in Figure 7, this contingency is taken as the causal factor (X) of ‘Formalization’ (Y), while the expectation is that the causal mechanism (M) would be joint problem solving with peak sectoral corporatist business associations representing business interests in collective deliberations. Nevertheless, ‘CB’ may reveal different interactions of “Government Consent” and “Business Participation”, which do not correspond to the “*Responsibilities*” of “*Deliberations*”. In view of Figure 5 – under Model, ‘1.B’ and ‘2.B.’ would also formalize business political action, yet ‘1.A.’ would not. Hence, the last stage of the research is to fit the selected collegiate on Figure 5, according to “*Responsibilities*” and the combination of “Government Consent” and “Business Participation”. That would reveal the extent that roles have been fulfilled, with

business influencing policy outcomes based on the participation of peak sectoral corporatist business associations in participatory policy-making.

In the scheme in Figure 5, most effective collegiate bodies would fit the upper-right quadrant, for having achieved "2. Engagement in policy-making" on the business side, meaning that business assumed an active stance, and "B. Inclusion in policy-making" on the government side, meaning that government included business in decision-making. Collegiate bodies achieving engagement and inclusion are comprehended as to have engendered consequential interactions. They solved problems jointly in the form of collective deliberations, having great chances of having formalized business political action. The causal factor of 'Formalization' within the upper-right quadrant is, for that reason, business preference for influencing policy outcomes through the participation of peak sectoral business associations in those mechanisms of participation. Yet, the outcome is the aggregation of bargains.

A less, but still effective collegiate body shall fit the upper-left quadrant of the scheme, having achieved "1. Exchange of information" on the business side, meaning that business did not actively take part in policy-making, and "B. Inclusion in policy-making" on the government side, meaning that government included business in decision-making. In such mechanisms of participation, business supported government decisions. Thus, collegiate bodies achieving inclusion and exchange also engendered consequential conversations because business oversaw policy-making. The causal factor of 'Formalization' within the upper-left quadrant is, then, a government preference for counting with business political support combined with a business preference for accessing information. Yet, the outcome is the share of responsibilities.

In another less, but still effective kind of collegiate body, business engaged in policy-making, whereas government promoted transparency. This kind of collegiate body fits the lower-right quadrant, for having achieved and "2. Engagement in policy-making" on the business side, meaning that business assumed an active stance, and "A. Promotion of transparency" on the government side, meaning that government kept business informed about policy decisions. Collegiate bodies achieving engagement and transparency engendered consequential conversations, because there has been provided to business a

space for monitoring policy developments. The causal factor of formalization within the lower-right quadrant is, then, a business preference for influencing policy decisions through mechanisms of participation, and a government preference in keeping a transparent policy process. Yet, the outcome is that the mechanism of participation served as a venue for pushing the government to conform with business preferences.

Finally, the collegiate body comprehended as insufficient to formalize business political action would fit the lower-left quadrant. This kind of mechanism of participation attained "1.Exchange of information" on the business side, meaning that business exchanged information with government, and "A. Promotion of transparency" on the government side, meaning that the government kept business informed about policy decisions. In such collegiate body, both parts shared information, without compromising to solve problems jointly. Thus, they endorsed less consequential conversations. The causal factor of formalization was a mutual preference for sharing information, which was not sufficient for engendering a more formalized pattern of business politics. Yet, the outcome may have been lowering informational costs.

The goal of classifying collegiate bodies based on the scheme, in view of the interaction between 'BI' and 'CB' is to check to which extent responsibilities have been fulfilled based on the dual process of commitment building held by business and government. If responsibilities were fully fulfilled, collegiate bodies responsible for collective deliberations would have formalized business political action through joint problem solving in the form of '2.B.'. Though, it is also possible that they formalized political action in the form of '1.B.' and '2.A.'. All those forms imply that, in view of 'BI' and 'CB', business had the means for influencing policy outcomes through the participation of peak sectoral corporatist business associations in collegiate bodies, as well as in their related policy networks. However, if members only achieved 1.A., that would favour the use of other activities for influencing policy-making, and a more formalized pattern of business politics would be less likely achieved.

3.7. FINAL REMARKS

The chapter introduced the abstract model developed for assessing ‘Formalization’ during PT Governments in Brazil. As described, the investigation will follow a unified logic of inference, that analyses collected data and tests hypothesis based on the test of the effects of three independent variables on ‘Formalization’, being those three independent variables ‘BI’, ‘CB’ and ‘BI x CB’. Under that specification, the model foresaw answering the research question based on the assessment of the extent that PT Governments entailed an interaction between ‘BI’ and ‘CB’ that could formalized business political cation

Similar to a quantitative analysis, the abstract model of causal inference arranges the test of each independent variable on the dependent variable in different phases of one inquiry. That made possible taking in consideration not only empirical information regarding the whole sample of collegiate bodies joined by CNA, CNC, CNI and CNF/CONSIF, but also a combination of methodological approaches to causality, reflecting on their methodological limitations to the study of ‘Formalization’ as the outcome of ‘BI’ and ‘CB’. The investigation, then, starts with the assessment of ‘BI’. In view of the whole sample of collegiate bodies, as well as of choices of institutional design (Fung, 2003; 2009), it measures the extent that PT Governments promoted ‘Formalization’ by making peak sectoral corporatist business associations part of participatory policy-making between 2003 and 2016. Next, through case analysis, the investigation, first, weights the impacts of the configural combination of choices of institutional design on ‘Formalization’. Second, it identifies capabilities and preferences within the political system (Schneider, 2015) that impacted ‘Formalization’ in the form of ‘CB’. And, third, it explores the causality between ‘BI x CB’ and ‘Formalization’, confronting collegiate bodies’ roles with impacts in regards to business’ interest in influencing policy outcomes.

While the quantitative assessment of ‘BI’ shall clarify the political reach of the participation of CNA, CNC, CNI and CNF/CONSIF in collegiate bodies, in-depth analysis reveals the impacts of that participation on ‘Formalization’ in three collegiate bodies. Though the latter are not representative of the whole sample, the combination of approaches is seen as to illuminate on the reasons that hinder ‘Formalization’ between 2003 and 2016.

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4. BUSINESS INCLUSIVENESS IN PARTICIPATORY POLICY-MAKING

This chapter addresses how business inclusiveness in participatory policy-making – ‘BI’, promoted business political action through the participation of peak sectoral corporatist business associations in collegiate bodies, as well as in the policy networks that emerged and shaped the policy process set by these mechanisms of participation. As such, the chapter deals with the effects of choices of institutional design in relation to type, participation, scope, responsibility, regularity and authority (Fung, 2003; 2009) on formalization. It measures the extent that the rule configuration (Ostrom, 2007) defining actors’ possible actions in the joined mechanisms of participation fostered a more organized, structured and centripetal pattern of business politics (Schneider, 2009; 2010).

For assessing ‘BI’, the chapter uses data collected with the following peak sectoral corporatist business associations:

- *Confederação Nacional da Agricultura (CNA)* – National Confederation of Agriculture;
- *Confederação Nacional do Comércio de Bens, Serviços e Turismo (CNC)* – National Confederation of Trade in Goods, Services and Tourism;
- *Confederação Nacional da Indústria (CNI)* – National Confederation of Industry; and
- *Confederação Nacional das Instituições Financeiras* and *Confederação Nacional do Sistema Financeiro (CNF/CONSIF)* – National Confederation of Financial Institutions and National Confederation of the Financial Service.⁷⁴

These business associations embodied all classical economic sectors, being representative of the Brazilian economy. The *Consolidação das Leis do Trabalho (CLT)* – Brazilian Labour Law (1943), as well, acknowledged them as employer associations of superior level. Among other responsibilities, they represented business interests in front of

⁷⁴ Both associations operate together. CNF was created in 1985 and gathers sectoral business associations of the financial sector. CONSIF was created in 1999 and is the peak sectoral corporatist business association of the financial sector. [In Portuguese] [Online]. Available: <https://cnf.org.br/>.

state authorities at the federal level⁷⁵, what included taking part in the work of corporatist collegiate bodies that were tripartite mechanisms of participation, primarily, in charge of labor-market regulation. Nevertheless, these peak sectoral corporatist business associations also joined other open or selective mechanisms of participation during PT Governments. These collegiate bodies were permanent councils, committees, commissions, chambers, working groups and forums, established by law or decree, where CNA, CNC, CNI and CNF/CONSIF represented business interests in front of the Federal Executive. Thus, CLT not only safeguarded to business access to participatory policy-making, but also endorsed the participation of peak sectoral corporatist business associations in an increasing number of collegiate bodies between 2003 and 2016.

PT Governments may have sought to garner political support while inviting CNA, CNC, CNI and CNF/CONSIF to take part in the work of mechanisms of participation. However, in conceding facilitated access to information, as well as to decision-makers, both Lula (2003-2010) and Rousseff (2011-2016) may have reinforced business overrepresentation in participatory policy-making (Doctor, 2007b; Araujo, 2015; Schmitt, 2018a; 2018b; 2018c; 2019). Imbalances in representation would have favoured business over labour and other interest groups, with effects on inequalities. Whereby overrepresentation explains different capabilities and preferences (Schneider, 1997, 2015; Hacker and Pierson, 2010; Przeworski, 2011), it appears to not be in line with PT Governments' efforts for democratizing access to the state through direct or extra-parliamentary participation (Boschi, 2010; Pires, 2011; Polis-Inesc, 2011; IPEA, 2013; 2013).

Overrepresentation would, also, not serve for the promotion of formalization, as it relied on a combination of choices of institutional design (Fung, 2003; 2009) that included participation, but should have made possible to peak sectoral corporatist business associations to influence policy decisions. If collegiate bodies were not empowered to decide on the matters they were set to address, less likely they would become attractive political investments to business people (Schneider, 2009; 2010). Thus, the investigation

⁷⁵ See CLT (1943) [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm.

seeks to assess the extent that PT Governments secured ‘BI’ and promoted a more formalized pattern of business politics (Schneider, 2009; 2010) based on the rule configuration of the mechanisms of participation operational between 2003 and 2016.

Following this introduction, the next section reviews the theory applied to analyse the effects of ‘BI’ on formalization. The second section outlines the extension of peak sectoral corporatist business associations interest representation in collegiate bodies during PT Governments. It evaluates choices of institutional design in relation to type, participation, scope, responsibility, regularity and authority, for assessing the most frequent choices and collect insights about the extent that peak sectoral corporatist business associations could influence policy outcomes for being part of participatory policy-making. In the third section, the impacts of ‘BI’ are weighted, focusing on CNA, CNC, CNI and CNF/CONSIF organization. Finally, the last section of the chapter summarises main conclusions.

4.1. PROMOTING FORMALIZATION

Whether dealing with the promotion of business political action through the participation of peak sectoral corporatist business associations in collegiate bodies, the inquiry focuses on the rule configuration (Ostrom, 2007) that restricted business possible actions within collegiate bodies, for having defined the operability of these mechanisms of participation between 2003 and 2016. In doing so, research applies the rational choice institutionalism (Ostrom, 2007; 2011), evaluating choices of institutional design (Fung, 2003; 2009) in view of formalization. It assumes that the latter relied on business inclusiveness in participatory policy-making – ‘BI’, because rational business people balance the available portfolio of political investments for taking advantage of evolving opportunities, shifting investments to activities that generate greatest returns (Schneider, 2009; 2010). Among such activities, in Brazil, one had, in parallel to CNA, CNC, CNI and CNF/CONSIF’s participation in collegiate bodies, a range of informal channels to the state, which included personal networks and, out of legality, corruption (Lazzarini, 2011; Gozzeto and Thomas, 2014; Doctor, 2017). Hence, if collegiate bodies did not “deliberate and make recommendations to government about the direction of new strategies” (Devlin

and Moguillansky, 2011: 88), going beyond meaningful information exchange⁷⁶, they would hardly promote formalization. As per Schneider (2009; 2010), for moving business politics from a more fluid, disperse and centrifugal to a more organized, structured and centripetal pattern, collegiate bodies had to make possible to influence policy outcomes.

Choices of institutional design, then, impacted outcomes (Fung, 2003; 2009), being formalization moulded by the extent that collegiate bodies hold consequential interactions. ‘BI’, as such, is more than the participation of peak sectoral corporatist business associations in a comprehensive range of collegiate bodies. It concerns the rule configuration (Ostrom, 2007) resulting from PT Governments’ choices of institutional design (Fung, 2003; 2009), which could have made possible to business influencing policy outcomes in a great number of policy areas. It comprehended the type, scope, responsibility, regularity, and the authority of the joined mechanisms of participation, besides decisions regarding participation (Fung, 2003; 2006; 2009; 2013). Thereby, these categories represent the six sub-variables, whose additive combination of choices is used for shedding light on the effects of ‘BI’ on formalization during PT Governments. They pertain the following:

A. Type:

The type of a collegiate body signifies what shall be accomplished. It represents a first consideration that shapes further choices of institutional design (Fung, 2009). And even though, in Brazil, business members reported not seeing much difference in the roles of joined mechanisms of participation⁷⁷ and legislation seems to not clarify differences among all available types,⁷⁸ the name of the collegiate body designates a political intention. Thus, collegiate bodies joined by CNA, CNC, CNI and CNF/CONSIF are classified according to their types, based on commonly accepted definitions given by the Cambridge Dictionary, available legislation, and accessed case studies. In fitting these collegiate

⁷⁶ For Schneider (2015), a collaboration has to promote three mutually reinforcing functions: meaningful information exchange; authoritative allocation and minimal rent seeking.

⁷⁷ Interviews, July and August 2017.

⁷⁸ See *Política Nacional de Participação Social (PNPS)* – National Policy of Social Participation, Decree No 8,243, 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

bodies into the following categories, the expectation is to collect insights about the roles envisioned for peak sectoral corporatist business associations during PT Governments:

- a. Council: according to the Cambridge Dictionary, councils shall counsel, so much so that a group gathered in a council shall “make decisions or give advice on a particular subject”. Probably, the General Secretariat of the Presidency considered, in 2003, “National Councils” to be advisory bodies to the Presidency⁷⁹ in view of this definition. Yet, the *Política Nacional de Participação Social (PNPS)* – National Policy of Social Participation, in 2014, defined a “council of public policies” as “a permanent thematic collegiate body, created by a normative act, [set for] the dialogue between civil society and government, [used for] promoting participation in the decision-making process and in the management of public policies”⁸⁰. In view of disparities, all collegiate bodies called councils within the sample are considered advisory bodies used for making decisions or giving advice on a particular subject at a superior level.
- b. Commission: according to the Cambridge Dictionary, it is “a group of people who have been formally chosen to discover information about a problem or examine the reasons why the problem exists”. PNPS defines a “commission of public policy” as “a thematic collegiate body, instituted by normative act, created for the dialogue between civil society and government on a precise goal, operational until purposes fulfilment”^{81,82}. One can, then, assume commissions may have had a more technical role in comparison to councils, even though commissions were also advisory bodies at a superior level.
- c. Committee: according to the Cambridge Dictionary, it is “a small group of people chosen to represent a larger organization and either make decisions or

⁷⁹ See Presidência da República, Secretaria-Geral da Presidência da República, Conselhos Nacionais - Presidency, General Secretariat of the Presidency, National Councils. [In Portuguese] [Online]. Available: <http://www.secretariadegoverno.gov.br/participacao-social/conselhos-nacionais>.

⁸⁰ Free Translation, Art 2, II, Decree No 8,243, of 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

⁸¹ Free Translation, Art 2, III, Decree No 8,243, of 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

⁸² Not just commissions, but many mechanisms of participation were established for achieving specific goals. Nevertheless, after their fulfilment, these collegiate bodies were not extinguished, though they stop meeting.

collect information for it”. PNPS did not provide a definition for committee, but the mechanisms within CNA, CNC, CNI and CNF/CONSIF sample indicate that this type of collegiate body had an auxiliary role in policy-making efforts, though at a superior level. They were either management committees, which managed a policy or specific activities within a policy, or they monitored regulatory developments, such as the internalization of international agreements.

- d. Chamber: according to the Cambridge Dictionary, it is “a group of people who form [part of] a parliament [or an assembly]”. Within the Brazilian Executive, the sectoral chambers set in 1991 were supplementary channels for more intense communication to address short- and medium-term policy concerns (Doctor, 2007). According to the *Ministério da Agricultura, Pecuária e Abastecimento (MAPA)* – Ministry of Agriculture, Livestock and Supply, chambers assembled representatives of production chains to discuss issues of their interest, such as management, pesticides, production processes and taxes⁸³. Nevertheless, the *Câmara Federal de Compensação Ambiental* – Federal Chamber of Environmental Compensation, within the *Ministério do Meio Ambiente (MMA)* – Ministry of Environment, for example, had to decide on specific matters. It should not only establish guidelines for the application of environmental compensations, but also decide about land ownership in protect areas. As PNPS did not provide a definition for a chamber, chambers are defined as collegiate bodies deciding technical matters, which include tax exemptions within the umbrella of a regulation or sectoral policy.
- e. Working Group: according to the Cambridge Dictionary, it is “a small group of people, for example one chosen by a government, that studies a particular problem or situation and then reports on what it has discovered and gives suggestions”. PNPS did not provide a definition for a working group, but examples within the sample shown that they were collegiate bodies set for

⁸³ See Ministério da Agricultura, Pecuária e Abastecimento (MAPA), Câmaras Setoriais e Temáticas [In Portuguese] [Online]. Available: <http://www.agricultura.gov.br/assuntos/camaras-setoriais-tematicas/camaras-setoriais-e-tematicas-do-mapa>.

studying a particular matter impacting policy outcomes. They should find a common ground on the topic and then report to the authorities in charge of rule-making;

- f. Forum: according to the Cambridge Dictionary, it is “a situation or meeting in which people can talk about a problem or matter especially of public interest”. During PT Governments, they served to promote direct participation in policy-making (Boschi, 2010). The *Fórum Nacional de Educação (FNE)* – National Forum of Education, for example, was created by law⁸⁴, as an outcome of the *Conferência Nacional da Educação (CONAE)* – National Conference of Education, 2010. It is a permanent space for dialogue between civil society and the Brazilian state, used for improving education policies⁸⁵. There, forums are meetings that aim at promoting participation in policy-making within broad policy areas, such as education.

B. Participation:

Mechanisms of participation can be open spaces, in which participation is the result of self-selection or they can be selective (Fung, 2009), in which citizens or concerned interest groups are invited to join. In Brazil, additionally, due to the corporatist structure of interest representation⁸⁶, many collegiate bodies are tripartite. State officials, labour and business were equally represented in these mechanisms. Therefore, regarding participation, the operational collegiate bodies within the sample will be sorted as: i) open, ii) selective, and iii) corporatist. Besides this categorization, the study assesses, as well, the number of business representatives in relation to labour, for weighing business overrepresentation. It checks also if the mechanisms provided for turnover, meaning if provisions within establishing laws or decrees ensured changeover in membership. If yes, overrepresentation could have been circumstantial, an outcome of capabilities within the political system, and neither a political preference representing the maintenance of a trait in Brazilian politics, nor a choice for making collegiate bodies more appealing to business. Thus, the analysis

⁸⁴ Law 13,005, of 24 June 2014 [In Portuguese] [Online]. Available: http://fne.mec.gov.br/images/pdf/legislacao/lei_13005_25062014.pdf.

⁸⁵ See Fórum Nacional de Educação [In Portuguese] [Online]. Available: <http://fne.mec.gov.br/>.

⁸⁶ See CLT (1943) [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm.

of choices in relation to participation may not only reveal the worth given to business interest representation in policy-making, but also confirm whether or not disparities in interest representation, between business and labour, were maintained between 2003 and 2016. The latter would suggest overrepresentation was an institutional choice.

C. Scope:

Any conversation within a mechanism of participation has to focus on a topic. The definition of the scope shapes operability (Fung, 2009), being advisable to “make mandates clear, concrete, and realistic given the stage of maturity of the alliance and the state of the economy” (Devlin and Moguillansky, 2011: 88). Besides, the extent of business contributions relies on capabilities (Fung, 2009). There are limits to the leeway of the topics that could be addressed by the same actors at the same time. These limits apply to the matters on the table within one mechanism of participation, as well as to the amount of mechanisms joined by the same business associations, which should not be too broad to jeopardise their organizational capacity. In other words, the range of issues being dealt within collegiate bodies could compromise the ability of CNA, CNC, CNI and CNF/CONSIF to represent business interests. Hence, the sample of joined mechanisms of participation is classified in relation to competent ministries and applicable policy areas. The effort depicts the thematic comprehensiveness of business participation in policy-making, most probably exposing doubts about the capacity of peak sectoral corporatist business associations to bear the work in all collegiate bodies operating during PT Governments.

D. Responsibility:

A further choice relates to the design and organization of the conversations within a collegiate body. It conveys the process of public deliberation in which members share their proposals and grounds for sustainable collective decisions (Fung, 2009). Thus, a first responsibility of a collegiate body is to build awareness about an issue, project or policy. In this case, which is the most common type of mechanism of participation in the field of industrial policy (Schneider, 2015), the main objective is to endorse consultations for reducing informational costs. A second responsibility would be to target policy oversight

and focus at the macro level on the performance of firms, agencies, or ministries and their capacity of fulfilling previously established policy goals. Yet, a third responsibility would be deliberation. In collegiate bodies responsible for deliberating about an issue, members are expected to engage in joint problem-solving through discussions, negotiations and recommendations (Schneider, 2015). The fourth responsibility would be to monitor developments. In monitoring mechanisms, members shall track progress on the implementation of guidelines, functions, programs and operations at the micro level. In view of these responsibilities, collegiate bodies are sorted as: i) consultative, ii) oversight, iii) deliberative, and iv) monitoring. The classification seeks to increase knowledge about PT Governments' consent in policy-making through collegiate bodies joined by peak sectoral corporatist business associations.

E. Regularity:

Meeting's regularity is key to maintain members' engagement in the work of any mechanism of participation (Devlin and Moguillansky, 2011; Schneider, 2015). Yet, regularity is contingent to other choices of institutional design, mainly in relation to type and scope (Fung, 2009). Whereas there are occasions in which exceptional meetings may be sufficient to achieve participation in policy-making, the opposite is most likely to be the case (Devlin and Moguillansky, 2011). For the importance of the relation among features of institutional design, regularity is somewhat assessed in here in view of collegiate bodies' time of existence.

According to peak sectoral corporatist business associations, their data comprises collegiate bodies holding meetings in 2016. And, as CNA, CNC, CNI and CNF/CONSIF started to bring together information about the framework of joined mechanisms of participation by the end of Lula's Second Term (2006-2010), one can infer that collegiate bodies within the sample gathered with a certain frequency since their establishment until 2016. Nevertheless, one must also consider that meetings could have not followed the desired regularity, though such analysis would require pursuing more in-depth analysis, what is not the goal in here⁸⁷.

⁸⁷ Such analysis is provided in case studies.

Due to the scope of the inquiry, in assessing regularity, the evaluation targets policy comprehensiveness and peak sectoral corporatist business associations' capacity. It, first, focuses on the time of existence of the collegiate bodies within the sample, aiming at identifying how many mechanisms were created between 2003 and 2016. A surge in the establishment of collegiate bodies would, then, support the claim that PT Governments intended to formalize business political action while increasing the availability of collegiate bodies. At least, they looked for business support (Doctor, 2007; 2017; Bresser Pereira and Diniz, 2009; Schneider, 2010; Diniz, 2010; Boschi, 2010; 2012; Toni, 2013; Araujo, 2015). Additionally, a second goal of looking to collegiate bodies' time of existing is to compare the number of mechanisms created before and during both Lula and Rousseff Governments. This may provide insights about a possible misuse of permanent mechanisms of participation, as the number of meetings could have been too excessive to foster business engagement in participatory policy-making. Collegiate bodies could, as well, have not been the most suitable tools to formalize business political action, because engagement in the long-term is not always necessary to generate the best collective decisions. Once a policy has been put into place, the necessity of meetings may not be the same, while business interests will also change over time.

F. Authority:

A last choice of institutional design considered refers to authority. Mechanisms of participation should be empowered to influence political decisions. This is an ultimate consequence of purpose, as collegiate bodies are spaces for direct participation in policy-making (Fung, 2009; Pires, 2011). Besides, in industrial policy-making, allocative authority is also essential. However, while vital, it can also lead to rent seeking (Schneider, 2015), to private capture or illegitimate delegation of power (Fung, 2009). As a consequence, one can assume that not all mechanisms should be empowered in the same way. And, while authority to decide about a policy outcome increases individual investments in influencing policy decisions, there are cases in which uninfluenced political decisions could be sound and fair (Fung, 2009). Thus, collegiate bodies should have not been strongly empowered, nor disempowered. Authority, as regularity, was contingent to

other choices of institutional design (Fung, 2009), being better assessed in case studies, when combined with type and responsibility.

The goal in here is, then, to collect insights about the level of business-state collaborations, if superior or technical, for combining them with predictions about the types and responsibilities of the collegiate bodies joined by CNA, CNC, CNI and CNF/CONSIG. It is assumed that high-level representatives, such as ministers and presidents of peak sectoral corporatist business associations, will have more decision-making power than bureaucrats and technicians. While collegiate bodies will be classified in relation to authority as: i) superior, or ii) technical, participation in a great number of superior mechanisms will be comprehended as a predictor of high-level consent to count with business participation in policy-making. Together with choices revealing a willingness to accommodate business interests, authority may support the assumption that PT Governments put at business disposal empowered formalized channels to influence policy-making.

Nevertheless, challenges to participatory policy-making embrace both establishing appropriate mechanisms of participation on the government side and the availability of well-organized interlocutors on the business side (Schneider, 2015). Not only were collegiate bodies' institutional features key to formalize business political action, but also the capacity of CNA, CNC, CNI and CNF/CONSIG of representing business interests influenced business inclusiveness in participatory policy-making. In view of the implications of PT Governments' choices regarding the institutional design of the operational collegiate bodies, the next section predicts the achieved level of 'BI' provided by the institutional framework of mechanisms of participation in place between 2003 and 2016. However, the following section evaluates how membership in collegiate bodies impacted CNA, CNC, CNI and CNF/CONSIG organization, as these peak sectoral corporatist business associations had to be well organized to take part in participatory policy-making.

4.2. BUSINESS INCLUSIVENESS IN PARTICIPATORY POLICY-MAKING

Considering data collected with CNA, CNC, CNI and CNF/CONSIF, business took part in 125 permanent collegiate bodies operational within the Federal Executive Power between 2003 and 2016⁸⁸. These mechanisms of participation have been established by laws or decrees and, in general, they:

- a. Assisted in decision-making;
- b. Secured coordination in policy-making; and
- c. Promoted interest parties' interaction⁸⁹.

Together, collegiate bodies conformed a broad institutional arrangement that shaped business-state relations during PT Governments. The framework sought to support further formalization, giving a new boost to the corporatist system of interest representation (Diniz and Boshi, 2001; Doctor, 2007; 2017; Boschi, 2010; 2012; Gozetto and Thomas, 2014; Araujo, 2015). It aimed at advancing a more organized, structured and centripetal pattern of business politics in a political environment regarded as fluid, disperse and centrifugal, for the value given to personal networks and lobbying activities (Schneider, 2010). In Brazil, despite the corporatist legacy, interest representation has been considered to “include large numbers of power groups, operating alongside governmental and institutionalized interests” (Gozetto and Thomas, 2014: 236). In this system, business investments tended to be “dispersed into more individual, fragmented, and often informal relations” (Schneider, 2010: 321). However, while corporatism evolved, it kept affecting business political action because of, among other reasons, the role of peak sectoral corporatist business associations interest representation in collegiate bodies.

⁸⁸ Considering subsidiary collegiate bodies, the number increase to 273. Nevertheless, subsidiary collegiate bodies were not considered in the sample for two main reasons. The first one was to avoid duplications. The second one was the temporary nature of such mechanisms of participation.

⁸⁹ The Brazilian Executive used two kinds of decrees for establishing collegiate bodies. The first type was ministerial or inter-ministerial decrees, which were used to regulate laws. The second type was administrative acts called *Portarias*. They organized the administration, being issued by ministers or chiefs of federal agencies.

Between 2003 and 2016, business joined through CNA, CNC, CNI and CNF/CONSIF a total of 52 councils; 33 commissions; 18 committees; 5 chambers; 11 working groups and 6 forums⁹⁰ – refer to Table 1.

Table 1
COLLEGIATE BODIES TYPES

Type	Collegiate Bodies	Percentage (%)
Councils	52	42
Commissions	33	26
Committees	18	14
Working Groups	11	9
Forums	6	5
Chambers	5	4
Total	125	100

While the type of a collegiate body is a first choice of institutional design (Fung, 2009), a definition of the ideal role, the fact that 42% of the joined collegiate bodies were councils reveals that PT Governments envisaged a high-level advisory role to peak sectoral corporatist business associations⁹¹. In line with PNPS, these councils promoted business participation in decision-making, as well as in the management of ongoing policies⁹². Simultaneously, business contributed to technical discussions in 73 collegiate bodies. These mechanisms of participation were commissions, committees, chambers, working groups and forums, in which business helped to find common ground on regulatory issues.

A second institutional choice impacting collegiate bodies outcomes is participation. Who takes part in meetings impacts democratization (Fung, 2006, 2009), as well as joint problem-solving (Devlin and Moguillansky, 2011; Schneider, 2015). Mechanisms of participation can be open spaces or they can be selective. During PT Governments, despite attempts to democratize policy-making, only 38% of the collegiate bodies within CNA,

⁹⁰ Within the whole sample of collegiate bodies joined by CNA, CNC, CNI and CNF/CONSIF, there were, as well, dialogues and conferences. However, they were disregarded in the analysis for being temporary collegiate bodies.

⁹¹ Commissions were most seen within the *Ministério do Trabalho e Emprego (MT)* – Ministry of Labour and Employment, being all tripartite bodies, whereas the other types of collegiate bodies appeared randomly in the 23 ministries that counted with mechanisms of participation joined by CNA, CNC, CNI and CNF/CONSIF.

⁹² Free Translation, Art 2, II, Decree No 8,243, of 23 May 2014 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

CNC, CNI and CNF/CONSI sample were open mechanisms of participation – refer to Table 2.

Table 2
PARTICIPATION IN COLLEGIATE BODIES

	Participation							
	Operational between 2003 and 2016							
	Collegiate Bodies (CB)		CB ensuring turnover in representation		CB defining represented interests		CB with business overrepresentation	
	(total)	(%Total)	(total)	(%CB)	(total)	(%CB)	(total)	(%CB*)
Open	48	38%	21	44%	23	48%	15	65%
Selective	77	62%	17	22%	74	96%	24	32%
Corporatist	37	30%	9	24%	37	100%	tripartite	tripartite
Non-corporatist	40	32%	8	20%	37	93%	24	65%
Total	125	100%	38	30%	97	78%	39	40%
Created after 2003								
	Collegiate Bodies (CB)		CB ensuring turnover in representation		CB defining represented interests		CB with business overrepresentation	
	(total)	(%Total)	(total)	(%CB)	(total)	(%CB)	(total)	(%CB*)
Open	29	36%	9	31%	14	48%	9	64%
Selective	51	64%	5	10%	49	96%	17	35%
Corporatist	22	28%	1	5%	22	100%	tripartite	tripartite
Non-corporatist	29	36%	4	14%	27	93%	17	63%
Total	80	100%	14	18%	63	79%	26	41%

*In relation to the collegiate bodies to which laws or decreee defined represented interests.

The majority of the collegiate bodies comporting business-state collaborations, 77 out 125, were selective. Access to these mechanisms of participation was restricted to organizations listed in their establishing laws or decrees⁹³. In 40 of the selective collegiate bodies, organizations representing concerned interests made the list of members. Yet, the other 37 mechanisms of participation were corporatist. They were tripartite collegiate bodies equally joined by CLT-acknowledged representatives: business and labour peak associations, besides government members.

⁹³ In exceptional cases, such as the *Conselho de Desenvolvimento Econômico e Social (CDES)* - Economic and Social Development Council, and *Conselho Nacional de Desenvolvimento Industrial (CNDI)* - National Council for Industrial Development, collegiate body members were personalities and CNI reports to be part of these collegiate bodies through the person of its president.

Considering solely mechanisms of participation that made publicly available their lists of members, business was overrepresented in 39 out of 97 cases. Within open collegiate bodies, there were more business representatives in relation to labour in 15 out of the 23 collegiate bodies with available data about membership. The opposite was true for only 3 collegiate bodies, in which labour was overrepresented. Yet, within mechanisms of participation that were both selective and non-corporatist, business was overrepresented in 24 out of 37 collegiate bodies. The opposite was true for 2 cases. In light of the total number of mechanisms of participation joined by CNA, CNC, CNI and CNF/CONSIF with available information about membership, except non-corporatist collegiate bodies, business was overrepresented in 39 out of 60. This means that in 65% of these mechanisms of participation, business was in a better position to represent interests than labour.

Interestingly, 51 out of 77 selective collegiate bodies, operational between 2003 and 2016, were created either by Lula, or Rousseff. Whereas PT Governments made use of an increasing number of mechanisms of participation for democratizing policy-making (Pires, 2011), they created more selective collegiate bodies than open—64% of the total. This reveals a certain interest in maintaining control over representation, at least, in the ones with business participation. Besides, within those selective collegiate bodies, 22 were corporatist and 29 were non-corporatist. Among the latter, it was possible to check membership for 27 mechanisms of participation and business was overrepresented in 17 of the non-corporatist collegiate bodies created either by Lula, or Rousseff. This means that, even in the open and selective non-corporatists mechanisms of participation established after 2003, business was overrepresented in relation to labour in 63% of the cases. Considering only the first, business was overrepresented in 9 out of the 14 mechanisms of participation; yet labour in none.

While business overrepresentation in collegiate bodies is a long-standing trait in Brazilian politics (Doctor, 2007; Araujo, 2015), to a certain extent preserved during PT Governments, it seems that there was, as well, not much concern about ensuring shifts in representation within the operational mechanisms of participation. At least, regarding the cases within CNA, CNC, CNI and CNF/CONSIF sample, legal provisions either establishing mandates, or requiring shifts in power, were found for only 38 collegiate

bodies⁹⁴. In addition to that, there seems to not have been a change in behaviour with PT Governments. Considering the 80 collegiate bodies created after 2003, for only 18%, it was possible to find provisions about turnover. Neither Lula nor Rousseff appear to have worried about the fact that disparities in political participation within collegiate bodies could facilitate more business interest representation than labour, with probable impacts on regulation, as well as on social and economic inequalities. It appears that to count with business political support, and insights about bottlenecks to better economic performance, preceded concerns about the effects of imbalances in policy-making (Schneider, 1997, 2015; Hacker and Pierson, 2010; Przeworski, 2011).

However, in favour of PT Governments, one could argue that, because CNA, CNC, CNI and CNF/CONSIF represented business interests, they interacted more in collegiate bodies targeting industrial or development policy. The sample would be, then, biased and overrepresentation justifiable. After all, industrial policy-making is a process “where firms and the government learn about underlying costs and opportunities and engage in strategic coordination” (Rodrik, 2004: 3). Thus, it would be reasonable to assume that there was a greater concern in securing a broad business representation. The topics being considered within the collegiate bodies classified in the CNA, CNC, CNI and CNF/CONSIF sample required such political option. Yet, that would be true if they dealt with economic restructuring, this meaning industrial policy-making. However, that was not verifiable. These peak sectoral corporatist business associations took part in mechanisms of participation working on a broad range of topics, including all the following policy areas – refer to Table 3.

⁹⁴ In exceptional cases, such as the *Conselho Nacional de Política Cultural (CNPC)* – National Council for Cultural Policy, there were legal provisions foreseeing mandates and requiring formal consultations to civil society in relation to membership. Nevertheless, while these requirements could affect CNA, CNC, CNI and CNF/CONSIF representation, for calling for turnover, they did not affect their permanence in the collegiate bodies, for turnover occurring among business representation.

Table 3
COLLEGIATE BODIES SCOPE

Policy Areas	Collegiate Bodies
Labour	37
Environment	18
Manufacturing	14
Science and Technology	10
Health	9
Regional Development	8
Education	5
Culture	4
Social Security	4
Energy	3
Foreign Trade	3
Human rights	3
Transports	2
Agriculture	1
Finance	1
Services	1
Taxation	1
Transparency	1

The scope of a collegiate body is a third institutional choice impacting outcomes (Fung, 2009; Devlin and Moguillansky, 2011; Schneider, 2015). Mechanisms of participation add to policy-making when the matters under deliberation are more comprehensively addressed through direct interaction with affected parties (Fung, 2009). Nevertheless, the extent of their contributions relies on capabilities, so much so that these limitations should drive decisions not only about the topics on the table, but also about membership. Considering the comprehensiveness of CNA, CNC, CNI and CNF/CONSIF interest representation in collegiate bodies, which included 18 different policy areas, one can affirm that PT Governments foresaw a great role to business in participatory policy-making. Between 2003 and 2016, it was demanded from these peak sectoral corporatist business associations interest representation on a range of different topics. And, even

though CLT ensured to them broad responsibilities⁹⁵, as well as resources⁹⁶, to add to discussions in all these policy fields was, in the least, a challenging endeavour, if not a non-attainable one. Either CNA, CNC, CNI and CNF/CONSIF joined collegiate bodies dealing with matters that exceeded their economic interests, or industrial policy did not greatly differ from the development agenda, being, practically, ubiquitous within the Executive.

A further choice of institutional design is responsibility. It defines the mode of political participation—the process organizing how members share their grounds about the matters on the table. Thus, collegiate bodies were classified as responsible for advancing consultations, oversight, monitoring and deliberations. In view of the CNA, CNC, CNI and CNF/CONSIF sample, operational collegiate bodies had the following responsibilities during PT Governments – refer to Table 4:

Table 4
COLLEGiate BODIES RESPONSIBILITIES

Responsibilities	Collegiate Bodies
Deliberation	53
Consultation	47
Monitoring	21
Oversight	4
Total	125

Although 47 out of 125 mechanisms of participation served for consultations, both facilitating access to information and promoting transparency, the other 78 collegiate bodies within the sample organized more consequential interactions. They advanced social choices, as 53 of these collegiate bodies deliberated about the likeability of a measure or policy; 21 monitored the implementation of a policy or regulation; and 4 oversaw policy outcomes. In them, members were expected to engage in joint problem-solving through discussions, negotiations and recommendations (Schneider, 2015). They should have not only sustained their grounds, but also worked together for achieving consensus or solving

⁹⁵ Besides representing interests, peak sectoral corporatist business associations provide technical training and leisure activities to companies and employees.

⁹⁶ According to companies' share stock, CLT ensured a mandatory contribution to the associations in charge of representing their interests. Besides, some peak sectoral corporatist associations were part of Sistema S, which ensured public resources for technical training and other investments to improve quality in work.

problems of common interest (Fung, 2009). Since, independently from outcomes, it is possible to affirm that PT Governments gave to peak sectoral corporatist business associations broad responsibilities in policy-making. They not only secured formalized channels for the representation of their interests in front of the Executive, but also made available, in 78 out of 125 operational collegiate bodies, legal means to push forward or block politicy decisions.

Although these mechanisms of participation were not an innovation (Leopoldi, 2000; Diniz, 2001; 2010; Doctor, 2007; 2017; Boschi, 2010; 2012; Diniz and Boschi, 2002; 2003; 2007), their number increased substantially under Lula (2003-2010). Considering the sample of collegiate bodies operational between 2003 and 2016, whereas Fernando Henrique Cardoso (1995-2002) was responsible for the establishment of 26, by the end of Rousseff (2011-2016), 81 additional mechanisms of participation were functioning. As follows, the 125 collegiate bodies holding meetings between 2003 and 2016 were established under the following Administrations – refer to Table 5:

Table 5
OPERATIONAL COLLEGiate BODIES

President	Period	Collegiate Bodies
<i>Before</i>	-	3
Dictatorship	1964-1985	5
José Sarney	1985-1990	2
Fernando Collor	1990-1992	5
Itamar Franco	1993-1995	3
Fenando Henrique Cardoso	1995-2002	26
Luiz Inácio Lula da Silva	2003-2010	52
Dilma Rousseff	2011-2016	29
<i>Total</i>	-	125

Based on the lifetimes of these mechanisms of participation, it is not possible to make any affirmations about how choices of institutional design regarding regularity suited other features, ensuring engagement (Devlin and Moguillansky, 2011; Schneider, 2015) for achieving envisioned goals (Fung, 2009). Nevertheless, one can assume that the increasing availability of collegiate bodies facilitated business access to the State in the

period. Data confirms that these 125 collegiate bodies held meetings with a certain regularity between 2003 and 2016. As CNI started to comprise information in a single database around 2011⁹⁷, both CNC and CNF/CONSIF began to publish, annually, official reports about *representações* – “representatives” in 2009⁹⁸ and 2016⁹⁹, respectively. Even if there are inaccuracies, their data disregarded non-operational collegiate bodies, because it comprised mechanisms of participation in which delegates represented interests since, at least, the last years of Lula (2003-2010)¹⁰⁰.

The number of operational collegiate bodies is, for all the mentioned reasons, meaningful. If 125 mechanisms of participation were regularly holding meetings by the end of Rousseff (2010-2016), and discussing matters within 18 different policy-areas, CNA, CNC, CNI and CNF/CONSIF had to be well-organized to respond to regular consultations in 53 different mechanisms; sustain their grounds in 47 different deliberations; monitor the implementation of 21 different either programs, or regulations; and oversee government policy-making in 4 different areas. Even though matters could have been related, it was a big challenge, even more if all these collegiate bodies were empowered to influence policy-making. Authority, as a choice of institutional design, refers to such capacity, which is ultimately a consequence of purpose (Fung, 2009). Mechanisms of participation should be empowered to decide about actions addressing matters under consideration. Likewise, members will invest more in consequential collaborations—in other words, in collegiate bodies influencing policy-making.

Thus, one can assume that high-profile members, such as the President and his/her ministers – on the government side; and presidents of associations and chief executive

⁹⁷ Interview with a business member, July 2017.

⁹⁸ See: Representações CNC [In Portuguese] [Online]. Available: <http://www.portaldocomercio.org.br/media/representacoescnc.pdf>.

⁹⁹ Make public annually a list of the joined mechanisms of participation. Interview, July 2019.

¹⁰⁰ President's Jair Bolsonaro Chief of Staff, Minister Onyx Lorenzoni sustained in April 2019 that 700 collegiate bodies were operational under Rousseff. Probably, CNA, CNC, CNI and CNF/CONSIF were part of more permanent mechanisms of participation, which were taken as non-operational for not holding meetings in the period of analysis. About operability, CNF/CONSIF informed that, since 2016, it is maintaining in its ongoing list mechanisms of participation that are still in place, though not holding meetings. The reason was that some stopped meeting in 2017 and 2018, but were not legally extinguished. Thus, there are reasons to presume that the 700 figure may comprise non-operational collegiate bodies. See: O Globo, Governo Bolsonaro quer extinção de conselhos sociais criados por Dilma [In Portuguese] [Online]. Available: <https://oglobo.globo.com/brasil/governo-bolsonaro-quere-extincao-de-conselhos-sociais-criados-por-dilma-23591925>.

officers (CEO) – on the business side, will join more empowered collegiate bodies than the ones in which bureaucrats and technicians take part. Whereas the authority of a mechanism of participation can be approached based on the rank of its members, the collegiate bodies within the CNA, CNC, CNI and CNF/CONSIF sample were classified following membership authority¹⁰¹. They are: i) superior, when joined by the President and/or ministries, as well as by peak sectoral corporatist business associations presidents; yet, they are ii) technical, when members came from the state bureaucracy and peak sectoral corporatist business associations' technical bodies. As for this classification, it might be inferred that the first is greater in comparison to the second, because the latter reports to the first. Nevertheless, that does not mean that technical collegiate bodies were not empowered, as previously mentioned the correlation among choices plays an important role and deserves further attention through case studies.

Considering CNA, CNC, CNI and CNF/CONSIF sample, the majority of the operational collegiate bodies, 103 out 125, worked on the technical level – refer to Table 6. They mainly assisted in policy-making, with members being expected to recommend changes to rules and monitor the implementation of either policies or programs. In high level mechanisms – 22 in total, members were supposed to assist in the definition of policy priorities, as well as about the deployment of policy tools, such as tax exemptions.

While membership in technical collegiate bodies at least facilitated information and access to the State within 21 ministries and the Presidency of the Republic, membership in superior collegiate bodies enabled business to influence policy-making in 12 ministries and the Presidency of the Republic. This included the following policy fields of: i) agriculture - 1 superior collegiate body; ii) cities - 1 superior collegiate body; iii) culture - 2 superior collegiate bodies; iv) industry and trade - 6 superior collegiate bodies; v) education - 2 superior collegiate bodies; vi) environment - 2 superior collegiate bodies; vii) economy - 1 superior collegiate body; viii) national integration - 2 superior collegiate bodies; ix) science and technology - 2 superior collegiate bodies; x) transport - 1 superior collegiate body; xi) labour - 1 superior collegiate body; xii) national development - 1 superior collegiate body;

¹⁰¹ Legal provisions within establishing laws and decrees define membership, while, in many cases, the description of the mechanism of participation, per se, defines it as “superior”.

and xiii) human rights - 1 superior collegiate body. All these superior collegiate bodies were councils. Dilma created none, whereas Lula created 10 and Cardoso 6. Yet, considering the collegiate bodies operating on the technical level, Dilma created 29, Lula 42 and Cardoso 20.

Table 6
COLLEGIALE BODIES AUTHORITY

	Ministry / Presidency of the Republic	Total	Superior	Technical
1	Ministry of Agriculture, Livestock and Supply	1		1
2	Ministry of Cities	4	1	3
3	Ministry of Communications	1		1
4	Ministry of Culture	3	2	1
5	Ministry of Development, Industry and Foreign Trade	13	6	7
6	Ministry of Education	5	2	3
7	Ministry of Energy	4		4
8	Ministry of Environment	18	2	16
9	Ministry of External Relations	1		1
10	Ministry of Finance	3	1	2
12	Ministry of Health	9		9
13	Ministry of Justice	1		1
15	Ministry of National Integration	3	2	1
16	Ministry of Science and Technology	9	2	7
17	Ministry of Social Development	1		1
18	Ministry of Social Security	2		2
19	Ministry of Tourism	1		1
20	Ministry of Transparency Office of the Contoller General	1		1
21	Ministry of Transports	2	1	1
22	Minstry of Labour	34	1	33
23	Presidency of the Republic	9	2	7
	Total	125	22	103

Analysis confirms a major expansion in the use of mechanisms of participation under Lula (Boschi, 2010; Pires, 2011). At the least, to what concerns the collegiate bodies joined by CNA, CNC, CNI and CNF/CONSIF, Lula appears to have been committed to business inclusion in participatory policy-making – ‘BI’. And, whereas Rousseff kept investing in participatory policy-making through mechanisms of participation, she seems to have endorsed, as well, business political interaction through peak sectoral corporatist business associations’ interest representation in collegiate bodies. Between 2003 and 2016, CNA, CNC, CNI and CNF/CONSIF joined collegiate bodies in 22 different ministries and

the Presidency of Republic. While PT Governments secured to these peak sectoral corporatist business associations channels to the state, in the opposite direction, they most probably expected their collaboration and support for improving social and economic policy-making (Doctor, 2007; 2017; Bresser Pereira and Diniz, 2009; Schneider, 2010; Diniz, 2010; Boschi, 2010; 2012; Toni, 2013; Araujo, 2015).

Choices made in relation to type, participation, scope, responsibility, regularity and authority confirm a willingness to democratize policy-making (Pires, 2011), also, through BI. Even though the configurational combination (Fung, 2003; 2009; Ostrom, 2007) of such features, within each collegiate body, would have allowed more precise conclusions about their effects on formalization. Additionally, PT Governments' choices of institutional design reveal that it was envisaged to peak sectoral corporatist business associations an advisory role, in a pronounced number of mechanisms of participation, with not only a great policy comprehensiveness, but also responsibility and authority. Business had more access on the technical level, but it was part, as well, of many formalized channels on a superior level, which, in the least, ensured access to decision-makers, including the Presidency of the Republic. In addition to that, business was mainly overrepresented in relation to labour, except for corporatist mechanisms of participation, in which seats were equally divided among business, labour and the State. Overrepresentation facilitated even more interest representation, though it was insufficient to ensure formalization.

It is possible that CNA, CNC, CNI and CNF/CONSIIF joined collegiate bodies for conforming with CLT provisions. However, matters under consideration within these mechanisms of participation could not have been in complete disagreement with their interests. Membership in so a broad scope of collegiate bodies would, then, point out to more than a permeability, but a ubiquity of industrial policy-making within the Executive. Relevant questions would eventually arise as to the outcomes of probably too many disperse actions, as well as to the competencies of ministries and agencies. Who should be in charge of industrial policy-making? What is its scope? Who should join the *Conselho Superior da Coordenação do Aperfeiçoamento do Pessoal do Ensino Superior (CAPES)* –

Superior Council of the Coordination of Staff Development in Higher Education?¹⁰² Unfortunately, such questions shall be addressed by further research, as in the next section attention turns to the impacts of ‘BI’ on business organization.

4.3. BUSINESS ORGANIZATION

To represent business interests within 125 mechanisms of participation, functioning within 22 different ministries and the President of the Republic, dealing with matters classified under 18 different policy areas, was a demanding task that led to organizational changes on the business side. Participatory policy-making called for further organization and CNA, CNC, CNI and CNF/CONSIF established specialized units for coordinating positions, interest representation and monitoring the development of the work within the framework of joined councils, chambers, commissions, committees and other similar mechanisms of participation¹⁰³. Reforms increased the transparency and accountability of business-state relations, democratizing interest representation. If the political and economic reforms of the 1990s resulted, among other changes, in a broad reorganization of legislative lobbying (Mancuso and Oliveira, 2006; Mancuso, 2007; Doctor, 2017), increasing political interaction within collegiate bodies during PT Governments made urgent improving coordination for interest representation in front of the Executive Power.

CNI, CNC and CNF/CONSIF started to keep public information about the collegiate bodies in which they represented business economic sectors’ interests. In these publications, CNI and CNC not only nominated representatives, but also described the role of the collegiate body, the policies, plans, programmes and projects under discussion, and, in the case of CNC, the recommendations presented to politicians and the state

¹⁰² Superior collegiate body within the *Ministério da Educação (MEC)* – Ministry of Education, joined by CNI.

¹⁰³ CNI operates through the *Gerência Executiva de Relacionamento com o Executivo (COEX)* – Executive Management for the Relation with the Executive Power [In Portuguese] [Online], available: <http://www.portaldaindustria.com.br/cni/institucional/diretoria-de-relacoes-institucionais/>; CNC through the *Assessoria de Gestão de Representações* – Management Advice on Representations [In Portuguese] [Online], available: <http://cnc.org.br/cnc/sobre-cnc/comercio/estrutura>; CONSIF through the *Gerência de Relações Institucionais* – Institutional Relations General Manejement; and CNA through the *Superintendência de Relações Institucionais* – Institutional Relations Superintendence [In Portuguese] [Online], available: <http://cnabrasil.org.br/sobre-cna/comissoes-nacionais/relacoes-institucionais>.

bureaucracy¹⁰⁴. Although it was not possible to access similar information in relation to CNA, an interview with a member of its technical body confirmed that the association took part in meetings within MAPA Sectoral and Thematic Chambers, making regularly available to members systematized information about policy developments in these collegiate bodies¹⁰⁵.

CNA, CNC, CNI and CNF/CONSIF, through press offices, also released articles about participatory policy-making and changes in representation. CNC went further and made public, since at least 2013, monthly brief reports about the policy process in joined collegiate bodies¹⁰⁶. In these reports, CNC disclosed information about the topics under consideration, the positions sustained by each part and the agenda of each collegiate body¹⁰⁷. CNC representatives and members had, as well, at their disposal even more detailed information about representation, which could be accessed on-line on a restricted area of CNC website.¹⁰⁸ Additionally, this peak sectoral corporatist business association provided guidance to representatives through courses and publications¹⁰⁹, as representatives could be the president of the confederation, in the case of superior collegiate bodies, or a designated business member or, even, a member of the technical staff. CNC, for example, had 174 representatives listed on its website.¹¹⁰

The reforms implemented by CNI, CNC, CNF/CONSIF and CNA between 2003 and 2016 increased transparency and accountability. CNI started to classifying information about its participation in collegiate bodies. It also coordinated positions and representation

¹⁰⁴ See CNI (2016), Caderno de Representantes [In Portuguese]; CNC, Representações, Órgãos Públicos. [In Portuguese] [Online]. Available: http://www.portaldocomercio.org.br/sgr/representacao_orgao.asp?nroTp=1; and CONSIF, Atuação [In Portuguese] [Online]. Available: <http://www.consif.org.br/atuacao>.

¹⁰⁵ July 2017.

¹⁰⁶ See CNC, Rede Nacional de Representações do Sistema Confederativo do Comércio [In Portuguese] [Online]. Available: <http://cnc.org.br/servicos/servicos-para-sindicatos-e-federacoes/sgr-sistema-gerenciador-de-representacoes>.

¹⁰⁷ See CNC, Central do Conhecimento, Representações [In Portuguese] [Online]. Available: <http://cnc.org.br/central-do-conhecimento/todas?editoria%5B%5D=50>.

¹⁰⁸ See CNC, Central do Conhecimento, Relatórios [In Portuguese] [Online]. Available: <http://www.portaldocomercio.org.br/sgr/relatorios.asp>.

¹⁰⁹ See CNC (2017), Atuação do Sistema CNC-Sesc-Senac: orientações aos representantes [In Portuguese]. [Online]. Available: <http://cnc.org.br/central-do-conhecimento/livros/representacoes/atuacao-do-sistema-cnc-sesc-senac-orientacoes-aos-repr>.

¹¹⁰ See CNC, Central do Conhecimento, Representantes [In Portuguese] [Online]. Available: <http://www.portaldocomercio.org.br/sgr/representantes.asp?pagina=1>.

through the *Gerência-Executiva de Relacionamento com o Poder Executivo* – Executive Management for the Relation with the Executive Power, since 2011.¹¹¹ CNC did the same through the *Assessoria de Gestão de Representações* – Management Advice on Representations, which was in charge of the publication of the brief reports, monthly available on the CNC website since June 2012. CNF/CONSIG, due to its lean structure, targeted information sharing for the coordination of the interests of member sectoral and state associations, a task kept under the supervision of the *Presidência e Vice-Presidência Executiva* - Executive Presidency and Vice-presidency.¹¹² CNA, in turn, concentrated Legislative and Executive lobbying at the *Superintendência de Relações Institucionais* – Institutional Relations Superintendence. Among other responsibilities, the department developed reports, providing information to other *Coordenadorias* – Coordination Bodies, member federations and companies.

Transparency increased in both policy-making and in interest representation during PT Governments. Participatory policy-making promoted a more organized, structured and centripetal pattern of business politics. As such, Schneider's (2009; 2010) framework, which placed Chile and Brazil in two extremes, with business politics being more formalized in the first, while the latter is seen as to be characterized by the prevalence of personal networks, with an increasing use of legislative lobbying since the 1990s, may have overlooked the role of collegiate bodies since Cardoso (1995-2002). Peak sectoral corporatist business associations interest representation within mechanisms of participation is increasing since then. It rose under Lula (2003-2010), diminishing pace under Rousseff (2011-2016), but it kept fostering a more centripetal pattern of business politics. In the least, in increasing the number of the available collegiate bodies with business participation, PT Governments persuaded business actors to consider interest representation through CNA, CNC, CNI and CNF/CONSIG, as these peak sectoral corporatist business associations counted with access to information and to decision-makers.

¹¹¹ See Portal da Indústria, Institucional, Diretoria de Relações Institucionais, Gerência-Executiva de Relacionamento com o Poder Executivo [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/institucional/diretoria-de-relacoes-institucionais/>.

¹¹² Interview, August 2017.

4.4. FINAL REMARKS

Whereas the chapter focused on the collegiate bodies joined by business between 2003 and 2016, it sought to measure the extent that PT Governments choices of institutional design promoted a more formalized pattern of business politics (Schneider, 2009; 2010). As such, it assessed choices of institutional design in relation to type, participation, scope, responsibility, regularity and authority, and collected insights about business inclusiveness in participatory policy-making – ‘BI’. It also reflected on changes in business organization, which stemmed from the crescent availability of collegiate bodies. Whereas corporatism kept pervading political interaction in Brazil, the mounting number of mechanisms of participation represented an additional incentive to business interest representation through peak sectoral corporatist business associations. As an independent variable, ‘BI’ then had positive effects on formalization. It shaped the Brazilian system of interest intermediation between 2003 and 2016.

During this period, PT Governments made CNA, CNC, CNI and CNF/CONSIF part of, at least, 125 permanent collegiate bodies. Among these mechanisms of participation, 42% were councils, the most empowered type of collegiate body in operation. Additionally, 62% of all mechanisms promoted interactions in the form of deliberations, oversight and monitoring, what empowered business to influence policy decisions through peak sectoral corporatist business associations. Lula (2003-2010) and Rousseff (2011-2016), together, established 65% of the studied collegiate bodies, being only 38% of them open to any party to join. Business was, as well, overrepresented in 65% of the mechanisms of participation with information about membership. Hence, while conceding facilitated access to information, as well as to decision-makers, PT Governments revealed a willingness to not only share responsibilities with peak sectoral corporatist business association, but also to access information, which would be useful for advancing social and economic development. Whether Lula and Rousseff invested in structuring the policy process, further organizing the policy process, their actions impacted business interest representation as well. The institutional arrangement of 125 collegiate bodies not only facilitated CNA, CNC, CNI and CNF/CONSIF’s access to policy-making within 22 ministries and the Presidency of the Republic, but also led to investments in organization.

Peak sectoral corporatist business associations became more transparent and accountable, engendering a more centripetal pattern of business politics (Schneider, 2009; 2010).

Nevertheless, the analyses of PT Governments' choices of institutional that defined the operability of collegiate bodies joined by CNA, CNC, CNI and CONSIF signalized that the political role handed down to business was both not negligible and differentiated from labour. As a consequence, inequality impacted participatory policy-making. The access to the state asymmetrically benefited peak sectoral corporatist business associations, with 'BI' prolonging the reach of industrial or development policy, what may have affected their own outcomes.

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5. EMPLOYMENT PARTICIPATORY POLICY-MAKING

The chapter introduces an in-depth analysis of business political action in the *Conselho Deliberativo do Fundo do Amparo ao Trabalhador (CODEFAT)* – Deliberative Council of the Workers' Assistance Fund¹¹³. It appraises the policy process set up by this mechanism of participation, measuring the extent that business political action on employment policy-making followed a more formalized pattern of business politics (Schneider, 2009; 2010) between 2003 and 2016. Thereby, the inquiry first concentrates on business inclusiveness in participatory policy-making – ‘BI’, approaching the effects of the configural combination of choices of institutional design (Fung, 2003; 2009; Ostrom, 2007) on formalization. In other words, on business political action through the participation of peak sectoral corporatist business associations in CODEFAT, as well as in the policy networks that emerged and shaped the policy process set by this collegiate body. Second, research assesses the effects of business and government commitment building – ‘CB’, on formalization. It identifies capabilities, and the preferences arising from them (Schneider, 2015), that compounded those actors informational sets (Ostrom, 2007; 2011), impacting their actions. Third, the inquiry explores the contingency between ‘BI’ and ‘CB’. By looking at deliberative moments (Avritzer, 2011), it searches for causal factors of formalization. The goal is to verify the extent that roles have been fulfilled, making possible to business to influence policy outcomes. Hypothesis are that the effects of ‘BI’ on formalization, were contingent on ‘CB’ either in the form of inclusion in policy-making on the government side, or engagement in policy-making on the business side.

CODEFAT was a tripartite council. It assembled in equal number government, labour and business representatives designated by fix member' ministries, syndicates and business associations for a mandate of four years¹¹⁴. CODEFAT had also a rotating presidency, which meant that, for a two years' mandate, each part chaired the work of the collegiate body, having its representative elected by simple majority. As for scope, the

¹¹³ See CODEFAT [In Portuguese] [Online]. Available at: <http://portalfat.mte.gov.br/codefat/>.

¹¹⁴ See Resolution CODEFAT No 236, of 27 April 2000 and Resolution CODEFAT No 596, of 27 May 2009. [In Portuguese] [Online]. Available: http://portalfat.mte.gov.br/wp-content/uploads/2016/02/Res236_2000_-Regimento-Interno-do-CODEFAT.pdf; and <http://portalfat.mte.gov.br/wp-content/uploads/2017/02/Res596.pdf>.

council decided on programmes guidelines and resource allocation. It also monitored and evaluated policy developments, proposing improvements on the legislation. Though CODEFAT operated under the aegis of the *Ministério do Trabalho e Emprego (MT)* – Ministry of Labour and Employment, which was in charge of its executive secretariat, the council exercised social control over employment policy. Hence, in joining the council, representatives became answerable for the management of the *Fundo de Amparo ao Trabalhador (FAT)* – Workers' Assistance Fund. They deliberated on the allocation of this important asset, which's movable resources were around 1,1% of Brazil's GDP at the start of PT Governments¹¹⁵.

Business representatives within CODEFAT were the *Confederação Nacional da Agricultura* – National Confederation of Agriculture; the *Confederação Nacional do Comércio de Bens, Serviços e Turismo (CNC)* – National Confederation of Trade in Goods, Services and Tourism the *Confederação Nacional da Indústria (CNI)* – National Confederation of Industry; and the *Confederação Nacional das Instituições Financeiras* and *Confederação Nacional do Sistema Financeiro (CNF/CONSIF)* – National Confederation of Financial Institutions and National Confederation of the Financial Service, though other business associations joined the collegiate body during PT Governments. Business membership was grounded on the fact that FAT resources came from social contributions of tax nature on the operational gross revenue of private and public companies. Yet, the main topic of interest was the discretionary policies applying FAT resources on training programs¹¹⁶. Between 2003 and 2009, while CNA, CNC, CNI and CNF/CONSIF represented business interests within CODEFAT, despite rising concerns regarding the decreasing availability of resources, members deliberated over FAT expenditures, including discretionary programs. However, in 2009, changes in participation undermined business representation. While business engagement loosened up, recurrent budgetary cuts and a progressive modification on FAT's financial model restricted the reach of CODEFAT's decisions impacting inclusion. All together troubled

¹¹⁵ Between 1995 and 2004, the amount of funds transferred was of 1,1% of Brazilian GDP (Silva, 2018).

¹¹⁶ Similar to the training programs provided by CNA, CNC and CNI. Interviews with government and business members, July 2019.

formalization, as the collegiate body progressively stopped endorsing intense and consequential interactions.

The chapter analyses business political action in employment participatory policy-making in four sections. Following this introduction, the first section sets the context of the collegiate body. The second focuses on its institutional arrangement, assessing the combination of choices that promoted ‘BI’ in the form of deliberations during PT Governments. The third section describes ‘CB’, highlighting capabilities and preferences within the political system that affected business-state actions within CODEFAT. The fourth section deals with the interaction between the responsibility of deliberating on FAT expenditures and the combination between levels of government consent and business participation. Through the process-tracing of the policy-making process, in-depth analysis acknowledges the causal factors of formalization that led PT Governments to first include and, later, avoid business participation in the policy process within CODEFAT. Final remarks summarise findings at the end of the chapter.

5.1. BACKGROUND

At the Constituent Assembly, held between 1987 and 1988, discussions considered not only changing state-society relations, what led to the creation of participatory mechanisms within the Executive Power, but they also sought to establish a system of public employment services in line with international commitments (Silva, 2018; 2019)¹¹⁷. As a consequence, Art. 239, of the *Constituição da República Federativa do Brasil (CF)* – Constitution of the Federative Republic of Brazil¹¹⁸, established a fund for financing the costs of unemployment insurance programmes. Social contributions with tax nature compounding the *Programa de Integração Social (PIS)* – Social Integration Program, and of the *Programa de Formação do Patrimônio do Servidor Público (Pasep)* – Program for Constituting a Civil Servant Heritage, would, then, start to fund the *Programa do Seguro Desemprego* – Unemployment Insurance Programme, and the Abono Salarial – Salary

¹¹⁷ See International Labour Organisation (ILO), Conventions No 2, 44, 88 and 102 [Online]. Available at: <https://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm>

¹¹⁸ Available at: http://www.planalto.gov.br/ccivil_03/constituicao/constituicao.htm.

Allowance¹¹⁹, ensuring that public-services protecting and supporting workers would not be interrupted due to an unstable sources of financing.

On 11 January 1990, the Lei No 7.998 – Law No 7,998, implemented the constitutional provision. It created FAT and, in the spirit of social participation, it also established CODEFAT (Cardoso, Gonzalez, Stivali, Amorim and Vaz, 2006; Souza, 2007; Silva, 2018; 2019; Souza, 2018; Tinoco, Borça and Macedo, 2018), which became in charge of outlining guidelines for unemployment insurance programmes, as well as for resource allocation¹²⁰.

5.2. BUSINESS INCLUSIVENESS IN PARTICIPATORY POLICY-MAKING

Based on the inherited institutional arrangement received from previous administrations, CODEFAT had higher chances of formalizing business political action. The combination of choices of institutional design in relation to type, participation, scope, responsibility, regularity and authority (Fung, 2009, Schneider, 2009; 2015; Devlin and Moguillansky, 2011) revealed a high level of ‘BI’, which’s effects on formalization were substantial. However, changes in the *Regimento Interno* – Rules of Procedure, in 2009, impacted business representation within CODEFAT. During this year, two business associations joined the council, as all representations started to count with six members¹²¹. Within business, the newly arrived were the *Confederação Nacional de Serviços (CNS)* – National Confederation of Services¹²², and the *Confederação Nacional do Turismo (CNTur)* – National Confederation of Turism¹²³. At the same year, when the first was

¹¹⁹ Employees working for at least 5 years, with a monthly income of maximum 2 minimum wages, would receive an extra salary, which became known as “abono salarial” – salary allowance (Silva, 2018).

¹²⁰ Law No 7,998, of 11 January 1990 [In Portuguese] [Online]. Available at: http://www.planalto.gov.br/ccivil_03/leis/l7998.htm

¹²¹ See Decree No 6,827, of 22 April 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6827.htm

¹²² Created in 2008. See Estado de São Paulo, 04 December 2008, Governo cria a Confederação Nacional de Serviços [In Portuguese] [Online]. Available: <https://economia.estadao.com.br/noticias/geral,governo-cria-confederacao-nacional-de-servicos,288557>. See also CNS [In Portuguese]. [Online]. Available: <http://www.cnservicos.org.br/>.

¹²³ See CNTur [In Portuguese] [Online]. Available: <https://cntur.com.br/>.

elected to chair CODEFAT¹²⁴, altogether CNA, CNC, CNI and CNF/CONSIF decided to leave the council. They only returned in 2017¹²⁵. Hence, from 2009 until the end of Dilma Rousseff Government (2011-2016), business did not take part in the work of the council through the most representative peak sectoral corporatist business associations, what impacted formalization¹²⁶.

As for the first choice of institutional design, which is the type of the mechanism of participation, CODEFAT was a council. Based on Law No 7,998, of 11 January of 1990, representatives took part in policy-making, giving advice and deciding about the programmes covered with FAT resources. Thus, business and labour, together with the government, became answerable for the expenditures of a fund, which's net asset increased from R\$ 196 bi to R\$ 285 bi between 2003 and 2016 (Tinoco, Borça and Macedo, 2018).

As already mentioned, changes regarding participation in 2009 ended up drastically altering business representation within CODEFAT. Whereas Law No 7,998, of 11 January 1990, established that the council would be joined by:

- a. 3 labour representatives;
- b. 3 business representatives;
- c. 1 representative of MT;
- d. 1 representative of the *Ministério da Previdência e Assistência Social (MPAS)*
– Ministry of Social Security and Welfare¹²⁷;

¹²⁴ Luigi Nese. See Resolution No 617, of 28 July 2009 [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/Resolu%C3%A7%C3%A3o-n%C2%BA-617-de-28-de-julho-de-2009.pdf>

¹²⁵ According to them, CODEFAT disregarded the principle of impartiality and non-interference, as since the establishment of the council each representation indicated the candidate that would be its represent in the election of the chair, at the time that was its turn in the rotation scheme. Hence, because CNA, CNC, CNI and CNF/CONSIF decided to indicate CNA representative, Fernando Antonio Rodrigues, their expectation was to have him elected as chair of CODEFAT. However, CNS decided to indicate Luigi Nese, who was elected. See Diário do Nordeste / Agência Estado, 28 July 2009, Entidade Renunciam à Participação no CODEFAT [In Portuguese] [Online]. Available at:

<https://diariodonordeste.verdesmares.com.br/editorias/pais/online/entidades-renunciam-a-participacao-no-codefat-1.922275>

¹²⁶ See Folha de São Paulo, 30 July 2009, “Minha eleição rompeu o status quo” [In Portuguese] [Online]. Available at: <https://www1.folha.uol.com.br/fsp/dinheiro/fi3007200918.htm>

¹²⁷ Under Lula (2003-2010), it changed to Ministry of Social Security.

- e. 1 representative of the *Banco Nacional de Desenvolvimento Econômico e Social (BNDES)* – National Bank for Economic and Social Development¹²⁸.

The *Medida Provisória (MP) No 2.216-37, de 200*¹²⁹ – Provisional Measure No 2,216-37, of 200¹²⁹, altered membership definition, allowing it to be administratively regulated¹³⁰. The list of members was, then, first defined by CODEFAT, in the *Resolução No 236, de 27 de Abril de 2000* - Resolution No 236, of 27 April of 2000. Next, membership was altered based on *Resolução No 596, de 27 de Maio de 2009* - Resolution No 596, of 27 May 2009¹³¹, which implemented the *Decreto No 6.827, de 22 de Abril de 2009* – Decree No 6,827, of 22 April 2009¹³². Nevertheless, due to CNA, CNC, CNI and CNF/CONSIF decision of leaving CODAFAT in the same year, the latter was once more altered based on the *Decreto No 7.026, de 8 de Dezembro de 2009* – Decree No 7,026, of 8 December 2009¹³³, which was only repealed in 2019, though business membership had been already altered in 2017, based on the *Resolução No 796, de 30 de Agosto de 2017* – Resolution No 796, of 30 August of 2017¹³⁴.

To sum up, PT Governments main changes in CODEFAT membership were the following – refer to Table 7:

¹²⁸ See Art. 18, Law No 7,998, of 11 January 1990 [In Portuguese] [Online]. Available at: http://www.planalto.gov.br/ccivil_03/leis/l7998.htm

¹²⁹ The President can enact laws without congressional approval by issuing a Provisional Measure. These laws came into effect immediately and, until 2001, they could be annually re-edited.

¹³⁰ See Art. 48-A, MP No2,216-37, of 31 August 2001 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/MPV/2216-37.htm#art48a

¹³¹ See Art. 1, Resolution No 596, of 27 May 2009 [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2017/02/Res596.pdf>

¹³² Decrees are executive orders, in this case, it was a directive issued by the President of the Republic. See Art. 1, Decree No 6,827, of 22 April 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6827.htm.

¹³³ Also a directive issued by the President of the Republic. See Art. 1, Decree No 7,026, of 8 December 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D7026.htm#art1

¹³⁴ See Art. 1, Resolution No 796, of 30 August of 2017 [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2017/02/Resolu%C3%A7%C3%A3o-n.-796-de-30-de-agosto-de-2017.pdf>

Table 7
CHANGES IN CODEFAT MEMBERSHIP BETWEEN 2003 AND 2016

Choices of Institutional Design	Resolution No 236, of 27 April 2000	Decree No 6,827, of 22 April 2009 and Resolution No 596, of 27 May 2009	Decree No 7,026, of 8 December 2009
Participation: ✓ business	<ul style="list-style-type: none"> a. CNI; b. CNF/CONSIF; c. CNC; d. CNA. 	<ul style="list-style-type: none"> a. CNI; b. CNF/CONSIF; c. CNC; d. CNA; e. CNS; f. CNTur. 	<ul style="list-style-type: none"> a. CNS; b. CNTur, c. <i>Confederação Nacional do Transporte (CNT)</i> – National Confederation of Transport¹³⁵; d. <i>Confederação Nacional de Saúde, Hospitais, Estabelecimentos e Serviços (CNS-health)</i> – National Confederation of Hospitals and Health Establishments and Services¹³⁶; e. <i>Federação Nacional das Empresas de Seguros Privados e de Capitalização (FENASEG)</i> – National Federation of Private Insurance and Capitalization Companies¹³⁷ f. <i>Câmara Brasileira da Indústria da Construção Civil (CBIC)</i> – Brazilian Construction Industry Chamber¹³⁸
✓ labour	<ul style="list-style-type: none"> a. <i>Força Sindical</i>¹³⁹; b. <i>Central Única dos Trabalhadores (CUT)</i>¹⁴⁰; 	<ul style="list-style-type: none"> a. <i>Força Sindical</i>; b. <i>CUT</i>; 	-

¹³⁵ See CNT, About [In Portuguese] [Online]. Available: <https://www.cnt.org.br/conheca>

¹³⁶ See CNS, About [In Portuguese] [Online]. Available: <http://cnsaude.org.br/sobre-a-cnsaude/>

¹³⁷ See CNseg, About [In Portuguese] [Online]. Available: <http://www.cnseg.org.br/conheca-a-cnseg/confederacao/o-que-e-a-fenaseg.html>

¹³⁸ See CBIC, Institutional [Online]. Available: https://cbic.org.br/en_US/institucional/

¹³⁹ See Força Sindical, Introduction [In Portuguese] [Online]. Available: <https://fsindical.org.br/a-historia-da-forca/introducao/>

¹⁴⁰ See CUT [In Portuguese] [Online]. Available: <https://www.cut.org.br/#>

	c. <i>Confederação Geral dos Trabalhadores (CGT)</i> ¹⁴¹ ; d. <i>Social-Democracia Sindical (SDS)</i> .	c. <i>União Geral dos Trabalhadores (UGT)</i> ¹⁴² ; d. <i>Nova Central Sindical dos Trabalhadores (NCST)</i> ¹⁴³ ; e. <i>Central dos Trabalhadores e Trabalhadoras do Brasil (CTB)</i> ¹⁴⁴ ; f. <i>Central Geral dos Trabalhadores do Brasil (CGTB)</i> ^{145,146} ;	
✓ government	a. MT; b. MPAS; c. <i>Ministério da Agricultura e do Abastecimento (MAPA)</i> – Ministry of Agriculture and Supply ¹⁴⁷ ; d. BNDES.	a. MT; b. MPAS; c. MAPA; d. BNDES; e. <i>Ministério da Fazenda (MF)</i> – Ministry of Finance; g. <i>Ministério do Desenvolvimento Agrário (MDA)</i> – Ministry of Agrarian Development.	-

Even though there were changes in labour too and, to a lesser extent, in government as well, they were not so meaningful as in business. While CNA, CNC, CNI and CNF/CONSIF were the most encompassing business associations within the agriculture, services, industrial and financial economic sectors, CNS not only became a peak sectoral corporatist business association the year before, but was also saw as having overlapping competences with CNC¹⁴⁸. CNTur, CNS-health, FENASEG and CIBC, in turn, represented

¹⁴¹ See FGV, Verbete, CGT [In Portuguese] [Online]. Available: <https://www.fgv.br/cpdoc/acervo/dicionarios/verbete-tematico/confederacao-geral-dos-trabalhadores>

¹⁴² See UGT [In Portuguese] [Online]. Available: <http://www.ugt.org.br/index.php/>

¹⁴³ See NCST, History [In Portuguese] [Online]. Available: <https://www.ncst.org.br/subpage.php?id=18483>

¹⁴⁴ See CTB [In Portuguese] [Online]. Available: <https://ctb.org.br/>

¹⁴⁵ See FGV, Verbete, CGTB [In Portuguese] [Online]. Available: <https://www.fgv.br/cpdoc/acervo/dicionarios/verbete-tematico/central-geral-dos-trabalhadores-do-brasil-cgtb>

¹⁴⁶ In 2016, it was substituted by the Central dos Sindicatos Brasileiros – CSB. See Resolution No 770, of 29 June 2016 [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/07/Res770.pdf>

¹⁴⁷ Under Lula (2003-2010), it changed to Ministry of Agriculture, Livestock and Supply.

¹⁴⁸ See also Folha de São Paulo, 30 July 2009, Manobra no CODEFAT partiu o Planalto, dizem empresários [In Portuguese] [Online]. Available:

<https://www1.folha.uol.com.br/fsp/dinheiro/fi3007200917.htm>.

less encompassing economic sectors, whereas CNT was the only new incomer recognized as rightful to take part of CODEFAT¹⁴⁹. CNT was representative of an expressive economic sector. Created in 1954, it represented 26 federations, comprising 155 thousand companies. According to interviews¹⁵⁰, to become a CODEFAT member was a long-lasting claim of CNT.

Regarding the scope of the work, there were no changes during PT Governments. The council should: i) approve guidelines and programmes allocating FAT resources; ii) monitor and evaluate social impacts, economic and financial management and the performance of covered programmes; iii) appreciate, monitor and approve the execution of Annual Working Plans; iv) deliberate on FAT accounts, before being forwarded to internal control bodies; v) resolve doubts as to the application of FAT rules; vi) approve CODEFAT rules of procedure and amendments; vii) propose improvements in the legislation applied to the Unemployment Insurance Programme and the Salary Allowance; viii) put into force instructions for returning installments unduly received; ix) propose criteria for the payment in installments of overdue debts, observing the minimum and the principal plus monetary correction; x) propose the alteration of the rates applied to social contributions¹⁵¹; xi) disclose all decisions and accounts; xii) analyze reports; xiii) supervise FAT administration, requesting information on contracts and agreements; xiv) define substitute indexers, in the event of extinction or the alteration of those referred to in Law No. 7,998, of 11 January 1990; xv) set deadlines, according to technical possibilities; and xvi) promote periodic checks, requesting the Executive Secretariat to take steps for carrying out audits¹⁵².

As per this list above, the scope of CODEFAT made members accountable for the impacts of the main programmes protecting and supporting workers nationwide. They were, as well, accountable for expenditures, having the power to deliberate on the destination of FAT resources, what included supervising FAT's management and setting deadlines to the provision of services linked to disbursements.

¹⁴⁹ Interview with a member of MF, July 2019.

¹⁵⁰ July 2019.

¹⁵¹ They were PIS / Pasep.

¹⁵² Summarized based on Resolution No 236, of 27 April of 2000, and Resolution No 596, of 27 May 2009.

Consequently, CODEFAT was responsible, among others, for deliberations. Members were expected to engage in joint problem solving (Schneider, 2015; Devlin and Moguillansky, 2011), while decisions were taken by simple majority¹⁵³. Meetings were regular as well. They took place bimonthly and, if necessary, the council met extraordinarily¹⁵⁴. Between 2003 and 2016¹⁵⁵, CODEFAT met 92 times, holding around 6 meetings per year, what was in line with the scope and responsibilities of the collegiate body. In view of the last choice of institutional design, authority, CODEFAT was an empowered mechanism of participation, it decided about guidelines of employment discretionary programmes, setting their rules and costs.

In view of such choices of institutional design, it is reasonable to assume that business stakes were not negligible (Fung, 2009). Representatives of each part had reasons for betting that the outcomes of collective decisions within CODEFAT would impact their lives, sharing the perception that the council was empowered to decide about topics of interest. Nevertheless, that does not mean that CODEFAT engendered a more formalized pattern of business politics. According to research hypothesis, capabilities and preferences would also shape formalization. They affected business-state relations in addition to the rule configuration. Thus, the next section deals with those attributes of the world (Ostrom, 2007) defining ‘CB’.

5.3. COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT

While businesses are simultaneously investing in many other venues for influencing politics and government policies (Schneider, 2009; 2010), CODEFAT did not meet in vacuum. Capabilities within the political system – and the preferences arising from them, influenced policy outcomes (Schneider, 2015). They defined ‘CB’, for influencing

¹⁵³ First under a quorum minimum of 7 members, then of 10 members after the enlargement of the council in 2009. See Art. 11 of Resolution No 236, of 27 April of 2000, and Art. 11 of Resolution No 596, of 27 May 2009 [In Portuguese] [Online]. Available: http://portalfat.mte.gov.br/wp-content/uploads/2016/02/Res236_2000_-Regimento-Interno-do-CODEFAT.pdf; <http://portalfat.mte.gov.br/wp-content/uploads/2017/02/Res596.pdf>

¹⁵⁴ See Art. 6 of Resolution No 236, of 27 April of 2000, and Resolution No 596, of 27 May 2009 [In Portuguese] [Online]. Available: http://portalfat.mte.gov.br/wp-content/uploads/2016/02/Res236_2000_-Regimento-Interno-do-CODEFAT.pdf; <http://portalfat.mte.gov.br/wp-content/uploads/2017/02/Res596.pdf>

¹⁵⁵ Until 31 August, the day that Rousseff second term officially ended.

government and business actions within the collegiate body and within the policy networks arising from the work within this mechanism of participation. Together with ‘BI’, ‘CB’ constrained deliberations on FAT expenditures, delineating inclusion and engagement in employment participatory policy-making.

CODEFAT was part of MT during PT Governments¹⁵⁶. Within Ministry’s organisational structure, it was placed under the *Secretaria de Emprego e Salário* – Secretariat of Employment and Salary, which was under the *Departamento de Emprego e Salário* – Department of Employment and Salary. The latter was responsible for overseeing and coordinating the implementation of unemployment insurance programmes, thus it was also in charge of the executive secretariat of CODEFAT¹⁵⁷. According to Art. 14, of Resolution No 236, of 27 April 2000, as well as to Resolution No 596, of 27 May 2009, CODEFAT’s executive secretariat should: i) schedule and prepare meetings agendas; ii) systematize information for CODEFAT approving, monitoring and implementing the Annual Working Plans of the Unemployment Insurance Programme and the Salary Allowance, as well as their respective budgets; iii) prepare proposals for improving the applied legislation; iv) prepare studies about FAT allocation; v) propose normative instructions necessary to the payment of overdue debts; vi) propose substitute indexes, in the event of extinction or the alteration of those referred to in Law No. 7,998, of 11 January 1990; vii) prepare FAT budgetary execution reports, viii) prepare bimonthly follow-up reports, which should be sent to the CODEFAT members, as the minutes of the meetings; ix) prepare and control the publication in the Official Gazette of all decisions, as well as of FAT provision of accounts; and x) implement instruments and mechanisms necessary for the supervision of FAT.

In view of the scope of CODEFAT, the executive secretariat had a key role. It not only facilitated decision-making, but also recommended policies that allocate FAT resources. Whereas members should decide about guidelines, programmes, Annual Working Plans, rules of procedure, improvements in the legislation, substitute indexers, as

¹⁵⁶ Based on Art. 29, XXI, of the *Lei No 10.683, de 28 de maio de 2003* – Law No 10,683, of 28 May 2003 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/leis/2003/10.683.htm.

¹⁵⁷ See Art. 10, of Decreto No 5.063, de 3 de maio de 2004 – Decree No 5,063, of 3 May 2004. [In Portuguese] [Online]. Available: http://www.planalto.gov.br/CCIVIL_03/_Ato2004-2006/2004/Decreto/D5063.htm.

well as propose criteria for the payment of overdue debts and the alteration of the rates applied to social contributions, the executive secretariat recommended how CODEFAT could fulfil these tasks. During PT Governments¹⁵⁸, the executive secretariat – MT, not only coordinated the work, but also introduced the adopted policy recommendations. For example, for changing regulations, the executive secretariat assumed the task of facilitating negotiations, which occurred under the coordination of the Secretary of Employment and Salary. CODEFAT, in turn, deliberated on the final resolution based on *Notas Técnicas* – Technical Notes, which were the votes and the motions on the final resolution. The *Grupo de Apoio Técnico (GTFAT)* – Technical Support Group¹⁵⁹, may have taken part in the process, but had no final word¹⁶⁰. And, legal advice, when required, was provided by MT Legal Department. In addition to that, the executive secretariat set the agenda of CODEFAT meetings, though the president convened the meetings, having the power to decide about the suitability of the topics to be considered in them¹⁶¹. In short, the executive secretariat was in charge of drafting CODEFAT policy recommendations, as well as of deciding when they would be put to vote. As such, MT technical readiness to deal with matters related to FAT management made possible to the Secretary of Employment and Salary to influence decision-making within the council¹⁶².

In this scenario, the main challenge MT faced regarding FAT allocation may have been the availability of resources to not mandatory employment insurance policies¹⁶³. According to CF, Art. 239, FAT resources would come from PIS and Pasep, which were social contributions of tax nature on the operational gross revenue of private and public companies. Nevertheless, not all the collected resources were intended to employment

¹⁵⁸ With a member of the government, July 2019.

¹⁵⁹ GTFAT assisted members and held monthly meetings. See Art. 17 of Resolution No 236, of 27 April of 2000, and Resolution No 596, of 27 May 2009 [In Portuguese] [Online]. Available: http://portalfat.mte.gov.br/wp-content/uploads/2016/02/Res236_2000_-Regimento-Interno-do-CODEFAT.pdf; <http://portalfat.mte.gov.br/wp-content/uploads/2017/02/Res596.pdf>

¹⁶⁰ GTFAT could be against a recommendation and, even so CODEFAT could approve it.

¹⁶¹ Interview with a member of the government, July 2019.

¹⁶² The *Ministro do Trabalho e Emprego* – Minister of Labour and Employment, was not a member of CODEFAT, though throughout CODEFAT history some ministers saw the council as a source of power. During PT Governments, Carlos Lipi (2007-2009) regularly attend meetings (Silva, 2019). In 2009, he was accused of interfering in favor of CNS in the election for CODEFAT Chair. See: Diário do Nordeste / Agência Estado, 28 July 2009, Entidade Renunciam à Participação no CODEFAT [In Portuguese] [Online]. Available at: <https://diariodonordeste.verdesmares.com.br/editorias/pais/online/entidades-renunciam-a-participacao-no-codefat-1.922275>

¹⁶³ The Unemployment Insurance Programme and the Salary Allowance were the mandatory policies.

insurance policies, 40% of the annual revenue would go to BNDES, for funding development projects, based on a remuneration criterion that would preserve FAT total value (Silva, 2018; Tinoco, Borça and Macedo, 2018). Besides, one year after that Law No. 7,998, of 11 January 1990, implemented FAT, creating CODEFAT, new rules for resource allocation were adopted. According to the *Lei No 8.352, de 28 de dezembro de 1991* – Law No 8,352, of 28 December 1991, part of the available funds would form a *Reserva Mínima de Liquidez (RML)* – Minimum Liquidity Reserve. Thus, an amount of FAT resources were invested in bonds of the *Tesouro Nacional* – National Treasury, through operations handled by public banks and supervised by CODEFAT. Finally, in 1994, Congress approved the first constitutional amendment, creating the *Fundo Social de Emergência (FSE)* - Emergency Social Fund (FSE), which became the *Desvinculação de Receitas da União (DRU)* - Untying of Federal Revenue, in 2000. They let the federal government free to spend, at its own discretion, 20% of the budget collected based on social contributions.

Thus, while unemployment insurance programmes counted with more than sufficient resources until 1994, the implementation of FSE/DRU resulted in regular deficits (Silva, 2018). Until 2009, these deficits were covered based on FAT financial revenues, mostly, from BNDES operations and RML. However, financial hardship prevented the continuity of this practice in the following years and, except for 2012 and 2014 – when the National Treasury covered the expenses with insurance programmes, CODEFAT dealt with negative results. During PT Governments, the costs of the Unemployment Insurance Programme and Salary Allowance grew above FAT net revenue and total expenses. Even though DRU contributed to the difficult financial situation, PT employment policy seems to have been the major problem causing factor. According to Silva (2018; 2019), employment growth increased not only turnover, but also the number of employees with a monthly income of maximum 2 minimum wages¹⁶⁴. In addition to that, constant raises of the minimum wage, increased expenses, as benefits were calculated on a minimum wage basis. To make matters worse for FAT, under Rousseff (2011-2016), countercyclical measures used to fight economic downturn promoted tax exemptions that affected FAT

¹⁶⁴ The potential beneficiaries of Salary Allowance.

revenues. As a result, MT became increasingly dependent on the *Ministério do Planejamento, Orçamento e Gestão (MPOG)* – Ministry of Planning, Budget, and Management, and on MF to ensure the continuity of employment insurance programmes. While the first could address budget shortfalls arising from DRU, the second had the power to reconsider tax exemptions.

On the business side, CNA, CNC, CNI and CNF/CONSF were differently organized to take part in the work of CODEFAT. According to an interview¹⁶⁵, CNA did not see the matters under consideration within CODEFAT as directly affecting its members. However, it saw that “the representation of the rural producer was necessary for a public policy of national development”. In addition to that, membership in collegiate bodies – in general, was seen as a mean to attest the extension of CNA political influence¹⁶⁶. As a peak sectoral corporatist business association, CNA represented the interests of Brazilian rural producers, from whom 98% were individuals¹⁶⁷. These rural producers locally gathered in associations called *sindicatos rurais* – rural syndicates. As they were present in all states, they formed 27 rural federations, which, together, constituted CNA. The board of directors of CNA was elected by the board of directors of these federations, what made CNA technical body firstly answerable to federations, then to rural syndicates, then to producers. Nevertheless, for defining business interests, CNA used the *Comissões Nacionais de Produto ou Técnicas* – National Committees on Products or Technical, which focused on areas of interest and directly gathered rural producers. The *Comissão de Trabalho e Previdência* – Committee of Labour and Social Security, for example, discussed topics under consideration of CODEFAT. However, in the case of this collegiate body, CNA technical body had a more significant role. The *Núcleo Econômico* – Economic Hub, a crosscutting area within the *Superintendência Técnica* – Technical Superintendence, was in charge of following CODEFAT work. It was directly answerable to CNA board of directors and should support the participation of CNA representative in CODEFAT, who was appointed by CNA board of directors¹⁶⁸. As a result, whereas the

¹⁶⁵ July 2019.

¹⁶⁶ For more about CNA representativeness, see Representatividade do Setor [In Portuguese] [Online]. Available: <https://www.cnabrasil.org.br/cna/estrutura-organizacional>

¹⁶⁷ In Portuguese: pessoa física.

¹⁶⁸ CNA was, first, represented by Rodolfo Tavares – vice-president and, since 1988, president of the *Federação da Agricultura do Estado do Rio de Janeiro (FAERJ)* – Federation of Agriculture of the State of

Economic Hub provided technical guidelines, assisting in the definition of CNA positions in CODEFAT, the representative was free to politically decide about the suitability any position and the Committee of Labour and Social Security or any other committee had no role in that definition.

CNC was represented by a consultant in CODEFAT¹⁶⁹, who centralized decision-making regarding interest representation within the collegiate body and was directly answerable to CNC president. According to an interview¹⁷⁰, the arrangement broadly reflected CNC organization in relation to participatory policy-making. As a general rule, CNC representatives in collegiate bodies were high-ranking members appointed by the president based on their practice, and they represented CNC interests based on their qualifications. Being mainly directors and consultants, these representatives summed up more than 150¹⁷¹. Despite their great autonomy, they received the assistance of the *Gerência de Representações* – Management of Representations, which was a crosscutting and linking area responsible for providing general guidelines to representatives, as well as for giving feedback to members¹⁷². Similarly to CNA, CNC members were companies operating in the services sector, locally they gathered in syndicates that formed federations. While the number of first summed 1,035, the second summed 34, as the other 7 federations part of CNC were national¹⁷³. Despite provisions for elections, there was no power turnover during PT Governments. Thus, the president appointed CNC representatives from 2003 to 2016¹⁷⁴.

Rio de Janeiro [In Portuguese] [Online]. Available: <http://www.sistemafaerj.com.br/faerj/sobre-a-faerj/diretoria-da-ferj/>. Then, it was represented by Fernando Antonio Rodriguez – with *Universidade Federal de Viçosa* – Federal University of Viçosa. See Estado de São Paulo, 28 July 2009, CODEFAT elege presidente hoje e LUPI tenta manter a influência [In Portuguese] [Online]. Available: <https://economia.estadao.com.br/noticias/geral,codefat-elege-presidente-hoje-e-lupi-tenta-manter-influencia,409456>

¹⁶⁹ Roberto Nogueira Ferreira – with RN Consultores Associados [In Portuguese] [Online]. Available: <http://www.rnconsultores.com.br/roberto-nogueira>.

¹⁷⁰ With a business member, July 2019.

¹⁷¹ See CNC, SGR, representatives [In Portuguese] [Online]. Available: <http://www.portaldocomercio.org.br/sgr/representantes.asp?pagina=1>

¹⁷² Since 2013, it manages the *Rede Nacional de Representações do Sistema Confederativo de Comércio* – National Network of Representatives of the Confederative System of Services. See CNC, SGR [In Portuguese] [Online]. Available: <http://www.portaldocomercio.org.br/sgr/default.asp>.

¹⁷³ See CNC, Federations and Syndicates [In Portuguese] [Online]. Available: <http://cnc.org.br/federacoes-e-sindicatos>

¹⁷⁴ He stayed in power for 38 years, from 1980 to 2018. See Folha de São Paulo, 12 August 2018, CNC terá novo dirigente após 38 anos, mas ligado ao mesmo grupo político [In Portuguese] [Online]. Available:

Concerning CODEFAT, CNC participation was taken as a consequence of PIS, as it was a social contribution imposed on private companies. CNC, however, did not see much space to propose policies within the collegiate body, as the budget was almost entirely committed to FAT legal obligations. Hence, CNC saw its role more of a watchdog of the training courses offered under the umbrella of the Unemployment Insurance Programme, which rested on three types of policies: unemployment insurance, employment services, and training. As part of CNC, the *Serviço Nacional de Aprendizagem Comercial (Senac)* - National Commercial Apprenticeship Service, already offered an extensive bunch of training courses¹⁷⁵. Thus, CNC took a critical stance on other organizations' training courses, financed with FAT resources. Additionally, CNC saw the *Programas de Geração de Emprego e Renda (PROGER)* – Programmes for Generating Jobs and Income, as a small policy space that could be used for recommending policies in favor of its own members. These programmes applied part of the financial returns of RML in special credit lines that provided financing lines to micro and small companies, including the ones operating in the services sector. While CODEFAT was in charge of defining PROGER coverage, CNC represented the interest of its members in view of the needs of its business counterparts. As per an interview¹⁷⁶, until 2009, there was great collaboration among business members within CODEFAT.

CNI was represented in CODEFAT by its First Secretary¹⁷⁷. According to CNI statute, its organization chart included the *Conselho de Representantes* – Council of Representatives, the *Diretoria* – Board of Directors, and the *Conselho Fiscal* – Fiscal Council. CNI First Secretary was, then, a member of the Board of Directors, which was CNI elected executive body. Likewise CNA and CNC, CNI had a pyramidal structure, with almost 1.3 mi industrial companies on the bottom gathered in sectorial industrial syndicates also gathered in 27 state federations¹⁷⁸. The presidents and boards of directors of the latter

<https://www1.folha.uol.com.br/mercado/2018/08/cnc-tera-novo-dirigente-apos-38-anos-mas-ligado-ao-mesmo-grupo-politico.shtml>

¹⁷⁵ See CNC, SESC and SENAC [In Portuguese] [Online]. Available: <http://cnc.org.br/sesc-e-senac>.

¹⁷⁶ With a business member, July 2019.

¹⁷⁷ Lourival Novaes Dantas – former president (1995-2002) of the *Federação das Indústrias do Distrito Federal (Fibra)* – Federation of Industries of the Federal District. See FIBRA [In Portuguese] [Online]. Available: <https://www.sistemafibra.org.br/fibra/institucional/historico>

¹⁷⁸ See CNI [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/institucional/>.

were elected by the syndicates organized in their respective states, which had one vote each, yet the president and the board of directors of CNI were elected by the federations, which had one vote each as well. Among the tasks of the First Secretary, there were: i) to organize and supervise the secretariat, supporting the Board of Directors and the Council of Representatives; ii) to ensure the fulfillment of CNI associative obligations; and iii) to collaborate with CNI organization and administrative management¹⁷⁹. Thus, the First Secretary was a high-ranked member of CNI, with more of a political than technical role. He collaborated with the administrative management, but was not daily involved in its activities. As such, he may have received the assistance of the technical area in charge of the relationship between employers and employees¹⁸⁰, which since the return of CNI to CODEFAT, in 2017, was in charge of representing CNI interests in this collegiate body¹⁸¹. However, there are reasons to suspect that he enjoyed great autonomy between 2003 and 2009, as one of the reasons for establishing the *Gerência-Executiva de Relacionamento com o Poder Executivo (COEX)* – Executive Management for the Relation with the Executive Power¹⁸², in 2010, was to map CNI participation in collegiate bodies and provide guidelines for its representatives¹⁸³.

CNF/CONSIF had a more lean and horizontal structure in comparison to CNA, CNC and CNI. It was founded as a sectorial business association that gathered business associations representing different activities within the financial sector – CNF¹⁸⁴. However, throughout the years, to wield greater influence, CNF took the necessary measures for

¹⁷⁹ See Art. 33, CNI Statute, 2008 [In Portuguese] [Online]. Available: http://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/bb/4b/bb4ba973-a298-4ad7-850fc798e7425931/20140423155459696898a.pdf

¹⁸⁰ Since 2011, the *Gerência-Executiva de Relações do Trabalho* – Executive Management for Labour Relations. More information [In Portuguese] [Online] available: <https://conexaotrabalho.portaldaindustria.com.br/sobre/>

¹⁸¹ Interview with a business member, July 2009.

¹⁸² See Portal da Indústria, Institucional, Diretoria de Relações Institucionais, Gerência-Executiva de Relacionamento com o Poder Executivo [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/institucional/diretoria-de-relacoes-institucionais/>.

¹⁸³ Based on an interview, March 2020, until 2010, “CNI had no control over its representatives in collegiate bodies. They were chosen when expressing interest or for strengthening relations with federations. It was not known whether the representative attended meetings or not, neither their number, nor in how many instances CNI was represented. When COEX was created, a subunit began to survey CNI's participation in collegiate bodies. The first survey revealed more than 400 instances. Today, CNI is represented in 169 instances. Representatives also do not have autonomy. They receive guidance, their frequency is monitored and, if they do not meet a certain minimum criterion, they are removed from the representation”.

¹⁸⁴ See CNF, History [In Portuguese] [Online]. Available: <https://cnf.org.br/nossa-historia/>

becoming a peak sectoral corporatist business association – CONSIF¹⁸⁵. Under the new institutional arrangement, CNF contained the members of CONSIF, as only 4 of the 9 national federations that formed CNF were also members of CONSIF. The reason for this arrangement was that CNF members were also sectorial business associations, and not all of them operated together with an employer federation or syndicate, what was need for legal recognition. For example, while the *Federação Brasileira dos Bancos (Febraban)* – Brazilian Federation of Banks, is a founding member of CNF, the *Federação Nacional dos Bancos (Fenaban)* – National Federation of Banks, is a founding member of CONSIF¹⁸⁶. They operated together, such as CNF and CONSIF, because the first is a business association, yet the latter is a corporatist business association. In short, for using CNF organization and administrative management, CONSIF transferred its income, which stemmed from a mandatory contribution on companies with activities within the financial sector¹⁸⁷. Together, CNF and CONSIF monitored policy-making at the federal level, being the lobbying branch of its affiliates. The latter, however, not only provided political and technical support to CNF/CONSIF activities, but representatives in collegiate bodies were, also, in their majority members of associations or companies. In CODEFAT, CNF/CONSIF was represented by Febraban¹⁸⁸. Together, they took PIS as the reason for their participation and, similarly to CNC, CNF/CONSIF main objective was to oversighted the use of FAT resources.

¹⁸⁵ See CONSIF, Practice [In Portuguese] [Online]. Available: <https://www.consif.org.br/atuacao/>

¹⁸⁶ See CONSIF, Member Entities [In Portuguese] [Online]. Available: <https://www.consif.org.br/entidades-filiadas/>

¹⁸⁷ Until 2017, CLT ensured resources for financing the activities of employer syndicates, federations and confederations. Additionally, they count on funds of the Sistema S, which is a mandatory contribution on companies (Schmitter, 1971). For more information, see Folha de São Paulo, 11 November 2017, O que muda com a nova lei trabalhista e o que os tribunais ainda podem rever [In Portuguese]. Available: <https://www1.folha.uol.com.br/mercado/2017/11/1934569-o-que-muda-com-a-nova-lei-trabalhista.shtml>. Valor Econômico, 30 August 2017, Gestão do Sistema S rende R\$ 1 bilhão a entidades patronais [In Portuguese]. Available: <https://www.valor.com.br/brasil/5100102/gestao-do-sistema-s-rende-r-1-bilhao-entidades-patronais>; and Senado Notícias, Sistema S. [In Portuguese]. Available: <https://www12.senado.leg.br/noticias/glossario-legislativo/sistema-s>.

¹⁸⁸ First by Alencar Naul Rossi – a specialist in collective negotiations, then by Octavio de Lázari Júnior – with Bradesco. See Folha de São Paulo, 18 of January 1998, Os Pecados do Capital, cobiça [In Portuguese] [Online]. Available: <https://www1.folha.uol.com.br/fsp/dinheiro/fi180125.htm>; and SUNO, Quem é Octávio de Lázari [In Portuguese] [Online]. Available: <https://www.sunoresearch.com.br/tudo-sobre/octavio-de-lazari/>

Altogether, it is possible to affirm that, during PT Governments, CODEFAT was well organized to administer FAT. On the government side, MT was not only structured to comply with its legal obligations, but also empowered to decide about the agenda of the collegiate body, what resulted in great capacity for influencing resource allocation. On the business side, from 2003 to 2009, CNA, CNC, CNI and CNF/CONSIF sent high-ranking representatives to CODEFAT. Based on their roles within these business associations, it is possible to affirm that they were politically empowered to represent the interests of their economic sectors, even though they enjoyed great autonomy. As seen, these confederations became more technically organized to take part in participatory policy-making only after their decision of leaving CODEFAT. Thus, the fact that business representation was “personalistic” could have impacted formalization¹⁸⁹. According to a member of CNC, “the structure of collegiate bodies, including CODEFAT, was in discredit, as business representatives went to meetings to agree with the government”. The motivations for doing so would have been either the lack of technical knowledge about the matters under consideration, or other major political interests, such as the maintenance of the mandatory contributions that financed the activities of peak sectoral corporatist business association. In addition to that, the same CNC member also affirmed that “representations were used for branding consolidation”. They were a mean to show to members the political relevance of these business associations.

In the next section, the behaviour of business and government representatives within CODEFAT is analysed, based on choices of institutional design, and in view of business interest in influencing policy outcomes.

5.4. FORMALIZATION

During the first years of PT Governments, CODEFAT may have been equipped to formalize business political action, as choices of institutional design favoured formalization. Law No. 7,998, of 11 January 1990, as seen, established a council to manage FAT, signalizing that the collegiate body would have decision-making power on its

¹⁸⁹ The term was frequently used in interviews with members of the government and business, July 2019.

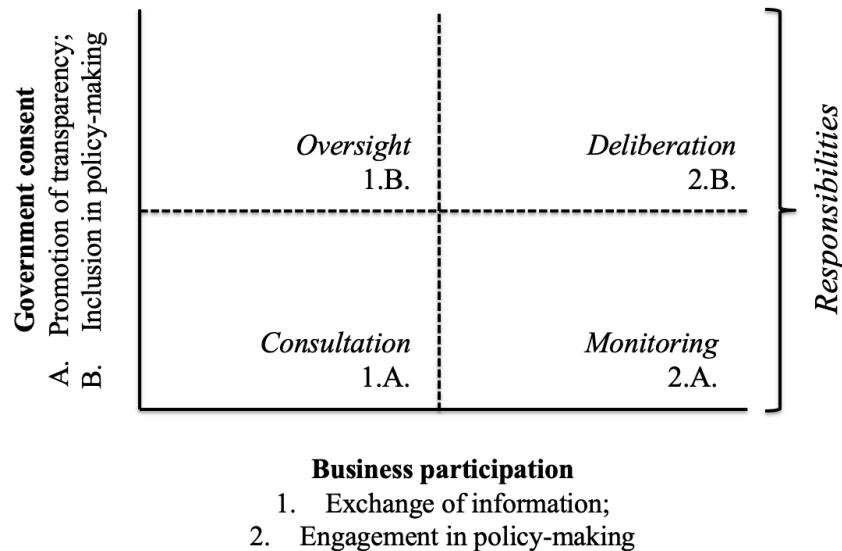
allocations. In relation to participation, CODEFAT was a tripartite mechanism of participation. Specifically on business representation, it was joined by CNA, CNC, CNI and CNF/CONSF, which embodied the interests of all three classic economic sectors and, together, encompassed the majority of the private companies paying PIS. Regarding the scope, CODEFAT decided about unemployment insurance policies, defining the means through which FAT resources would be allocated in discretionary programmes. As for responsibility, it was a deliberative collegiate body. Whereas decisions were adopted by a qualified majority, members were empowered to recommend policies, as well as changes in the applicable legislation. In what concerns regularity, at least CODEFAT met bimonthly. Lastly, regarding authority, CODEFAT controlled the use of public funds, even though it was not empowered to deal with legal provisions and economic policies that could drain its resources. Hence, despite funding shortages, CODEFAT was equipped to resolve about FAT allocation, with business taking part in deliberations.

Nevertheless, after CNA, CNC, CNI and CNF/CONSF decision of leaving CODEFAT in 2009, business representation lost in terms of coverage. CNS, CNTur, CNT, CNS-health, FENASEG and CBIC were not encompassing business associations, though they also represented private companies paying PIS. In addition to this modification, throughout PT Governments, effective business-state collaboration was more complex than CODEFAT institutional desiderata implied (Schneider, 2015). Formalization, in particular, depended on the extent that the council engendered high levels “Business participation” (X-Axis) and “Government Consent” (Y-Axis) – refer to Figure 8. In other words, ‘CB’ should have revealed either “2. Engagement in policy-making” on the business side (X-Axis), or “B. Inclusion in policy-making” on the government side (Y-Axis). If the interaction between ‘BI’ and ‘CB’ during deliberative moments (Avritzer, 2011) did not reveal the combinations “1.B.”, “2.B.” or “2.A.”, CODEFAT would not have engendered a more formalized pattern of business politic, in spite of being a collegiate responsible for “*Deliberations*”, what, in accordance to ‘BI’, would fit CODEFAT in the upper-left quadrant of the scheme in Figure 8. Whereas the collegiate body was responsible for collective deliberations, ‘CB’ may not have corresponded with the combination of “2.B.”, though that would not mean that business could not influence policy outcomes through the

participation of peak sectoral corporatist business associations in CODEFAT, what would engender a more formalized pattern of business politics (Schneider, 2009; 2010).

Figure 8

FORMALIZATION RESULTING FROM THE INTERACTIONS BETWEEN RESPONSIBILITIES AND THE DUAL PROCESS OF COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT



As such, if government included business in the policy process, but business preferred to use the collegiate body for exchanging information, there would have been formalization, as business would have overseen (1.B.) policy decisions through its participation in CODEFAT. Even though business representatives did not engage in policy-making, inclusion on the government side gave the opportunity to influence policy outcomes, such as supervising disbursements, what is in line with CNC and CNF/CONSIF preferences, as previously described. Another possibility could have been that the government used the collegiate body for promoting transparency, but business engaged in policy-making. Representatives of the latter, then, would have monitored (2.A.) policy-making. This possibility would have also engendered a more formalized pattern of business politics, in spite of the fact that government did not include business in policy decisions. At the end of the day, the collegiate body represented a mean for pushing government to consider business preferences in policy-making, what may have happened through other

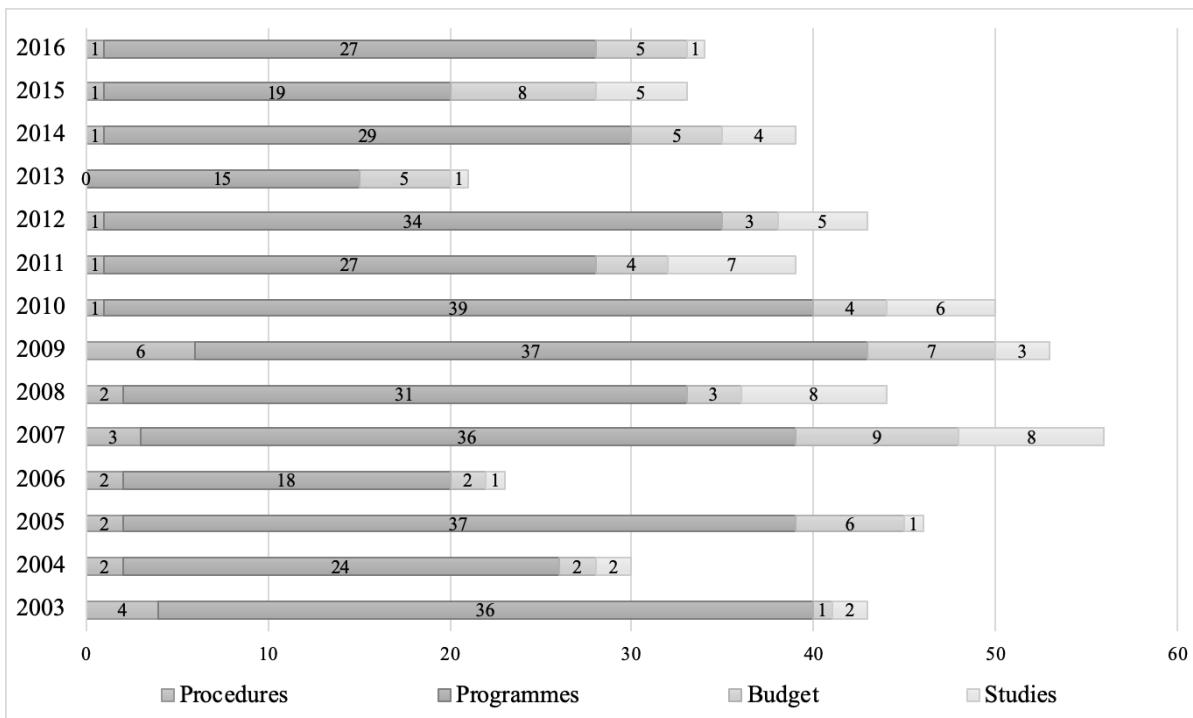
means. Lastly, if PT Governments made use of the collegiate body for promoting transparency, while business used for exchanging information, the interaction between ‘BI’ and ‘CB’ is seen as to have been insufficient for formalizing business political action. Rational business people will act through the participation of peak sectoral corporatist business association in CODEFAT if that made possible to influence policy outcomes. Consultations (1.A) would not ensure the attainment of this objective, even though it may have reduced informational costs implied in policy-making.

Differently from the majority of the collegiate bodies operational under PT Governments¹⁹⁰, CODEFAT revealed in 2003 an institutional maturity that facilitated formalization until 2009. According to Silva (2019), between 1990 and 1994, the council went through a period of institutional consolidation. During these years, interested parties decided about CODEFAT competencies, as well as about its organisational structure within the government. In the following decade, an already organized CODEFAT benefited from increasing financial returns stemming from RML earnings, which made possible decide on the diversification of unemployment insurance programmes¹⁹¹. Yet, during PT Governments, the policy space arising from FAT’s increasing returns narrowed and CODEFAT meetings focused more on programmes’ delimitation, as it can be seen in the chart below – see Chart 1. Based on Silva (2019), CODEFAT deliberations covered four types of matters between 2003 and 2016. They were: i) procedures, encompassing matters related to FAT functioning; ii) programmes, encompassing discussions on unemployment insurance, salary allowance, employment services, training, and credit operations; iii) budget, encompassing the budget proposal and asset management; and iv) studies, encompassing consultancies, external studies and reports, and provision of accounts.

¹⁹⁰ See Chapter 4, Business Inclusiveness in Participatory Policy-Making.

¹⁹¹ They started to include financing lines and professional qualification.

Chart 1
MATTERS UNDER DELIBERATION WITHIN CODEFAT



Source: Silva (2019).

In the period, deliberations mainly considered programmes, which, as seen, were proposed by the government. However, members also reflected on procedures, budgetary matters and reports (Silva, 2018; 2019), with meetings minutes revealing that debates on means to guarantee a flow of revenues proportionate to the estimated expenditure were recurrent¹⁹². FAT financial imbalances was a persistent topic of concern.

In view of business participation, meetings minutes reveal that, in 2003, matters related to procedures led to mounting criticism on the part of CNA. In 5 of the 8 meetings held during the year, CNA representative complained about what he understood as to be a constant disregard of procedural rules. In these occasions, he suggested to reconsider or, even, to postpone deliberations, as the executive secretariat would have failed to share the proposals under deliberation in due time for the meeting. In two occasions, CNA's representative was backed by the representative of *Força Sindical*, though he was never

¹⁹² See FAT, Meeting Minutes [In Portuguese] [Online]. Available: <https://portalfat.mte.gov.br/codefat/atas-codefat/>

followed by the majority. During the year, CNA stands were a source of tension within the council, as they put at risk the approval of programmes of government interest¹⁹³. In 2004, procedural matters remained on business agenda. CNC, backed by CNF/CONSF, expressed concerns about the recurrent use of *ad referendum*, which implied deliberations on implemented programmes whose general points were agreed upon, but the final decision was taken after that they were already in place¹⁹⁴. CNC sustained that this practice altered CODEFAT responsibilities, giving to the council a homologation role, not a deliberative one, as provided by law¹⁹⁵.

In 2004, an important controversial point was the budget proposal, which in the view of CNA, CNC and CNF/CONSF was not sent to CODEFAT members in due time for deliberations. CGT and *Força Sindical*, on the labour side, not only sustained that “for the first time in CODEFAT meetings history (...) numbers were presented in an insufficient, incomplete and confusing manner” (Ata da 81^a Reunião Ordinária do CODEFAT, 2004: 17), but also diverged from the government on budget allocation. Thus, they voted against the proposal, which ended up being approved due to business representatives support, who required the inclusion of the following amendment, based on CNF/CONSF suggestion.

“Bearing in mind that the budget proposal was not presented to CODEFAT with the necessary information to its deliberation, this Council decides not to comment on FAT Pre-Budget Proposal on the 2005 Federal Budget. At the same time, this CODEFAT manifests support and solidarity to Minister Ricardo Berzoini, for his attempts, until the last moments of this deliberation, with partial success, to approve with the Minister of Planning and Minister of Finance, an adequate proposal that faces the challenges of enhancing public employment policies.” (Ata da 81^a Reunião Ordinária do CODEFAT, 2004: 14)

¹⁹³ CNA was represented by Rodolfo Tavares, whose dissonant voice may have raised concerns within the government due to the fact that CNA could assume the presidency of the council for the following 2 years, if indicated by business. However, the later decided to appoint CNI representative, Lourival Novaes Dantas, who assumed as chairperson on 5 August 2003. See: Folha de São Paulo, 29 July 2003, Leme [In Portuguese] [Online]. Available: <https://www1.folha.uol.com.br/fsp/ilustrad/fq2907200308.htm>; and Resolução CODEFAT nº 346, de 5 de agosto de 2003 [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/01/Resolução-nº-346-de-5-de-agosto-de-2003.pdf>.

¹⁹⁴ According to an interview with a business member, July 2019, the recurrent use of *ad referendum* was a main reason for councils not working accordingly.

¹⁹⁵ See CODEFAT, *Ata da 81^a Reunião Ordinária do CODEFAT* – Meeting Minutes of the 81st CODEFAT Ordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata81CODEFAT.pdf>

CGT and *Força Sindical* also asked for a referral of MT Legal Department, for clarifying the scope of CODEFAT regarding the definition of the budget proposal. However, CNF/CONSF discouraged this requirement, which did not go forward.

Between 2005 and 2006, meetings' minutes reveal, on the business side, a continued engagement in the work of CODEFAT. Although government proposed the programmes under consideration, business representatives fulfilled their legal tasks taking part in deliberations. Regarding CODEFAT scope, they monitored programmes' impacts, economic and financial management, and performance, proposing improvements in the applied legislation and considering the suitability of indexes and requirements. Business members also deliberated over FAT accounts. They not only discussed means for implementing the recommendations of the *Tribunal de Contas da União* (TCU) – Federal Court of Auditors¹⁹⁶, but also supervised the work of the executive secretariat in view of CODEFAT scope. In 2006, the approval of FAT reporting of accounts illustrates how business engaged in the work. According to the minutes¹⁹⁷, CNC and CNF/CONSF's representatives voted against an amendment proposed by the government, for not agreeing with the adopted indexes. CNA, in turn, abstained in the vote for not having sufficient time for evaluating the matter. However, all business representatives also expressed understanding over MT difficulties¹⁹⁸, confirming that their intention was not to block FAT's agenda. In general terms, minutes reveal that CODEFAT meetings took place in a supportive and collaborative environment. Even though members represented competing interests, both business and labour representatives revealed a shared commitment to the work. As such, they sought to comply with their obligations, being helpful to each other.

¹⁹⁶ In charge of judging the accounts of administrators and bodies responsible for public money, assets and values. See TCU [In Portuguese] [Online]. Available: <https://portal.tcu.gov.br/institucional/conheca-o-tcu/>.

¹⁹⁷ See *Ata da 89ª Reunião Ordinária do CODEFAT* – Meeting Minutes of the 89th CODEFAT Ordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata89CODEFAT.pdf>

¹⁹⁸ According to the *Ata da 90ª Reunião Ordinária do CODEFAT* – Meeting Minutes of the 90th CODEFAT Ordinary Meeting, business members recognized the existence of deficiencies in human and material resources that were hampering the sound financial management of FAT for the last 10 years [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata91CODEFAT.pdf>

In 2007, Lula appointed for the first time a *Ministro do Trabalho e Emprego* – Minister of Labour and Employment, that was not a member of PT¹⁹⁹, but of the allied *Partido Democrático Trabalhista (PDT)* – Democratic Labour Party. Carlos Lupi remained in office for the whole Lula Second Term (2007-2010), and was accused of attempting against CODEFAT institutional arrangement, for trying to alter the tripartite organization of the presidency²⁰⁰. According to Law No 7,998, of 11 January 1990, implemented by Resolution No 236, of 27 April 2000²⁰¹, the presidency, biannually renewed, rotated among representations and, when in the hands of the representation of the Government, the representative of MT would chair the council. This representative was the Secretary of Employment and Salary, not the Minister. Yet, when in the hands of business or labour representations, the practice was that the representation appointed one of its representatives, who was elected by simple majority of CODEFAT's members. Lupi seems to have disagreed with this format, as business believed that he aimed to transform the presidency into a fixed seat owned to the Minister of Labour and Employment²⁰².

Based on meeting minutes, Lupi is deeply interested in CODEFAT. He joined more than 50% of the meetings held in 2007²⁰³. In 2008 and 2009, he addressed CODEFAT members in 40% of the meetings²⁰⁴. Between 2007 and 2008, a topic of great interest of MT was training²⁰⁵. Within CODEFAT, the *Proposta de Resolução que estabelece diretrizes e critérios para transferências de recursos do FAT, aos estados, municípios, organizações governamentais, não governamentais ou intergovernamentais, com vistas à execução do Plano Nacional de Qualificação – PNQ, como parte integrada do Sistema Nacional de Emprego – SINE, no âmbito do Programa do Seguro-Desemprego* - Proposed Resolution that establishes guidelines and criteria for transferring FAT resources to states,

¹⁹⁹ Jacques Wagner, Jaques Wagner (2003), Sandra Meira Starling (interim), Fernando Roth Schmidt (interim), Jaques Wagner (2003–2004), Ricardo Berzoini (2004–2005), and Luiz Marinho (2005–2007).

²⁰⁰ Interview with a business member, July 2019.

²⁰¹ See Art. 2 of Resolution No 236, of 27 April of 2000 [In Portuguese] [Online]. Available: http://portalfat.mte.gov.br/wp-content/uploads/2016/02/Res236_2000_-Regimento-Interno-do-CODEFAT.pdf;

²⁰² Interview with members of the government and business, July 2019.

²⁰³ 5 out of the 9 meetings held during the year.

²⁰⁴ 3 out of the 7 meetings held during each year.

²⁰⁵ According to the *Ata da 94ª Reunião Ordinária do CODEFAT* – Meeting Minutes of the 94th CODEFAT Ordinary Meeting, Lupi was prioritizing training programmes [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata94CODEFAT.pdf>.

municipalities, governmental, non-governmental or intergovernmental organizations, for implementing the National Qualification Plan - PNQ, as part of the National Employment System - SINE, under the Unemployment Insurance Program, resulted in disagreements that opposed business representatives to the other members of the council. According to meeting minutes, business first blocked discussions, then proposed the inclusion of the following paragraph in the resolution:

"Agreements or other forms of direct contracting (...) with resources from FAT, for the purposes of this Resolution, may only be carried out with institutions subject to TCU inspection, without the prejudice of other conditions established in this Resolution" (Ata da 51^a Reunião Extraordinária do CODEFAT, 2004: 15)

CNC introduced the suggestion with CNA and CNI support. All three insisted in the need of inspection for preventing new frauds²⁰⁶. CNF/CONSIF, on the other hand, did not support CNC suggestion. On 28 April 2008, during the 51st Extraordinary Meeting of CODEFAT, which was scheduled to decide about the matter, CNF/CONSIF asked the chair to clarify the impacts of adopting the paragraph, as other members were seeing in business proposal the introduction of a market reserve. The chair, with *Força Sindical*, answered that the adoption of the paragraph would not only drastically limit the number of entities accredited to provide training, but these entities would either be part of Sistema S²⁰⁷, or states and municipalities. Members, then, approved the proposed resolution, without the introduction of the paragraph suggested by CNC, with CNC, CNA and CNI voting against²⁰⁸.

In 2009, Luchi formally informed CODEFAT members about the enlargement of the council during the first meeting of the year, on 11 February. According to meeting minutes, Luchi said that the President of the Republic would soon sign a decree on the enlargement of the council and, as soon as it happened, he would arrange meetings with

²⁰⁶ The occurrence of these frauds was discussed in previous meetings.

²⁰⁷ Sistema S was used to designate the organizational structure of CNA, CNC and CNI, as these peak sectoral corporatist business associations had under their umbrella a specialized body offering training courses. Due to the fact that their resources stem from a contribution on companies, TCU inspects their work.

²⁰⁸ See *Ata da 51^a Reunião Extraordinária do CODEFAT* – Meeting Minutes of the 51st CODEFAT Extraordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata97CODEFAT.pdf>

members to endorse the ones that would remain, as well as to welcome new members²⁰⁹. Based on an interview²¹⁰, CODEFAT enlargement was not a problem to business representatives. However, the election of a newcomer to chair the council, disregarding the established practice was. Thus, CNA, CNC, CNI and CNF/CONSF decided to leave CODEFAT, on 28 July 2009, during the 101st Ordinary Meeting of CODEFAT. According to meeting's minutes, in the face of CNS and CNTur indication of Luigi Nese – with CNS, to chair CODEFAT, whereas CNA, CNC, CNI and CNF/CONSF indicated Fernando Antonio Rodriguez – with CNA, CNC representative inquired members if they agreed that the practice was that the indication of the candidate was a decision of the majority of the representation, to what CUT and MAPA answered affirmatively, but UGT, CTB and CGTB answered negatively. Even though MPAS representative suggested to postpone the election until business representation could achieve consensus, CODEFAT's president – with *Força Sindical*, followed the agenda. The result was that CNA, CNC, CNI and CNF/CONSF not only left the meeting, but also the council²¹¹. The representative of CNS, in turn, was elected to chair CODEFAT, with the support of government and labour representatives and the abstention of MAPA and MPAS²¹².

On 9 December 2009, Lupi introduced the new business representatives that joined the council in substitution to CNA, CNC, CNI and CNF/CONSF²¹³. CNT, CNS- health, FENASG and CEBIC were less encompassing business associations, what impacted the formalization of business political action. Business representation eroded (IPEA, 2011), even though MT provided for the substitution of its representatives. In addition to this significant change in participation, from 2010 to 2016, CODEFAT dealt with increasing budgetary restraints. Already in 2010, members considered “shameful” the amount of

²⁰⁹ See *Ata da 54^a Reunião Extraordinária do CODEFAT* – Meeting Minutes of the 54th CODEFAT Extraordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata54CODEFAT.pdf>

²¹⁰ With a business member, July 2019.

²¹¹ According to interviews with members of the government and business, July 2019, Lupi first maneuvered to change the organization of CODEFAT presidency. However, without Lula support, he decided to elect an ally to chair the council for the next two years, who was Luigi Nese.

²¹² See *Ata da 101^a Reunião Ordinária do CODEFAT* – Meeting Minutes of the 101st CODEFAT Ordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata101CODEFAT.pdf>

²¹³ See *Ata da 56^a Reunião Extraordinária do CODEFAT* – Meeting Minutes of the 56st CODEFAT Extraordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata56CODEFAT.pdf>

resources that MPOG freed-up for training programs, which reached 14,35% of the value proposed for 2011²¹⁴. Already under Rousseff (2011-2016), the increase in expenditures with mandatory constitutional programs, which were the Unemployment Insurance Programme and Salary Allowance, combined with the gradual reduction of revenues, which stemmed not only from the application of DRU, but also from the adoption of tax exemptions on companies, significantly restrained the room for discretionary expenses, such as with training programs (Silva, 2018; 2019). Thus, CODEFAT members had little space for deliberating on non-mandatory policies. According to an interview²¹⁵, during that period, “there was no reason for complaining about not taking part in deliberations, as the progressive reductions in the budget left not much to decide on FAT allocation”. CODEFAT problem may have been more a consequence of the financing model, than of participation.

As seen, the institutional arrangement of CODEFAT presumed deliberations in the form of “Inclusion in policy-making” on the government side and “Engagement in policy-making” on the business side. In addition to that, the process-tracing of the policy-making process within the council confirmed their achievement between 2003 and 2009, with business influencing policy outcomes through the collegiate body. In view of the scheme in Figure 8, CODEFAT would, then, fit the upper-right quadrant, having achieved "2.B." for engendering consequential conversations. The collegiate body formalized business political action, as business had reasons for influencing policy-making through the participation of peak sectoral corporatist business associations in the mechanism of participation. Nevertheless, changes in business participation and in the financing model in 2009, restricted business participation and government consent. The consequence was that CODEFAT, from that moment on, would not even fit the lower-left quadrant, which corresponded to the combination “1.A”. Considering CNA, CNC, CNI and CNF/CONSIF role of representing the interests of most Brazilian companies paying PIS, there was not “1.Exchange of information” on the business side. And, even though, PT Governments provided for the substitution of these business members, in light of capabilities and

²¹⁴ See *Ata da 105ª Reunião Ordinária do CODEFAT* – Meeting Minutes of the 105th CODEFAT Ordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata105CODEFAT.pdf>.

²¹⁵ With a member of the government, July 2019.

preferences, there was not “A. Promotion of transparency” on the government side. The council was held in hostage of other Ministries, as decisions about the availability of resources were in the hands of MPOG and MF. Under these conditions, CODEFAT could not promote consequential conversations, becoming not attractive to business people.

5.5. FINAL REMARKS

As a tripartite deliberative council, CODEFAT revealed in 2003 an institutional maturity that facilitated formalization. The interaction between ‘BI’ and ‘CB’ formalized business political action, as members solved problems jointly in the form of collective deliberations. On the government side, the organization of the executive secretariat within MT empowered government to propose unemployment insurance programmes in line with FAT objectives. On the business side, even though CNA, CNC, CNI and CNF/CONSIF were still considering the implementation of systems and mechanisms that would later improve business interest representation in collegiate bodies, high-ranked members took part in the work. These representatives considered government proposals, deliberating about the suitability of programmes, Annual Working Plans, rules of procedure, improvements in the legislation, allocations, substitute indexers, and the provision of accounts. Government included business in the policy process, while business engaged in policy-making within CODEFAT.

Nevertheless, business representation suffered a significant change in 2009. CNA, CNC, CNI and CNF/CONSIF decided to leave CODEFAT in a reaction to the modification of procedures, which occurred during the election of the business representative that chaired the council for the next two years. Even though, these peak sectoral corporatist business associations were substituted by other business associations and one of the latter started to chair the work, substitute associations were not representative of business as CNA, CNC, CNI and CNF/CONSIF were, impacting interest representation. In addition to that, changes that reduced the availability of resources to be allocated in unemployment insurance programmes drained the scope of the work. From 2009 to 2016, CODEFAT became increasingly dependent on MPOG and MF for complying with constitutional obligations without incurring in deficits. This financial situation was, on the one side, an

outcome of DRU and, under Rousseff, of fiscal policy. On the other side, it was a consequence of the growth in employment, which increased labour turnover, as well as the number of employees that could apply to receive Salary Allowance²¹⁶. In this scenario, the interaction between ‘BI’ and ‘CB’ during deliberative moments would not even promote consultations, as there was no transparency in the annual establishment of FAT budget, as well as no exchange of information on the part of representative business associations.

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²¹⁶ A problem under consideration since 2006. See *Ata da 88ª Reunião Ordinária do CODEFAT* – Meeting Minutes of the 88th CODEFAT Ordinary Meeting [In Portuguese] [Online]. Available: <http://portalfat.mte.gov.br/wp-content/uploads/2016/02/ata88CODEFAT.pdf>

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6. SCIENCE, TECHNOLOGY AND INNOVATION PARTICIPATORY POLICY-MAKING

The chapter introduces an in-depth analysis of business political action in the *Conselho Diretor do Fundo Nacional para o Desenvolvimento Científico e Tecnológico (CDFNDCT)* – National Fund for Scientific and Technological Development Directing Council. It appraises the policy process set up by this mechanism of participation, measuring the extent that business political action on employment policy-making followed a more formalized pattern of business politics (Schneider, 2009; 2010) between 2003 and 2016. Thereby, the inquiry first concentrates on business inclusiveness in participatory policy-making – ‘BI’, approaching the effects of the configural combination of choices of institutional design (Fung, 2003; 2009; Ostrom, 2007) on formalization. In other words, on business political action through the participation of the *Confederação Nacional das Indústrias (CNI)* – National Confederation of Industry, in CDFNDCT, as well as in related policy networks. Second, research assesses the effects of business and government commitment building – ‘CB’, on formalization. It identifies capabilities, and the preferences arising from them (Schneider, 2015), that compounded those actors informational sets (Ostrom, 2007; 2011), impacting their actions. Third, the inquiry explores the contingency between ‘BI’ and ‘CB’. By looking at deliberative moments (Avritzer, 2011), it searches for causal factors of formalization. The goal is to verify the extent that roles have been fulfilled, making possible to business influence policy outcomes. Hypothesis are that the effects of ‘BI’ on formalization, were contingent on ‘CB’, in the form of either inclusion in policy-making on the government side, or engagement in policy-making on the business side.

CDFNDCT was created during PT Governments, in 2007. It assembled representatives of interested ministries, funding agencies, business and the Academia. Though it was chaired by the *Ministro da Ciência e Tecnologia (MCT)* – Minister of Science and Technology, it was a mechanism of participation operating on the technical level. It decided about policies, guidelines and norms outlining the allocation of the sectoral funds of the *Fundo Nacional para o Desenvolvimento Científico e Tecnológico (FNDCT)*

– National Fund for Scientific and Technological Development²¹⁷. Hence, it had not only a coordinating, but also a crucial role in research and development. It decided about the employment the most important policy instrument available in the policy area of science, technology and innovation²¹⁸. And, while CNI, was in charge representing business in the work of this collegiate body, it became a mean for influencing policy outcomes, including the subsidisation of innovation.

Following this introduction, the chapter analyses business political action in science, technology and innovation participatory policy-making in four sections. The first section sets the context of the collegiate body. The second focuses on its institutional arrangement, assessing the combination of choices of institutional design that promoted ‘BI’ in the form of deliberations. The third section describes ‘CB’, highlighting capabilities and preferences within the political system that affected business-state actions within CDFNDCT. The fourth section deals with the interaction between the responsibility of deliberating on FNDCT allocation and the combination between levels of government consent and business participation, which described the dual process of commitment building between business and the government within the collegiate body. Through the process-tracing of the policy-making process, it acknowledges the causal factors of formalization that led to the inclusion of business in the policy process set by CDFNDCT. Final remarks summarise findings at the end of the chapter.

6.1. BACKGROUND

In 1969, for financing the *Plano Básico de Desenvolvimento Científico e Tecnológico (PBDCT)* – Basic Plan for Scientific and Technological Development, President Artur da Costa e Silva (1967-1969) created the FNDCT²¹⁹. The fund would lend and provide non-reimbursable funding to programs and projects advancing government priorities in relation to the development of the Brazilian science and technology system.

²¹⁷ See Decree-Law No. 719 of 31 July 1969. [In Portuguese]. [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/del0719.htm

²¹⁸ See Law No. 11,540, of 12 November 2007 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2007/Lei/L11540.htm

²¹⁹ See Decree-Law No. 719 of 31 July 1969 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/del0719.htm

Throughout the years, despite political and economic vicissitudes, FNDCT remained the most important policy instrument in the area of research and development²²⁰.

Budgetary cutbacks were, however, recurrent. In 1998, aiming at increasing not only predictability, but also policy coordination, FNDCT started to operate by means of independent sectoral funds (Pacheco, 2018), which's resources would stem from a percentage of the collected royalties and/or the revenues of companies operating in selected business sectors²²¹. Nevertheless, contingency plans continued to be more the rule than exception, and allocation challenges persisted. Whereas Luis Inácio Lula da Silva (2003-2010) strived to avoid capping FNDCT²²², he established a Directing Council for managing the resources of the sectoral funds. The collegiate body would give voice to interested parties, democratizing decisions about the destination of the resources available on the union's budget.

6.2. BUSINESS INCLUSIVENESS IN PARTICIPATORY POLICY-MAKING

Based on the institutional arrangement established by PT Governments, CDFNDCT had higher chances of formalizing business political action. The combination of choices of institutional design in relation to type, participation, scope, responsibility, regularity and authority (Fung, 2009, Schneider, 2009; 2015; Devlin and Moguillansky, 2011) revealed a high level of 'BI', which's effects on formalization were substantial.

First, the chosen type was of a council. In view of the *Política Nacional de Participação Social (PNPS)* – National Policy of Social Participation, CDFNDCT was a "council of public policies"²²³. Members should give advice and decide about the destination of FNDCT sectoral funds, along with being answerable for expenditures²²⁴.

²²⁰ See About FNDCT [In Portuguese] [Online]. Available:
<https://www.mctic.gov.br/mctic/opencms/fundos/fndct/paginas/sobre.html>

²²¹ See Law No. 11,540, of 12 November 2007 [In Portuguese] [Online]. Available:
http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2007/Lei/L11540.htm

²²² Only achieved in 2003. Interview with a member of the government, June 2019.

²²³ See *Política Nacional de Participação Social (PNPS)* – National Policy of Social Participation, Art. 2, II, Decree No 8,243, 23 May 2014 [In Portuguese] [Online]. Available:
http://www.planalto.gov.br/ccivil_03/_ato2011-2014/2014/decreto/D8243impressao.htm.

²²⁴ See Art. 5, III, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available:
http://www.planalto.gov.br/ccivil_03/_ato2007-2010/2009/Decreto/D6938.htm.

CDFNDCT aimed at promoting the participation in the decision-making process, as well as in the management of the science and technology policy.

Second, regarding participation, CDFNDCT was an open mechanism. Its chair was the MCT, while its members included:

- i. representatives of the following 5 ministries:
 - a. *Ministério da Educação (MEC)* – Ministry of Education;
 - b. *Ministério do Desenvolvimento, Indústria e Comércio Exterior (MDIC)* – Ministry of Development, Industry and Foreign Trade;
 - c. *Ministério do Planejamento, Orçamento e Gestão (MPOG)* – Ministry of Planning, Budget and Management;
 - d. *Ministério da Defesa (MD)* – Ministry of Defense;
 - e. *Ministério da Fazenda (MF)* – Ministry of Finance²²⁵;
- ii. presidents of the following 4 development agencies and bank:
 - a. *Finaciadora de Projetos e Estudos (FINEP)* – Fund for Studies and Projects²²⁶;
 - b. *Conselho Nacional de Desenvolvimento Científico e Tecnológico (CNPq)* – National Council for Science and Technological Development²²⁷
 - c. *Banco Nacional de Desenvolvimento Econômico e Social (BNDES)* – National Bank for Economic and Social Development²²⁸; and
 - d. *Empresa Brasileira de Pesquisa Agropecuária (EMBRAPA)* – Brazilian Agricultural Research Corporation²²⁹;
- iii. 3 representatives of the scientific and technology community²³⁰;

²²⁵ See Art. 2, Items II-VI, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²²⁶ It is a public company within MCT, called today Financiadora de Inovação e Pesquisa – Innovation and Research Fund. Among other responsibilities, it was the executive secretariat of FNDCT. See: History [In Portuguese] [Online]. Available: <http://www.finep.gov.br/a-finep-externo/historico>.

²²⁷ Research Agency [In Portuguese] [Online]. More information available: <http://memoria.cnpq.br/o-cnpq>.

²²⁸ See: BNDES, The BNDES. [Online]. Available:

https://www.bnDES.gov.br/SiteBNDES/bnDES/bnDES_en/Institucional/The_BNDES/

²²⁹ See Embrapa, About us [Online]. Available: <https://www.embrapa.br/en/web/portal/about-us>.

²³⁰ Both the *Sociedade Brasileira para o Progresso da Ciéncia (SBPC)* – Brazilian Society for Advancement of Science, and the *Academia Brasileira de Ciéncias (ABC)* – Brazilian Academy of Sciences, should provide a three-name list to MCT, who decided the 3 representatives of the scientific and

- iv. 3 business representatives “preferably related to the technological area, being one of them with the micro and small business segment” (Art. 2, XII, Decree No 6,938, 13 August 2009)²³¹; and
- v. 1 representative of science and technology workers²³².

In short, government had 10 seats at CDFNDCT, the Academia and business 3 seats each and labour 1 seat. Business was overrepresented in relation to labour, but not in relation to the scientific and technology community.

Third, the scope of the work was clear. It included, but was not limited to deciding about: i) internal procedures; ii) destination of resources – by means of strategies and policies; iii) guidelines and norms for spending; iv) budget and financial planning; v) financial execution; vi) resources application in projects and programmes – in view of the decisions of Sectoral Funds Management Committees²³³; vii) recommendations for aligning sectoral policies and transversal actions²³⁴ with both the science and technology and industrial policies; viii) operating results; and ix) information disclosure²³⁵.

Fourth, CDFNDCT was responsible for deliberations. Members were expected to engage in joint problem solving (Schneider, 2015; Devlin and Moguillansky, 2011), while

technology community with a 2 year remit, extendable for the same period (Art. 2, Paragraphs 3 and 6, Decree No 6,938, 13 August 2009) [In Portuguese] [Online]. Available:

http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm

²³¹ CNI should provide a six-name list to MCT, who decided together with the *Ministro do Desenvolvimento, Indústria e Comércio Exterior* (MDIC) – Minister of Development, Industry and Trade, the 3 business representatives with a 2 year remit, extendable for the same period (Art. 2, Paragraphs 4 and 6, of Decree No 6,938, 13 August 2009) [In Portuguese] [Online]. Available:

http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²³² The *Conselho Deliberativo do Fundo de Amparo ao Trabalhador* (CODEFAT) – Fund for Workers Support Deliberative Council, which was a tripartite collegiate body within the *Ministério do Trabalho e Emprego* (MTE) – Ministry of Labour and Employment, should provide a three-name list to MCT, who decided the labour representative with a 2 year remit, extendable for the same period (Art. 2, Paragraphs 5 and 6, Decree No 6,938, 13 August 2009) [In Portuguese] [Online]. Available:

http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²³³ In 2016, there were 15 sectoral funds. See: Relatório de Gestão do Exercício de 2016 [In Portuguese] [Online]. Available:

http://www.mctic.gov.br/mctic/export/sites/institucional/fundos/fndct/publicacoes/relatorio_de_gestao_arquivado/relatorio_gestao_fndct_2016.pdf.

²³⁴ Their creation made it possible to invest in unrelated programs and projects, considering the purposes of the sectors collecting the available funds (Leal and Avila, 2018; Pacheco, 2018). See: Art. 14, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available:

http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²³⁵ See Art. 5, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available:

http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

decisions were taken by simple majority²³⁶. Fifth, meetings were regular. They occurred at least once a year²³⁷, with this regularity being in line with the tasks of approving FNDCT budget and financial planning and appraising its financial execution²³⁸. Sixth, CDFNDCT was an empowered collegiate body, it defined policies, guidelines and norms for spending FNDCT resources, though decisions should also: i) follow the modalities provided in Law 11,540, of 12 November 2007; ii) consider CCT recommendations; and iii) be in line with the guidelines of the Science, Technology and Innovation National Policy and the priorities of the Industrial and Technological National Policy²³⁹.

In view of such choices of institutional design, it is reasonable to assume that members' stakes were not negligible (Fung, 2009). Business representatives had reasons for betting that outcomes would impact their lives, sharing the perception that CDFNDCT was empowered to decide about topics of interest. Nevertheless, that does not mean that CDFNDCT engendered a more formalized pattern of business politics. Despite 'BI', including overrepresentation in relation to labour, which may have facilitated business interest representation within CDFNDCT²⁴⁰, capabilities and preferences played a role. According to research hypothesis, they impact formalization, for affecting business-state relations in addition to the rule configuration. Thus, the next section deals with those attributes of the world (Ostrom, 2007) defining 'CB'.

²³⁶ See Art. 4, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²³⁷ During PT Governments, CDFNDCT met 12 times. Records of the 10 first meetings were accessed on MCTI website. See: Directing Council Meetings Minutes [In Portuguese] [Online]. Available: <https://www.mctic.gov.br/mctic/opencms/fundos/fndct/paginas/conselho-diretor-cd.html>.

²³⁸ In consonance with legal responsibilities. See Art. 5, IV, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²³⁹ In consonance with legal responsibilities. See Art. 5, III, Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²⁴⁰ Members of the scientific and technology community expected government to act aligned with business interests. See Coggiola, Oliveira, and Paiva (2006) [In Portuguese] [Online]. Available: <http://portal.andes.org.br/imprensa/noticias/imp-ult-4440146.pdf>.

6.3. COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT

While businesses are simultaneously investing in many other venues for influencing politics and government policies (Schneider, 2009; 2010), CDFNDCT did not meet in vacuum. Capabilities within the political system – and the preferences arising from them, influenced policy outcomes (Schneider, 2015). They defined ‘CB’, for influencing government and business actions within the collegiate body and within the policy networks arising from the work within this mechanism of participation. Together with ‘BI’, ‘CB’ constrained deliberations on FNDCT destination, delineating inclusion and engagement in science, technology and innovation participatory policy-making.

On the government side, the proposal of establishing a council within MCT, with broad responsibilities over FNDCT counted with high-level support. Although it preceded PT Governments, Lula (2003-2010) openly endorsed the proposition at the launch of the *III Conferência Nacional de Ciência, Tecnologia e Inovação* – III National Conference of Science, Technology and Innovation, in 2005²⁴¹. At the time, Congress was still discussing Bill No 85, introduced at the Federal Senate in 2001²⁴². The proposal is said to have originated within FINEP²⁴³ and, in addition to the establishment of CDFNDCT, it dealt with a long-lasting concern of the science and technology community. It sought to increase funds predictability, limiting from 60% for a maximum of 40% the amount of resources that could be reallocated due to contingency plans (Coggiola, Oliveira and Paiva, 2006)²⁴⁴, which were recurrent since FNDCT creation, in 1969.

The discussion on the Bill gained momentum around 2005 and 2006. Already by the end of 2004, MCT took part at the *Frente Plurissetorial em Defesa da Ciência e*

²⁴¹ See MCT – Ministério da Ciência e Tecnologia; CGEE – Centro de Gestão e Estudos Estratégicos (2003) [In Portuguese] [Online]. Available: http://www.ipea.gov.br/participacao/images/pdfs/conferencias/Ciencia_Tecnologia_III/deliberacoes_3_conferencia_tecnologia_inovacao.pdf.

²⁴² See Federal Senate, Bill No 85, 2001 [In Portuguese] [Online]. Available: <https://legis.senado.leg.br/sdleg-getter/documento?dm=3816291&ts=153164251814&disposition=inline>

²⁴³ Senator Roberto Saturnino (PSB-RJ), who introduced Bill No 85, 2001, had links with FINEP, according to an interview with a business member, August 2009. That is corroborated by Saturnino political and professional career. See: International Celso Furtado Center for Development Policies, Conversas Informais, Saturnino Braga [In Portuguese] [Online]. Available:

http://www.centrocelfurtado.org.br/arquivos/image/201109011300140.MD4_0_257.pdf.

²⁴⁴ FNDCT resources were annually assigned to MCT based on the *Lei Orçamentária Annual (LOA)* – Annual Budget Law.

Tecnologia – Plurisectoral Front in Favor of Science and Technology. Among other interests, the lobbying group targeted pushing Congress for approving what latter became Law No. 11,540, of 12 November 2007²⁴⁵. At the presidential level, Lula's support to CDFNDCT was reaffirmed during a meeting of the *Conselho Nacional de Ciência e Tecnologia (CCT)* – Science and Technology National Council²⁴⁶, in September 2006. At the time, he clarified that he continued to back the establishment of a collegiate body for managing FNDCT²⁴⁷, though he had to veto Bill 85, 2001, in April 2006. According to the *Advocacia Geral da União (AGU)* – Office of General Attorney, the text unconstitutionally authorized expenditures, whereas only the Executive could resolve about budget caps (Coggiola, Oliveira and Paiva, 2006). Because Congress could not impose a limit to FNDCT cuts, the Bill was refused and had to be reintroduced without this provision. It, then, became law by the end of 2007, with CDFNDCT holding its first meeting on 28 February 2008.

As part of MCT²⁴⁸, CDFNDC contained the *Comitês Gestores dos Fundos Setoriais* – Sectoral Funds Management Committees²⁴⁹ and the *Comitê de Coordenação dos Programas e Fundos Setoriais* – Programmes and Sectoral Funds Coordination Committee. In general terms, the first identified investment areas deemed to receive investments and the second consolidated the proposals of all Sectoral Funds Management Committees²⁵⁰. In 2010, CDFNDCT also created the *Comitê de Coordenação Executiva* – Executive Coordination Committee, which became responsible for deciding about: i)

²⁴⁵ See MCT, Relatório de Gestão, Janeiro de 2003 a Dezembro de 2006 [In Portuguese] [Online]. Available: <http://livroaberto.ibict.br/bitstream/1/670/1/Relat%c3%b3rio%20de%20Gest%c3%a3o%20Janeiro%20de%202003%20a%20Dezembro%20de%202006.pdf.pdf>.

²⁴⁶ It is a consultative collegiate body that assisted the President of the Republic in matters related to science and technology. See About CCT [In Portuguese] [Online]. Available:

<https://www.mctic.gov.br/mctic/opencms/institucional/entidadesVinculadas/cct/sobre.html>

²⁴⁷ Interview with a member of the government, June 2019.

²⁴⁸ See Law No. 11,540, of 12 November 2007 and Decree No 6,938, 13 August 2009 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2007/Lei/L11540.htm; http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2009/Decreto/D6938.htm.

²⁴⁹ In 2016, there were 15 sectoral funds. See Relatório de Gestão do Exercício de 2016 [In Portuguese] [Online]. Available:

http://www.mctic.gov.br/mctic/export/sites/institucional/fundos/fndct/publicacoes/relatorio_de_gestao_arquivado/relatorio_gestao_fndct_2016.pdf.

²⁵⁰ They were known as vertical actions, which were the actions in line with the purposes of the sectors collecting the available funds.

annual investment programmes; ii) transversal actions; iii) agencies in charge of transversal and vertical actions; and iv) terms of reference of transversal actions. Although the latter became answerable for part of the scope of CDFNDCT, neither the Minister, nor interested parties within the civil society joined meetings. Only the Executive Secretary of MCT, accompanied by other MCT secretaries and the presidents of FINEP and CNPq, took part in the collegiate body, inciting critics about its suitability in view of the applicable legislation (Leal and Avila, 2018; Pacheco, 2018).

The organization chart of CDFNDCT was complex and legal responsibilities were unclear (Leal and Avila, 2018). Specific laws established one by one the 15 FNDCT sectoral funds, including their respective management committees, whose had considered flexibility for deciding about funds destination²⁵¹. Thus, in an attempt of avoiding fragmentation, the Programmes and Sectoral Funds Coordination Committee was created in 2004, but without any definition of its responsibilities²⁵². Only in 2010 CDFNDCT outlined the competencies of the Programmes and Sectoral Funds Coordination Committee²⁵³. Through the same decision, CDFNDCT also established the Executive Coordination Committee. According to Leal and Avila (2018), the latter became the “powerhouse” of FNDCT. Together with the Programmes and Sectoral Funds Coordination Committee, it facilitated MCT control over FNDCT resources. The result was that both collegiate bodies became to be increasingly used for securing FNDCT funds for covering MCT and CNPq expenditures (Pacheco, 2018). The fiscal manoeuvre is seen as to have ensured funds for MCT operability in a scenario of constant cuts arising from contingency plans, though it was not in line with sectoral funds’ purpose²⁵⁴. In addition to that, from 2013 to 2015, FNDCT resources started to fund a joint programme of MEC and MCT, called *Ciência sem Fronteiras (CsF)* – Science without Borders. Its aim was to

²⁵¹ 14 sectoral funds were already operational before PT Governments. See: Pacheco (2018) [In Portuguese] [Online]. Available:

file:///Users/stefanietomeschmitt/Downloads/DOC_PARTICIPANTE_EVT_5165_1528824379324_KCom issaoPermanenteCCT20180612EXT012_parte9761_RESULTADO_1528824379324.pdf

²⁵² First by MCT Ordinance No 151, of 2 April 2004, then by No. 11,540, of 12 November 2007 [In Portuguese] [Online]. Available:

https://www.mctic.gov.br/mctic/opencms/legislacao/portarias/migracao/Portaria_MCT_n_151_de_02042004.html; http://www.planalto.gov.br/ccivil_03/_Ato2007-2010/2007/Lei/L11540.htm.

²⁵³ Normative Instruction CDFNDCT No 2, of 22 December 2010 [In Portuguese] [Online]. Available: https://www.normasbrasil.com.br/norma/instrucao-normativa-2-2010_77746.html.

²⁵⁴ Interview with a business member, July 2019.

“promote the consolidation, expansion and internationalization of Brazilian science and technology, innovation and competitiveness through international exchanges and mobility”²⁵⁵. In 2014, however, the *Tribunal de Contas da União (TCU)* – Federal Audit Court, understood that the programme was not conceived for being funded with FNDCT and asked CDFNDCT for clarifications.

Concerns about MCT progressive appropriation of FNDCT “for any kind of expenditure other than the purpose of sectoral funds” (Pacheco, in: Brasil. Congresso Nacional. Senado Federal. Comissão de Ciência e Tecnologia, Inovação, Comunicação e Informática; 2018) were widespread²⁵⁶. There were, however, reasons for redirecting expenditures. In 2004, FINEP claimed that the considered flexibility given to Sectoral Funds Management Committees resulted in compartmentalization. Thus, for increasing efficiency, the creation of mechanisms for avoiding fragmentation was a pressing need. In response, MCT backed the establishment of the Programmes and Sectoral Funds Coordination Committee. And, in parallel, Sectoral Funds Management Committees started to allocate 50% of their own resources to transversal actions. These lines financed programmes and projects with unrelated purposes. At the beginning they were in disconformity with applicable laws, but latter on Law No. 11,540, of 12 November 2007, recognized them. Announced motivations included a shared vision that not only affected sectors should be funded, but also areas directly impacted by economic activities. These areas encompassed the so-called basic sciences. They included physic, chemistry and mathematics, and the social sciences, with social and environmental technologies²⁵⁷.

During PT Governments, sectoral funds resources applied in vertical actions – sectoral programmes and projects, increased from 2003 to 2005. Next, they started to decrease from a peak of more than R\$ 1bi in 2005 to R\$ 200 mi in 2015. Meanwhile, the

²⁵⁵ According to reports of the *Comissão de Ciência e Tecnologia, Inovação, Comunicação e Informática* – Science and Technology, Innovation, Communication and Informatics Commission of the Federal Senate [In Portuguese] [Online]. Available: <http://legis.senado.leg.br/comissoes/comissao?0&codcol=1363>.

²⁵⁶ Besides TCU reports, it is a topic of discussions within the Science and Technology, Innovation, Communication and Informatics Commission of the Federal Senate, as well as within CDFNDCT.

²⁵⁷ See Brasil. Congresso Nacional. Senado Federal. Comissão de Ciência e Tecnologia, Inovação, Comunicação e Informática (2016) Avaliação de Políticas Públicas: Fundos de Incentivo ao Desenvolvimento Científico e Tecnológico - Realidade e Crítica [In Portuguese] [Online]. Available: http://www.propesq.unir.br/uploads/767676/arquivos/AVALIAOES_DE_POLITICAS_PUBLICAS_2071380706.pdf

amount allocated in transversal actions reached a peak of R\$ 1,2 bi in 2013, decreasing in the following years. Even though the application of funds in unrelated programmes and projects may have affected sectoral initiatives from 2006 on, it was only in 2013 that changes in the most important sectoral fund within FNDCT²⁵⁸, severely threatened the continuity of sectoral investments. According to accessed data²⁵⁹, it most probably assisted in substantiating the reduction of the amount of resources allocated in transversal actions between 2014 to 2016. Nevertheless, reductions in both sectoral and transversal actions from 2013 on stemmed mainly from the fact that MCT started to assign FNDCT resources to CsF. On top of that, the political scenario was also of recurrent contingency plans, which continued to be more the rule than the exception during PT Governments. Except for 2010, FNDCT was never totally invested as it should have been²⁶⁰.

According to Pacheco (2018), despite improvements in the institutional framework, different problems hampered a better performance of MCT in leading science and technology policy-making. Two, in particular, may have affected CDFNDCT operability during PT Governments. They were policy fragmentation and political instability. The first relates to the struggles faced for aligning ministries interests. Despite MCT creation, coordination was a challenge for the availability of concurrent responsibilities on science and technology. Many ministers, including with a greater budget, had a research and development (R&D) agenda. The second conveys ministers higher turnover. Lula changed MCT 4 times, though Sergio Rezende remained in the post during his whole second mandate (2005-2010). Rousseff, in turns, appointed 6 different ministers in 6 years of government. Marco Antonio Raupp (2012-2014) was the only one to stay in the post for 2 years²⁶¹. Thus, besides budgetary unpredictability, policy-making within CDFNDCT, most of the time, dealt with an unstable political scenario.

²⁵⁸ CT-Petro, which collected funds with companies in the oil sector.

²⁵⁹ Data collected with the Science and Technology, Innovation, Communication and Informatics Commission of the Federal Senate [In Portuguese] [Online]. Available: <http://legis.senado.leg.br/comissoes/comissao?0&codcol=1363>.

²⁶⁰ Interview with a member of the government, July 2019.

²⁶¹ See FINEP, History [In Portuguese] [Online]. Available: <http://www.finep.gov.br/a-finep-externo/historico#>.

On the business side, despite a common view about the key role of innovation in improving productivity²⁶², political interaction in science and technology was poor during the first years of PT Governments. It mainly relied on selected business leaders, who either launched, or engaged in punctual initiatives that aimed at sensitizing industry about the importance of innovation to competitiveness²⁶³. A turning point occurred during the *Encontro Nacional da Indústria (ENAI)* – Industry National Meeting²⁶⁴, in 2008. It was the launch of the *Mobilização Empresarial pela Inovação (MEI)* – Business Mobilisation for Innovation²⁶⁵. CNI facilitated this business initiative, which gathered leaders sympathetic to innovation. MEI, like its predecessors, focused on raising awareness. However, it was different because it had an action plan, which included the creation of the *Rede de Núcleos de Inovação (RNI)* – Network of Innovation Centres, at state level²⁶⁶. On the following years, CNI became MEI executive secretariat. It supported decision-making at the superior level, organizing regular meetings and implementing decisions²⁶⁷. In general terms, MEI aimed at re-establishing, with a new shape, the *Programa Brasileiro da Qualidade e Produtividade (PBQP)* – Brazilian Program for Quality and Productivity²⁶⁸, which Melo (1990-1992) launched in 1990. PBQP objective was to promote quality and productivity towards the competitiveness of goods and services produced in Brazil (Daros, 1997).

MEI meetings assembled business leaders at CEO level²⁶⁹ and included, according to the topic under discussion, government high officials. The agenda focused on policy-making, being divided in six large areas: legal framework; institutional framework;

²⁶² See CNI (2002) A Indústria e a questão tecnológica [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/3e/15/3e15c2a8-4b97-4b13-8034-285bb5f52e27/a_indstria_e_a_questo_tecnolgica_2002.pdf

²⁶³ Interview with a business member, July 2019.

²⁶⁴ CNI annually sponsors ENAI, which is the largest meeting of Brazilian business.

²⁶⁵ See A MEI e o desafio da inovação no Brasil: um balanço de 10 anos de avanço [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/09/d9/09d9c163-02d7-45a7-ba88-cba87d9e6c4/mei_10_anos.pdf

²⁶⁶ In 2010, 12 states had operating centers and other 14 were under implementation. See: MEI [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/o-que-e-a-mei/>.

²⁶⁷ More than 2 meetings per year between 2010 and 2016.

²⁶⁸ See CNI and SEBRAE (2010) Cartilha Gestão da Inovação; and Inovação: A Construção do Futuro [In Portuguese] [Online]. Available: http://www.ipdeletron.org.br/wwwroot/pdf-publicacoes/8/cartilha_gestao_inovacao_cni.pdf; and https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/b7/32/b7322c78-1968-4051-ae62-f0d2a8e2d89e/20121126115349999042u.pdf

²⁶⁹ On the average meetings assembled 60 CEO's. Interview with a business member, July 2019.

funding; internationalization; human resources; and small and medium enterprises²⁷⁰. During meetings, business handed over policy recommendations, while members of PT Governments, usually ministers, reported last developments in science, technology and innovation²⁷¹. Discussions evolved overtime, what may reflect deeper business-state relations in the field. In 2009, for example, restoring MCT budget for resuming research and development (R&D) subsidisation was a top priority. It was the first recommendation for overcoming economic hardship²⁷². In MEI's view, at that stage, the *Política de Desenvolvimento Produtivo (PDP)* – Productive Development Policy²⁷³, successfully dealt with fragmentation, aligning interests. Nevertheless, asymmetries in implementation led to substantive improvements on taxation which were not accompanied by funding. Sectoral mainstream programmes could not advance as they should, while companies kept reporting difficulties for accessing funding. Thus, government should look more “sympathetically” to sectoral policies, as done by previous administrations²⁷⁴.

Between 2010 and 2011, it was pre-competitive R&D the central topic under discussion during MEI meetings²⁷⁵. In business view, FNDCT should start to support pre-competitive investments, for the gap in subsidization between the stages of research and technological development and the stage of commercialization²⁷⁶. Besides, for facilitating innovation, funding requirements demanded modernization. The criteria in use was appropriate to academic research, but not for addressing business concerns, such as intellectual property. Programmes, in turn, should be reformulated. They were intermittent and insufficient, for covering only costs, while they should cover expenditures with capital too. Consequently, Law No. 11,540, of 12 November 2007, should be changed, for ensuring capital subsidization. In addition to that, large-scale projects, which had a

²⁷⁰ See MEI Results until 2015 and challenges for 2016 [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/b5/90/b5902b2d-1ac4-4bb0-a305-9c2ca6802e41/cni-mei-apresentaoinstitutionalver15.pdf

²⁷¹ Interview with a business member, July 2019.

²⁷² See CNI (2009) Mobilização Empresarial pela Inovação. Mobilização Empresarial pela Inovação: Estratégia e Objetivos.

²⁷³ Lula's second industrial policy.

²⁷⁴ As per Pacheco (2018), FNDCT sectoral funds were created for not only ensuring resources to sectoral programmes and projects, but also for coordination among MCT and other bodies.

²⁷⁵ When a group of competing companies come together to develop a solution for a problem that they all share and from which none of them would gain a competitive advantage.

²⁷⁶ In between, there are the stages of technological development and demonstration.

beneficial trickledown effect on supply chains, did not qualify for FNDCT. This lessened the impact of big companies' investments on innovation, as they were responsible for impelling small and medium enterprises to innovate. In short, MEI's recommendations reaffirmed the importance of sectoral policies, which should encompass more than specific actions – such as incremental innovation, diffusion and training. For improving Brazilian competitiveness, strategic actions were also needed, as they targeted internationalization, facilitating the attraction of foreign investments to large-scale projects²⁷⁷.

Whereas in previous years FNDCT permeated discussions, it was on top of MEI agenda in 2012. Public funding for R&D was discussed in two out of the four meetings held that year. The first one, focused on FINEP and FNDCT roles. The second one, dealt with the use of sectoral funds for funding unrelated activities. On the government side, Minister Marco Antonio Raupp highlighted developments on the amount of resources mobilized to R&D during PT Governments. He punctuated, as well, that public investments in Brazil, contrary to benchmark countries, were greater than private. Yet, on business side, presentations revealed a shared view that FNDCT expenditures were modest, while sectoral funds did not foster substantive changes in the innovation environment. More should be done, including solving problems related to funding sustainability, scale and operability. Besides, an additional problem was funding MCT with resources from sectoral funds. According to MEI, FNDCT payed for 1/3 of MCT expenditures in the last ten years, whereas FINEP received 8,5% of total income. Thus, MEI's recommendations included: i) ensuring FNDCT full implementation; ii) creating a R&D investment programme; iii) rethinking FNDCT guidelines, for avoiding pulverization; iv) attracting companies to co-finance cooperative projects; v) simplifying procedures; vi) valuing the role of Sectoral Funds Management Committees in decision-making; vii) creating a formal mechanism, with the participation of government, business and the scientific community, for deciding

²⁷⁷ See MEI, Downloads, 2010 and 2011 [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/#tab-plugin-10> <http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/#tab-plugin-9>.

about transversal actions; viii) avoiding the impact of contingency plans on FNDCT; and x) defining new funding sources for FINEP²⁷⁸.

In 2013 discussions addressed other topics of interest, including the deficit in qualified labour and the objectives of CsF. Nevertheless, in 2014, MEI brought back to the agenda FNDCT. In broad terms, concerns followed the same lines of previous years. There was a recognition that the availability of public resources to R&D increased during PT Governments, including FNDCT. Though, expansion rates were diminishing since 2010, while tax benefits to innovation were still insufficient. They also reached big companies, but not small and medium enterprises in a scenario that suffered with the lack of sectoral coordination. Additionally, changes in the most important sectoral fund within FNDCT²⁷⁹, combined with MCT's decision of shifting part of FNDCT resources to CsF, further impacted the already insufficient sources of funds to companies. According to MEI, resource constraints were affecting FINEP operability, which had in FNDCT its major source of non-reimbursable funds. For the importance of the investments on innovation for the Brazilian economy, government should provide other sources of funding, empowering FINEP in its role²⁸⁰.

In 2015, discussions about FNDCT continued in one of the three meetings held during the year. On the occasion, business' presentation brought to light that around 60% of total public expenditures in R&D were investments without a clear economic objective, the major part steered higher education institutions. The reality differentiated Brazil from benchmark countries. Besides, those expenditures were problematic for the lack of inducements for promoting coordination between companies and universities efforts. And, to make matters worse, budget forecasts were that, in 2016, FNDCT would return to the level of 2006²⁸¹. Nevertheless, in 2016, Rousseff was removed from office in May, whilst

²⁷⁸ According to Pedro Wongschovsky – with Grupo Ultra, and Pedro Passos – with Natura. See MEI, Downloads, 2012 [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/#tab-plugin-8>.

²⁷⁹ CT-Petro, which collected funds with companies in the oil sector.

²⁸⁰ According to Pedro Wongschovsky – with Grupo Ultra, and Pedro Passos - Natura. See MEI, Downloads, 2015 [In Portuguese] [Online]. Available:

<http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/#tab-plugin-6>

²⁸¹ According to Pedro Wongschovsky – with Grupo Ultra. See: MEI, Downloads, 2015 [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/#tab-plugin-5>.

business only reacted to FNDCT shortfalls in a meeting held in July. At that moment, business saw the R&D scenario as a reversal. Combined, among others, with i) recurrent cuts in MCT budget; ii) the reduction of R&D subsidisation; iii) the end of Rousseff's *Programa de Sustentação do Investimento (PSI)* – Programme for Investments Maintenance²⁸²; and iv) excessive require guarantees; FNDCT reduction to 2006 levels implied a severe setback. Once more, MEI recommended the Brazilian government to ensure sufficient resources to innovation²⁸³.

Data about MEI developments reveal that business interest in science, technology and innovation policy-making was crescent during PT Governments. Not only CNI facilitated through MEI high level commitment, but it also sustained interest representation in innovation throughout the years. CNI President, Robson Braga de Andrade (2010-2022), chaired all MEI meetings that gathered business leaders, whether CNI's technical body was responsible for formulating business proposals to be included on MEI's policy agenda²⁸⁴. These proposals were first discussed with partners within "MEI Ecosystem", which included: i) organizations within the industrial system – such as CNI, RNI, the *Serviço Social da Indústria (SESI)* – Social Service of Industry; the *Instituto Euvaldo Lodi (IEL)* - Euvaldo Lodi Institute, and the *Serviço Nacional de Aprendizagem Industrial (SENAI)* - National Service of Industrial Training²⁸⁵; ii) the *Serviço Brasileiro de Apoio às Micro e Pequenas Empresas (Sebrae)* - Brazilian Micro and Small Business Support Service²⁸⁶; iii) the *Agência Brasileira de Promoção de Exportações e Investimentos (Apex-Brasil)* - Brazilian Trade and Investment Promotion Agency²⁸⁷; and iv) interested ministries and development agencies – such as MCT, MDIC, FINEP and BNDES. Next, they were

²⁸² Besides its own investments in innovation, through PSI BNDES transferred resources to FINEP between 2011 and 2013 (Buainain, Corder and Bonacelli, 2017). See: BNDES confirma fim do PSI em 2016 [In Portuguese] [Online]. Available: <https://exame.abril.com.br/economia/bndes-confirma-fim-do-psi-em-2016-apos-sete-anos-de-execucao/>.

²⁸³ According to Bernardo Gradin – with GranBIO. See: MEI, Downloads, 2014 [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/#tab-plugin-4>.

²⁸⁴ See CNI (2011) Innovation in Brazil: an agenda to promote innovation [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/8c/57/8c57bf07-5e7d-4ede-b5b2-bceb746f6fd1/20120517140751632977i.pdf.

²⁸⁵ See CNI, About [Online]. Available: <http://www.portaldaindustria.com.br/cni/en/about/about-cni/>.

²⁸⁶ See Sebrae, Who we are [In Portuguese] [Online]. Available: http://www.sebrae.com.br/sites/PortalSebrae/canais_adicionais/conheca_quemsomos.

²⁸⁷ See Apex-Brasil, Who we are [Online]. Available: <http://www.apexbrasil.com.br/en/who-we-are>

discussed during MEI meetings and circulated for comments and approval. According to CNI, MEI was a distinctive initiative, for the emphasis on business-state collaboration²⁸⁸.

Altogether, it is possible to affirm that, at the same time that organization improved on the business side, with positive impacts on capabilities, on the government side, MCT appears to have lost strength throughout PT Governments. Despite attempts for reinforcing the institutional framework, science, technology and innovation policy-making experienced difficulties, all the more, under Rousseff. Lasting problems, such as policy fragmentation and budgetary unpredictability, combined with political instability, imposed burdens to a better performance of MCT. Whilst business revealed an increasing interest in innovation, funnelling resources to MEI, government ran into difficulties to keep on everyday work. As the next section shall reveal, these capabilities and preferences impacted the formalization of business political action through CDFNDCT, in spite of the combination of choices of institutional design, which favoured business participation.

6.4. FORMALIZATION

CDFNDCT had great chances of having formalized business political action. PT Governments choices of institutional design favoured formalization for their configural combination. In relation to the type, as a council, CDFNDCT was decisive. It should give advice and decide about the destination of sectoral funds resources. Regarding participation, CNI had an important role in appointing business members, what ensured representativeness within the industrial sector. Besides, the number of business representatives may have facilitated interest representation, as it was greater than labour and equal to the scientific community²⁸⁹. Yet, considering the scope, the matters to be decided concerned FNDCT. The fund was key to science, technology and innovation policy-making. As for responsibility, CDFNDCT should deliberate about sectoral funds allocation. Whereas decisions were taken by simple majority, members were empowered to support their stands on funds apportionment, what could, *inter alia*, lead to rent-seeking

²⁸⁸ Interview with a business member, July 2019.

²⁸⁹ In the view of Coggiola, Oliveira and Paiva (2006), business was in a better position to represent its interests in relation to the scientific community for its traditional alignment with government.

behaviour (Schneider, 2015). In what concerns regularity, at least there should be one meeting per year, as the collegiate body was legally answerable for FNDCT budget and financial execution. Lastly, when it comes to authority, CDFNDCT controlled sectoral funds. Despite budgetary instability, which impacted FNDCT political relevance over time, members resolved about subsidisation in view of government, business and scientific priorities²⁹⁰. The institutional arrangement was first established for, among others, securing ‘BI’.

However, “when analysing dynamics over time, effective collaboration is also more complex than the institutional desiderata imply” (Schneider, 2015: 4). Formalization, in particular, depended on the extent that the council engendered high levels of “Business participation” (X-Axis) and “Government Consent” (Y-Axis) – refer to Figure 9. In other words, ‘CB’ should have revealed either “2. Engagement in policy-making” on the business side (X-Axis), or “B. Inclusion in policy-making” on the government side (Y-Axis). If the interaction between ‘BI’ and ‘CB’ during deliberative moments (Avritzer, 2011) did not reveal the combinations “1.B.”, “2.B.” or “2.A.”, CDFNDCT would not have engendered a more formalized pattern of business politic, in spite of being a collegiate responsible for “*Deliberations*”, what, in accordance to ‘BI’, would fit CDFNDCT in the upper-left quadrant of the scheme in Figure 9. Whereas the collegiate body was responsible for collective deliberations, ‘CB’ may not have corresponded with the combination of “2.B.”, though that would not mean that business could not influence policy outcomes through the participation of peak sectoral corporatist business associations in CDFNDCT, what would engender a more formalized pattern of business politics (Schneider, 2009; 2010).

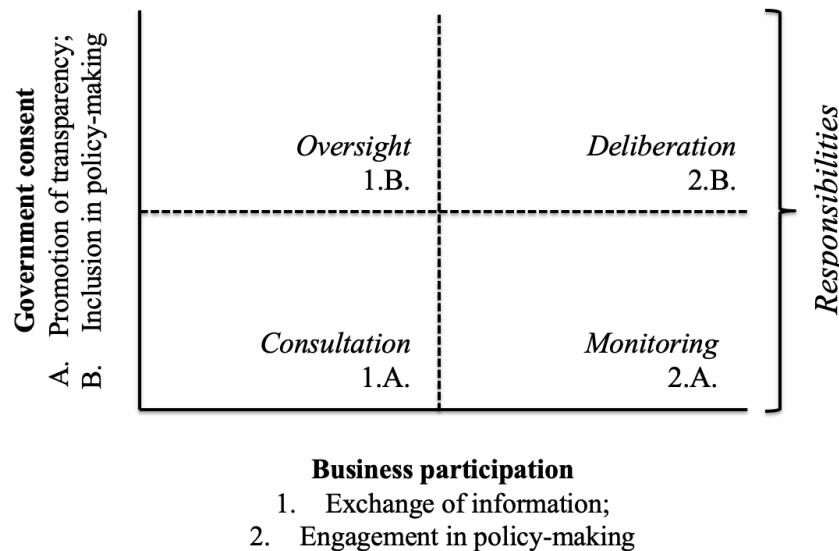
As such, if government included business in the policy process, but business preferred to use the collegiate body for exchanging information, there would have been formalization, as business would have oversighted (1.B.) policy decisions through its participation in CDFNDCT. Even though business representatives did not engage in policy-making, inclusion on the government side gave the opportunity to influence policy outcomes, such as supervising disbursements, what is in line with MEI’s concerns, as

²⁹⁰ Mainly represented by MCT, FINEP and CNPq practice areas.

previously described. Another possibility could have been that the government used the collegiate body for promoting transparency, but business engaged in policy-making. Representatives of the latter, then, would have monitored (2.A.) policy-making. This possibility would have also engendered a more formalized pattern of business politics, in spite of the fact that government did not include business in policy decisions. At the end of the day, the collegiate body represented a mean for pushing government to consider business preferences in policy-making, what may have happened through other means. Lastly, if PT Governments made use of the collegiate body for promoting transparency, while business used for exchanging information, the interaction between ‘BI’ and ‘CB’ is seen as to have been insufficient for formalizing business political action. Rational business people will act through the participation of peak sectoral corporatist business association in collegiate bodies if that made possible to influence policy outcomes. Consultations (1.A) would not ensure the attainment of this objective, even though it may have reduced informational costs implied in policy-making.

Figure 9

FORMALIZATION RESULTING FROM THE INTERACTIONS BETWEEN RESPONSIBILITIES AND THE DUAL PROCESS OF COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT



Participatory policy-making within CDFNDCT and in related policy networks was coordinated based on regular meetings. Between 2008 and 2016, the collegiate body held

12 meetings, making publicly available minutes for the first 10 meetings²⁹¹. According to them, except for the second meeting, in 2008, all CDFNDCT decisions were unanimously adopted. They included not only the annual investment programme, but also ordinances and other resolutions about internal procedures. At first sight, based on ‘BI’, more specifically, on choices of institutional design regarding responsibilities, one would argue that discussions succeeded in achieving a common ground. Nevertheless, a more attentive reading may point out to another direction. In light of ‘CB’, it seems that unanimously decisions were the outcome of a policy process that mainly brought to members’ appraisal already taken decisions. Except for 2008 and 2013, the investment programme was brought to members consideration after being partially executed, during meetings held at the end of the year. Even though budgetary unpredictability assisted in postponing discussions²⁹², in bringing to business appraisal what was partially executed, MCT seems to have left representatives with little choice but to approve what was on the table.

In 2018, the *Ministério da Transparência e da Controladoria-Geral da União (CGU)* – Ministry of Transparency and Office of the Controller General, recommended CDFNDCT to address, among others, “debilities in FNDCT Annual Programme of Investments” (CGU, 2018: 13). It should avoid delays in appreciating the annual programme of investment, as it was repeatedly approved ad referendum²⁹³. CGU understood that it was “more coherent with regulation to approve at the start of the fiscal year” (CGU, 2018: 14). Besides, CGU also recommended CDFNDCT to take action on “debilities in the processes of selecting, prioritizing and evaluating the investments which comprised the portfolio of FNDCT” (CGU, 2018: 18). Between 2008 and 2016, decisions were not founded on prospective analysis or on evaluations of results²⁹⁴. Altogether, those

²⁹¹ As per MCT website, it is failing the minutes of the meetings held in 2015 and 2016. See: MCT, Directing Council, Minutes of the Directing Council [In Portuguese] [Online]. Available: <https://www.mctic.gov.br/mctic/opencms/fundos/fndct/paginas/conselho-diretor-cd.html>

²⁹² FNDCT resources stemmed from sectoral funds, but LOA annually authorized the amount that will be invested in science and technology policy-making. For more about budgetary unpredictability, see Leal and Avila (2018).

²⁹³ It means that although main points were agreed upon, some minor points remained to be decided. Thus, CDFNDCT agreed about the investment programme by the end of the year, because some minor points remained to be decided.

²⁹⁴ See CGU (2018), Relatório de Avaliação: Fundo Nacional de Desenvolvimento Científico e Tecnológico. Exercício de 2017 [In Portuguese] [Online]. Available: <https://auditoria.cgu.gov.br/download/11966.pdf>.

recommendations were a reaction to TCU audits and decision of judging members based on 2017 accounts. Just like the following process-tracing of the policy-making process within CDFNDCT reveals, decisions were recurrently taken ad referendum, without the deliberation of better strategies or policies to allocate FNDCT resources. Members, including business, started to voice dissatisfactions about procedures by the end of 2013, though MCT proposals were nearly always unanimously adopted.

In 2008, CDFNDT met twice. On the second meeting, on 16th September, business asked for postponing deliberations about the budget plan for 2009. The reason was that MCT proposal was not shared in due time for the meeting²⁹⁵. After Minister Rezende committed himself to provide appropriate time on next occasions, the plan was approved with the abstention of MDIC's representative²⁹⁶, who solely sustained that the council could not approve the document without members' prior analysis. In 2009, CDFNDCT met on 17th December, signing no progress in addressing business concerns. According to Minister Rezende, the delay in setting up the meeting was due to, among other reasons, the decrease in sectoral funds revenues, which impacted MCT operations. At the occasion, members approved the investment programme for 2010, as well as two ordinances that dealt with accounting matters. As per meeting minutes, discussions focused more on FINEP and CNPq financial execution, which was a main component of all CDFNDCT meetings during PT Governments. Additionally, a project for evaluating sectoral funds results was also discussed. The investment programme of 2010 was not the focus of members attention. There were no discussions about budgetary or financial planning as well. Members seem to have fully supported MCT decisions. Business²⁹⁷, in particular, encouraged the government's science, technology and innovation policy-making, highlighting Lula openness to the initiative of establishing a forum for strengthening business-state relations in innovation. Although it is not mentioned in the minutes, it may have been MEI, which gained traction in 2009²⁹⁸.

²⁹⁵ Rodrigo Costa da Rocha Loures, President of the Federação das Indústrias do Estado do Paraná (FIEPR) – Federation of Industries of the State of Parana (2003-2011), supported the position.

²⁹⁶ Rafael de Sá Marques.

²⁹⁷ Rodrigo Costa da Rocha Loures, with FIEPR.

²⁹⁸ See A MEI e o desafio da inovação no Brasil: um balanço de 10 anos de avanço [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/09/d9/09d9c163-02d7-45a7-ba88-cbaf87d9e6c4/mei_10_anos.pdf

In 2010, CDFNDCT met on 8th December, once more by the end of the fiscal year. Apparently, it was the second meeting of the year, though it was as well the 4th regular meeting of this mechanism of participation. Despite inaccuracies²⁹⁹, this meeting seems to have been key, as members approved crucial normative instructions. The first one provided guidelines for transferring, expending and legally reporting expenditures. The second one clarified responsibilities. It created the Executive Coordination Committee, which later sparked criticism for becoming answerable for part of the scope of CDFNDCT with neither the Minister, nor members of the civil society being part of the collegiate body (Leal and Avila, 2018; Pacheco, 2018). Lastly, the third normative instruction established procedures for elaborating the annual investment programme³⁰⁰. Perhaps for being the last meeting of CDFNDCT under Lula, members limited their comments to congratulate Minister Rezende for his achievements³⁰¹, as all normative instructions were approved without requirements for clarifications or comments.

At the first meeting of CDFNDCT under Rousseff, on 31st August 2011, Minister Aloizio Mercadante (2011-2012) introduced the *Estratégia Nacional de Ciência, Tecnologia e Informação (ENCTI)* – Science, Technology and Information National Strategy. Then, MCT's Executive Secretary, Luiz Antonio Rodrigues Elias³⁰², presented the budgetary and financial planning for 2011. He clarified that the Executive Coordination Committee approved the utilization of FNDCT resources in ongoing projects, based on the investment programme of 2011, yet to be approved by CDFNDCT. The policy that guided MCT expenditures was ENCTI, the same introduced by Minister Mercadante at the start of the meeting. Whereas members accepted the investment programme of 2011, as well as changes in the normative instruction that created the Executive Coordination Committee,

²⁹⁹ Or lack of information, as minutes of the first meeting could not be accessed.

³⁰⁰ See MCT, Normative Instructions [In Portuguese] [Online]. Available:

https://www.mctic.gov.br/mctic/export/sites/institucional/fundos/fndct/publicacoes/in_fndct_arquivo/IN-n-1-FNDCT-25junho2010_Atualizada_em_14.12.2015.pdf;

https://www.mctic.gov.br/mctic/export/sites/institucional/fundos/fndct/publicacoes/in_fndct_arquivo/IN-n-2-FNDCT-22dezembro2010_Atualizada_em_02.04.2012.pdf; and

https://www.mctic.gov.br/mctic/export/sites/institucional/fundos/fndct/publicacoes/in_fndct_arquivo/IN-n-3-FNDCT-22dezembro2010.pdf.

³⁰¹ Including business representative Humberto Barbato, President of the *Associação Brasileira da Indústria Elétrica e Eletrônica (ABINEE)* - Brazilian Electric and Electronic Industry Association.

³⁰² Who continued in office. See MCT appointed its 5 secretaries [In Portuguese] [Online]. Available:

<http://anpei.org.br/mct-empossa-seus-cinco-secretarios/>.

which aimed at including new government members in the collegiate body, their comments did not directly address these documents. Business, for example, pondered on the need to consider a strategy for reaching small and medium companies³⁰³. Labour, in turn, recommended specific actions to FINEP, for “increasing its social potential”³⁰⁴.

In 2012 and 2013, CDFNDCT met twice per year. Most likely, due to changes in MCT, the first meeting of 2012 was held, as well, on the second semester, on 15th August. Minister Raupp (2012-2014) opened the meeting, clarifying functions and the policies taken into account when the mechanisms of participation under CDFNDCT formulate the proposal of the investment programme. Such start differentiated this meeting from previous ones. It was the first time that the chair only focused on matters directly related to the scope of CDFNDCT. Following the opening remarks, Secretary Elias introduced not only the investment programme for 2012, but also the budgetary forecast for 2013, what may have increased members reliance. On the business side, one of the comments emphasized the key role of innovation to Brazilian competitiveness. The recommendation was to stress to MF and MPOG the relevance of FNDCT to competitiveness, as discussions regarding the definition of FNDCT’s budget had a “political nature”. Besides, MCT should consider introducing indicators for appraising the impacts of investments on human resources and companies³⁰⁵. The other comment on the business side, dealt with the investment programme for 2012 and the budgetary forecast for 2013. Accordingly, MCT should consider i) allocating resources on monitoring projects for evaluating the impacts of other projects; ii) the message that the main cuts on 2012 FNDCT budget hit subsidies used for leveraging companies’ investments; and iii) the role of grants for leveraging companies’ investments in innovation³⁰⁶. Those comments not only matched MEI discussions, but also confirm business increasing organization and straightforwardness for representing interests in science, technology and innovation policy-making. On the second meeting of the year, on 22nd November, CDFNDCT’ discussions followed a similar order. On his opening remarks, Minister Raupp mentioned that he was holding talks with interested parties,

³⁰³ Rodrigo Costa da Rocha Loures, with FIEPR; and Lucas Izoton Vieira, representing micro and small enterprises.

³⁰⁴ Francisco Canindé Pegado do Nascimento – designated by CODEFAT.

³⁰⁵ Ricardo Fellizola, Vice-President of the *Federação das Indústrias do Estado do Rio Grande do Sul (FIERGS)* – Federation of Industries of the State of Rio Grande do Sul.

³⁰⁶ Paulo Mol, Director of Innovation, CNI.

including members of the scientific community and CNI, on priorities of the investment programme for 2013. Business, in turn, renewed previous recommendations, which included the need of using impact indicators³⁰⁷. In CNI view, indicators would assist in setting targets, as well as in increasing business participation in participatory policy-making.

On the first meeting of 2013, on 28th May, members praised last developments. Besides that, MCT budget for 2013 did not suffer cuts³⁰⁸. Expectations were of increasing investments in both research and innovation, and decisions were limited to CDFNDCT agenda. On the second meeting, however, on 16th October, Minister Raupp began his intervention by explaining main adjustments on 2013's budget. According to him, the assignment of FNDCT resources to CsF prevented earned revenue to match the realized one. However, MCT was already holding negotiations with MEC to find ways to solve further drops in resources, which would stem from changes in the most important sectoral fund within FNDCT³⁰⁹. Members reacted by stressing their concerns with what was called by some as the “depletion of FNDCT”. Even though Minister Raupp clarified that conversations were held with MPOG for avoiding further assignments of FNDCT to CsF, criticism was widespread. On business view, fiscal tightening revealed the exhaustion of the funding model erected in the 1990's. Besides, CNI stressed that there should be no polarization between science and innovation³¹⁰. Hence, the proposal was to come out with an unified position, based on: i) the view that CsF should not be funded by FNDCT; ii) the need of redefining the resources used for subsidization; and iii) the demand for increasing efficiency in public spent³¹¹. Meeting outcomes included the approval of the investment programme for 2014, but members recommended that the programme of activities took into account: ENCTI, the Plano Brasil Maior – Biggest Brazil Plan³¹² and the sectorial policies that were aligned with sectoral funds purposes.

³⁰⁷ Paulo Mol, Director of Innovation, CNI.

³⁰⁸ FNDCT was managed by FINEP, which in turn was part of MCT. Thus, MCT budget included FNDCT.

³⁰⁹ CT-Petro, which collected funds with companies in the oil sector.

³¹⁰ CNI understood that research is different from innovation, but they should go hand in hand. Interview with a business member, July 2019.

³¹¹ Rafael Lucchesi, Director of Education, CNI.

³¹² Rousseff first industrial policy. See: Valor Econômico, 2 August 2011. Veja quais são as principais medidas do “Plano Brasil Maior” [In Portuguese] [Online]. Available:

<https://www.valor.com.br/brasil/971256/veja-quais-sao-principais-medidas-do-plano-brasil-maior>.

In 2014, CDFNDCT meeting was chaired by Minister Clélio Campolina Diniz (2014-2015), on 7th October. CsF continued to be funded with FNDCT resources, unifying members statements against this measure. Business representatives maintained that the resources designed to subsidization were insufficient, questioning as well as an assignment to a project not related to sectoral funds purposes³¹³. Labor representatives and of the scientific community also expressed their discontent with the impacts of CsF on the science and technology budget. Although discussed, the programme of investments for 2014 was not mentioned on the list of deliberations. Thus, it is not possible to know whether it was approved or not by members. An additional topic under consideration during this meeting, that called attention, was TCU judgement and its recommendations about measures that should be taken to comply with legislation³¹⁴. Most probably, discussions about CDFNDCT debilities, *inter alia*, in setting the annual programme of investments, continued on the next two meetings of this mechanism of participation under PT Government. However, as already mentioned, it was not possible to access the minutes of those meetings.

According to the *Comissão de Ciência e Tecnologia, Inovação, Comunicação e Informática (CCT)* – Science and Technology, Innovation, Communication and Informatics Commission, of the Federal Senate, in spite of CDFNDCT lawful tasks, there was little activity between 2008 and 2016.

“Aside from few meetings, reading minutes reveals that covered topics are not discussed with the expected depth and some members seem to be little involved with the details of fund’s management. There are interventions that demonstrate little mastery of the topics on the agenda. Considering that CDFNDCT is responsible for investments of some billions of reais per year, a more intense action of its members is needed.” (CCT, 2016: 78)

The institutional arrangement of CDFNDCT, as seen, presumed inclusion in policy-making on the government side and engagement on the business side. Nevertheless, the process-tracing of the policy-making process within CDFNDCT corroborated CCT conclusion that, for the major part of PT Governments, deliberations were not in line with

³¹³ Gianna Cardoso Sagazio and Rodrigo Teixeira, both with CNI.

³¹⁴ See TCU, FNDCT [In Portuguese] [Online]. Available: [file:///Users/stefanietomeschmitt/Downloads/Fundo%20Nacional%20de%20Desenvolvimento%20Cientifico%20e%20Tecnologico%20_FNDCT %20\(1\).pdf](file:///Users/stefanietomeschmitt/Downloads/Fundo%20Nacional%20de%20Desenvolvimento%20Cientifico%20e%20Tecnologico%20_FNDCT %20(1).pdf).

the configural combination of choices of institutional design. CDFNDCT was not decisive, what supports claims that the Executive Coordination Committee ended up centring decision-making (Leal and Avila, 2018). During meetings, little advice was given on the destination of sectoral funds resources. And, in view of CDFNDCT scope, minutes did not reveal that it was a space of decision-making in conformity with Art. 5 of Law No. 11,540, of 12 November 2007. As for responsibility, CDFNDCT approved, but not deliberated on FNDCT allocation. When discontent arose, members did not use their power to influence funds apportionment. They consented with MCT rent-seeking behaviour. In what concerns regularity, as per CCT (2016), it was not only insufficient to fulfil CDFNDCT lawful tasks, but it was also in disagreement with the normative instruction that, in 2010, clarified CDFNDCT institutional responsibilities³¹⁵. Regarding authority, CDFNDCT controlled sectoral funds. Aware of the stakes involved in collective decision-making within this collegiate body, business slightly engaged in the work, notwithstanding its increasing interest revealed through MEI.

Whereas PT Governments made considerable efforts to reinforce MCT institutional framework between 2005 and 2007, further including interested parties in decision-making, business, under CNI leadership, compromised to improve organization to represent its science, technology and innovation interests in 2008. As might be expected, during CDFNDCT first years of life, capabilities on both sides impaired deliberations. Even though the scope of the work made members liable for expenditures, to comply with Law No. 11,540, of 12 November 2007 demanded specific knowledge. In addition to that, as mentioned, at this stage, legal responsibilities were, as well, unclear (Leal and Avila, 2018). Nevertheless, from 2010 on, when lawful tasks were clarified and full FNDCT resources were invested in R&D³¹⁶, and, in parallel, business were holding regular meetings and publishing position papers on science, technology and innovation policy-making, the fact that such developments did not engender business engagement in participatory policy-making within CDFNDCT is, in the least, puzzling. At this point, business was not only organized, but it was also pushing for changes in R&D subsidization.

³¹⁵ Normative Instruction CDFNDCT No 2, of 22 December 2010 [In Portuguese] [Online]. Available: https://www.normasbrasil.com.br/norma/instrucao-normativa-2-2010_77746.html.

³¹⁶ In 2010, Lula kept his longstanding promise of avoiding cuts on FNDCT budget. Interview with a member of the government, June 2019.

Government, in turn, achieved some coordination through PDP. And, while it was making efforts to lower budgetary unpredictability, FNDCT resources for investing in science and technology were increasing³¹⁷.

In 2012, under Minister Raupp leadership, it appeared that CDFNDCT would enter into full operation. Meetings became more objective and, on the business side, recommendations considered the scope of the work of the collegiate body. FNDCT was, as well, a topic of MEI attention, revealing alignment on the business side. Nonetheless, minutes still uncovered little engagement in the work within the collegiate body. As Minister Raupp said in 2013, MCT was holding talks with interested parties, including CNI. Business was, then, using other channels for influencing political decisions. Most probably, the main one was MEI, as government not only joined meetings, but also took part in the draft of recommendations³¹⁸. MEI, to a certain degree, was changing patterns of business politics, making it more organized, structured and centripetal (Schneider, 2009; 2010), what was linked to CNI resources and access to policy-making. CDFNDCT, in turn, was assisting in this process, as it was increasing transparency in FNDCT management. Backwards, however, government preferences may have assisted in discouraging business engagement within CDFNDCT. At least, that seems to have been an outcome of assigning part of FNDCT resources to CsF. Yet, business still took part in decisions. And, though not engaging could have been the chosen mean for expressing disagreement with decision-making, annual investment programmes were unanimously approved, with members being all answerable for FNDCT expenditures. Their actions were even under TCU scrutiny. As such, even if not engaging, business supported government decisions.

CDFNDCT ended up overseeing government policy-making. To a certain extent, the collegiate body formalized business political action, as government included business in decision-making. However, the latter used the mechanism of participation mostly for the exchange of information. In view of the scheme in Figure 9, CDFNDCT would fit the upper-left quadrant. Government attained business support to policy decisions, as business representatives indorsed its decisions. Even though neither business, nor other members,

³¹⁷ According to CCT (2016), FNDCT committed budget increased from 2007 to 2010.

³¹⁸ Interview with a business member, July 2019.

except for MCT, fully deliberated on the matters that should have been considered, conversations were consequential. The causal factor of formalization was, then, not a mutual preference in coordinating policy-making through a mechanism of participation, in which problems would be solved jointly through collective deliberations. It was a government preference to count on business support combined with a business preference to exchange information pertaining science, technology and innovation policy-making. The outcome was a sharing of responsibilities, without business effectively engaging in participatory policy-making.

6.5. FINAL REMARKS

CDFNDCT formalized business political action, even though capabilities and preferences within the political system did not lead to business engagement in formalized policy-making. In other words, ‘BI’ contingent on ‘CB’ caused formalization because there was inclusion on the government side and exchange of information on the business side. In addition to that, business organization through MEI assisted in engendering a more formalized pattern of business politics in the period of analysis. It increased the use of formalized channels to the state (Schneider, 2010), whereas it empowered CNI for pushing forward business interests, what, in turn, also fostered further government responsiveness regarding R&D. Through CNI participation in CDFNDCT, business could oversight decisions on FNDCT allocation and that increased its power to influence policy outcomes, even though this power seems to not have been fully used within CDFNDCT.

Based on Art. 5 of Law No. 11,540, of 12 November 2007, it is noticeable PT Governments willingness to share responsibilities in science, technology and innovation policy-making. At the end of the day, FNDCT was seen as the most important funding instrument for the expansion of the Brazilian science and technology system³¹⁹. Against this background, business could not have not been aware of the stakes involved in CDFNDCT deliberations. The collegiate body dealt with subsidization and its decisions impacted competitiveness, as it determined the amount of FNDCT resources that would be

³¹⁹ See: About FNDCT In Portuguese] [Online]. Available:
<https://www.mctic.gov.br/mctic/opencms/fundos/fndct/paginas/sobre.html>.

allocate in innovation. As a member of CDFNDCT, business was aware of the authority of this collegiate body. Nevertheless, to have interests at stake did not imply in a preference to take part in participatory policy-making, and business, due to the available capabilities, seems to have preferred to act within MEI, which, as seen, also count with government participation despite being a business initiative. All in all, the interaction between ‘BI’ and ‘CB’ regarding the policy process shaped by CDFNDCT engendered a more formalized pattern of business politics.

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7. BIODIVERSITY PARTICIPATORY POLICY-MAKING

The chapter introduces an in-depth analysis of business political action in the *Conselho de Gestão do Patrimônio Genético (CGen)* – Genetic Heritage Management Council. It appraises the policy process set up by this mechanism of participation, measuring the extent that business political action on biodiversity policy-making followed a more formalized pattern of business politics (Schneider, 2009; 2010) between 2003 and 2016. Thereby, the inquiry first concentrates on business inclusiveness in participatory policy-making – ‘BI’, approaching the effects of the configural combination of choices of institutional design (Fung, 2003; 2009; Ostrom, 2007) on formalization. In other words, on business political action through the participation of the *Confederação Nacional da Agricultura (CNA)* - National Confederation of Agriculture, and the *Confederação Nacional das Indústrias (CNI)* – National Confederation of Industry in CGen, as well as in the policy networks that emerged and shaped the policy process set by this collegiate body. Second, research assesses the effects of business and government commitment building – ‘CB’, on formalization. It identifies capabilities, and the preferences arising from them (Schneider, 2015), that compounded those actors informational sets (Ostrom, 2007; 2011), impacting their actions. Third, the inquiry explores the contingency between ‘BI’ and ‘CB’. By looking at deliberative moments (Avritzer, 2011), it searches for causal factors of formalization. The goal is to verify the extent that roles have been fulfilled, making possible to business to influence policy outcomes. Hypothesis are that the effects of ‘BI’ on formalization, were contingent on ‘CB’ either in the form of inclusion in policy-making on the government side, or engagement in policy-making on the business side.

Though CGen was established as a governmental collegiate body³²⁰, for the greatest part of PT Governments, discussions on Genetic Heritage (GH), Associated Traditional Knowledge (ATK) and Benefit-Sharing (BS), involved business and members of the scientific community, indigenous peoples, traditional communities and traditional farmers (MMA, 2006; Azevedo, 2005; Freire; 2017). Talks occurred within the institutional

³²⁰ See MP No 2,186-16, of 23 August 2001, and Decree No 3,945, of 28 September 2001 [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/mp2186i.pdf; and [In Portuguese] http://www.planalto.gov.br/ccivil_03/decreto/2001/D3945.htm.

arrangement of CGen, as well as in the policy networks that emerged and shaped the policy process set up by this mechanism of participation. As such, business input was formal and informal (Schneider, 2010). However, there are reasons to believe that both, government and business, preferred the participation of peak sectoral corporatist business associations in the collegiate body. Whereas PT Governments promoted participatory policy-making in spite of impulsive inherited choices of institutional design, ‘BI’ was the outcome of growing business interest in influencing policy outcomes. To be part of CGen, for example, was first demanded in 2002 (Azevedo, 2005), though it was only fully achieved 15 years later. It was, then, by means of an inclusive policy process, with business engaging in policy-making, that formalization was achieved. The outcome was the “New CGen”, with government retaining twelve seats, while CNA and CNI, together, got three out of the nine seats designated to civil society³²¹.

Following this introduction, the chapter analyses business political action in biodiversity participatory policy-making in four sections. The first section sets the context of the collegiate body. The second focuses on CGen’s institutional arrangement, describing ‘BI’ under MP 2,186-16, of 23 August 2001 and Law 13,123, of 20 May 2015. The third section describes ‘CB’, highlighting capabilities and preferences within the political system that affected rule-making in respect to GH, ATK and BS. The fourth section deals with the interaction between limited ‘BI’ and the combination between levels of government consent and business participation, which described the dual process of commitment building between business and the government within the collegiate body. Through the process-tracing of the policy-making process, it acknowledges the causal factors of formalization that led to the overhaul of CGen’s institutional framework during PT Governments. Final remarks summarise findings at the end of the chapter.

³²¹ The other six seats were divided between the scientific community, which had three, and representatives of indigenous peoples, traditional communities and traditional farmers. See Art. 7 of Decree No. 8,772, of 11 May 2016 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/ato2015-2018/2016/decreto/D8772.htm.

7.1. BACKGROUND

Upon the ratification of the Convention on Biological Diversity (CBD), in 1994, Brazil assumed the responsibility to regulate the access to GH, ATK and BS (Azevedo, 2005; Freire, 2017; CNI, 2018; SBM, 2018). Consequently, in the following years, bills were introduced at the Federal Senate addressing international commitments. However, it was only in 2000, when the BioAmazonia scandal required urgent action³²², that President Fernando Henrique Cardoso (1994-2002) issued the *Medida Provisória (MP) N° 2.052, de 29 de Junho de 2000* - Provisional Measure No 2,052, of 29 June 2000³²³. This federal law immediately entered into force, restricting the access to Brazilian genetic resources, what ended up resulting in widespread dissatisfaction. Even though, the MP was re-edited on the following year, based on MP 2,186-16, of 23 August 2001-16, which also created CGen (Ferreira and Sampaio, 2013; Azevedo, 2015; Vasconcelos, 2015; Freire, 2017; CNI, 2018; SBM, 2018). Whereas this last MP was re-edited more 15 times³²⁴, CGen centralized authorizations regarding the access to Brazilian biodiversity. The arrangement hindered research and development (R&D)³²⁵, throughout PT Governments (2003-2016) (Garcia, Kwon, Kujawski and Sene, 2015; Freire, 2017; CNI, 2018; SBM, 2018).

At the start of Luiz Inácio Lula da Silva Presidency (2003-2010), the *Ministra do Meio Ambiente (MMA)* - Minister of Environment, Marina Silva (2003-2008), who was already aware of legislation loopholes, requested CGen to draft a new bill. The process took place under the available institutional arrangement and was opened to interested parties (Azevedo, 2005). First versions of the bill, which reformed CGen, were, then, discussed within the Federal Executive between 2003 and 2008, which included a public consultation in 2007 (Kageyama and Santos, 2011-2012; Freire, 2017)³²⁶. Nonetheless, it

³²² See FSP, 7th August 2000, Bioprospecção. Contrato sofre revisão. Bioamazônia altera acordo com Novartis [In Portuguese] [Online]. Available: <https://www1.folha.uol.com.br/fsp/ciencia/fe0708200003.htm>

³²³ See Lower House, Computerized Legislation [In Portuguese] [Online]. Available: <https://www2.camara.leg.br/login/fed/medpro/2000/mediaprovisoria-2052-29-junho-2000-362335-retificacao-1-pe.html>

³²⁴ The President can enact laws without congressional approval by issuing a Provisional Measure. These laws came into effect immediately and, until 2001, they could be annually re-edited.

³²⁵ See Ministry of Environment, CGen [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico>.

³²⁶ See MMA, 28 August 2007. MMA e entidades divulgam consulta pública do Patrimônio Genético. [In Portuguese] [Online]. Available: <https://www.mma.gov.br/informmma/item/4300-mma-e-entidades-divulgam-consulta-publica-do-patrimonio-genetico>

was not possible to reach an agreement at the time. In 2011, either because of the Nagoya Protocol on Access and Benefit-Sharing (Freire, 2017)³²⁷, or due to business pressure³²⁸, President Dilma Rousseff (2011-2016) re-launched discussions, which lasted until the very last day of her government. In 2015, after intense debates, Congress approved the “New Law on Biodiversity”, which finally opened CGen to business³²⁹. However, to enter into force Law 13,123, of 20 May 2015³³⁰, had to be regulated. That culminated in the Decree No. 8,772, of 11 May 2016³³¹, published on the Official Gazette the day Vice President Michel Temer (2016-2018) became acting president³³².

7.2. BUSINESS INCLUSIVENESS IN PARTICIPATORY POLICY-MAKING

Though restricted by MP 2,186-16, of 23 August 2001, PT Governments sought to formalize business political action employing adjustments on CGen institutional framework. As already mentioned, this mechanism of participation was a deliberative council gathering bodies within the Federal Administration. However, rules and procedures also permitted the participation of interested parties in meetings, though with no decision-making power. Besides, CGen could organize thematic chambers for assisting decision-making³³³. Thus, for expanding political interaction, PT Governments not only approved interest groups requirements to take part in CGen, but also establish thematic chambers. Among them, the *Câmara Temática de Legislação sobre Acesso ao Patrimônio Genético, Proteção do Conhecimento Tradicional Associado e Repartição de Benefícios* – Thematic Chamber on the Legislation of Access to Genetic Heritage, Protection of Associated

³²⁷ Although not ratified, Brazil is a signatory country since 2011.

³²⁸ According to interviews with members of the government and business, July and October 2019.

³²⁹ See Art. 6 of Law 13,123, of 20th May 2015, regulated by Decree No. 8,772, of 11th May 2016 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2015-2018/2015/Lei/L13123.htm; http://www.planalto.gov.br/ccivil_03/_ato2015-2018/2016/decreto/D8772.htm.

³³⁰ See Bill 7735/2014 [In Portuguese] [Online]. Available:

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³³¹ See Decree No. 8,772, of 11 May 2016 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2015-2018/2016/decreto/D8772.htm.

³³² On 12 May 2016, the Federal Senate voted to suspend Rousseff's powers for the duration of the impeachment trial.

³³³ See MP No 2,186-16, of 23 August 2001, and Decree No 3,945, of 28 September 2000 [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/mp2186i.pdf; and [In Portuguese] http://www.planalto.gov.br/ccivil_03/decreto/2001/D3945.htm.

Traditional Knowledge and Benefit-Sharing, which became responsible for developing a bill on GH, ATK and BS³³⁴.

For the greatest part of PT Governments, while CGen members struggled to decide about authorizations providing access to Brazilian biodiversity (Freire; 2017), interested parties, including business, held intense discussions within the policy networks that emerged and shaped the policy-making process set up by the collegiate body. In the short term, those discussions sought to address legislation loopholes. In the long term, they targeted drafting a new legislation.

Regarding the latter, broader political interaction led to changes in CGen participation and scope, while type, responsibility, regularity and authority remained, in general terms, unchanged. Between MP 2,186-16, of 23 August 2001³³⁵, and Law 13,123, of 20 May 2015³³⁶ – refer to Table 8, the main difference concerns CGen membership. The *Ministério do Meio Ambiente (MMA)* – Ministry of Environment was kept as CGen chair, but the collegiate body started to encompass representatives of the civil society. Government seats were reduced from nineteen to twelve, while other nine seats were divided among:

- i. Business: the *Confederação Nacional da Agricultura (CNA)* – National Confederation of Agriculture, and the *Confederação Nacional da Indústria (CNI)* – National Confederation of Industry shared three seats;
- ii. Scientific community: the *Sociedade Brasileira para o Progresso da Ciência (SBPC)* – Brazilian Society for Advancement of Science, the *Associação Brasileira de Antropologia (ABA)* – Brazilian Anthropology Association; and the *Academia Brasileira de Ciências (ABC)* – Brazilian Academy of Sciences, have one seat each; and
- iii. indigenous peoples, traditional communities and traditional farmers also have one seat each.

³³⁴ See MMA, Decision No 20, of 19 March 2003 [In Portuguese] [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/del20.pdf

³³⁵ Regulated through Decree No 3,945, of 28 September 2001 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto/2001/D3945.htm.

³³⁶ Regulated through Decree No. 8,772, of 11 May 2016 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2015-2018/2016/decreto/D8772.htm.

Table 8
CHANGES IN CGEN INSTITUTIONAL ARRANGEMENT BETWEEN
MP 2,186-16, OF 23 AUGUST 2001, AND LAW 13,123, OF 20 MAY 2015

Choices of Institutional Design	MP 2,186-16, of 23 Aug. 2001, and Decree No 3,945, of 28 Sept. 2001	Law No 13,123, of 20 May 2015, and Decree No. 8,772, of 11 May 2016
Type	Council.	Idem.
Participation	Representatives of the Federal Government.	Representatives of the Federal Government (60%) and Brazilian civil society (40%).
Scope	i) Coordinating policy implementation; ii) Establishing standards, criteria and guidelines; iii) Overseeing access to GH and ATK; iv) Deliberating on authorizations and accreditations of R&D institutions; v) Approving Contracts for Use of GH and BS; vi) Promoting debates and public hearings; vii) Operating as the higher appeal body; and viii) Approving bylaws.	i) Coordinating policy-making and implementation; ii) Establishing standards, criteria and guidelines; iii) Overseeing access to GH and ATK; iv) Deliberating on accreditations of R&D institutions; v) Attesting conformity with legislation; vi) Registering notifications and agreements; vii) Promoting debates and public hearings; viii) Operating as the higher appeal body; ix) Establishing guidelines for funds application; x) Managing federal database; xi) Advice federal bodies about ATK; xii) Approving bylaws.
Responsibility	Deliberative.	Idem.
Regularity	Monthly.	Idem.
Authority	To decide on behalf of the Federal Government about GH, ATK and BS.	Idem.

CGen scope was, as well, enlarged, but the collegiate body stopped authorizing the access to GH and ATK. Based on Law 13,123, of 20 May 2015, researchers and companies became responsible for notifying CGen when bioprospecting and, concerning BS, CGen should attest agreements' conformity with the applicable legislation. Besides, CGen should also i) define guidelines for the application of the *Fundo Nacional de Repartição de Benefícios (FNRB)* – National Fund of Benefit-Sharing³³⁷; ii) establish an online system for

³³⁷ Law 13,123, of 20 May 2015 ensures monetary and non-monetary BS. Regarding the first, payments could assume the form of direct transfers to indigenous peoples, traditional communities and traditional farmers, or users could contribute to FNRB. See Freire (2017).

the register of notifications and agreements; and iii) promote increasing awareness of federal bodies in charge of protecting indigenous peoples and traditional communities about ATK.

In view of such changes in ‘BI’, it is reasonable to assume that business stakes in the overhaul of CGen were high (Fung, 2009). Business knew that deliberations impacted economic activity. CDB ratification and further implementation implied in additional transactional costs, as Brazil committed to sharing R&D results, as well as the benefits arising from commercial and other utilizations, with the parties providing genetic resources³³⁸. Besides, it was a common sense that MP 2,186-16, of 23 August 2001, hindered R&D using Brazilian biodiversity (Garcia, Kwon, Kujawski, Sene, 2015; NEPCL, 2015; Blasi and Emrich, 2016; Freire, 2017; CNI, 2018; SBM, 2018)³³⁹. Consequently, business not only pushed for a new legislation, but it also claimed membership with decision-making power. PT Governments’ adjustments on the institutional framework would not address such demands. Thus, business engage in policy-making, pushing for further ‘BI’. As a consequence, ‘CB’ ended up formalizing business political action despite the inherited rule configuration (Ostrom, 2007). The next section deals with that engagement, as well as with government inclusion, which describe ‘CB’ between 2003 and 2016.

7.3. COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT

Capabilities within the political system – and the preferences arising from them (Schneider, 2015), affected policy outcomes embodied in the “New Law on Biodiversity”. ‘CB’ impacted formalization regarding GH, ATK and BS, for explaining government and business actions within CGen and the policy networks that arose from the work within this mechanism of participation. While choices of institutional design set up limits for political

³³⁸ See Art. 15, Convention on Biological Diversity [Online]. Available:
<https://www.cbd.int/convention/articles/default.shtml?a=cbd-15>.

³³⁹ See Ministry of Environment, CGen [In Portuguese] [Online]. Available:
<https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico>.

interaction, capabilities and preferences moulded business and government the policy process, also outlining of the new legislation, which fully included business in CGen³⁴⁰.

On the government side, as already described, CGen operated under the aegis MMA, which was a relatively new body³⁴¹, less empowered than some of the other permanent members of the collegiate body³⁴². Nevertheless, at the start of his government, Lula (2003-2010) committed to giving environmental policy the “importance it deserved”³⁴³. And this included not only inviting Marina Silva for the position of Minister of Environment (2003-2008)³⁴⁴, but also supporting her launch of a new model of environmental policy-making. Under her leadership, environmental policy started to follow four guidelines: i) the promotion of sustainable development; ii) the strengthening of the *Sistema Nacional de Meio Ambiente (Sisnama)* – National System of Environment³⁴⁵; iii) the need for accountability and social participation; and iv) the principle of transversality³⁴⁶ (MMA, 2006; Kageyama and Santos, 2011-2012). Besides, Lula empowered MMA to take the necessary actions for the conservation of biodiversity. *Lei nº 10.683, de 28 de maio de 2003* – Law No 10,683, of 28 May 2003, which organized the federal government, listed MMA competencies, including: i) policy-making for sustainable use of biodiversity; and ii) recommending economic and social strategies,

³⁴⁰ This became even a moot point, as based on Law 13,123, of 20 May 2015, business had the right to take part in deliberations about the conformity of its own activities. See Art. 4, of Law 13,123, of 20th May 2015 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2015-2018/2015/Lei/L13123.htm.

³⁴¹ Created in 1992. See MMA [In Portuguese] [Online]. Available: <https://www.mma.gov.br/o-ministerio/apresentacao.html>

³⁴² Among them, the *Ministério da Agricultura, Pecuária e Abastecimento (MAPA)* - Ministry of Agriculture, Livestock and Food Supply; the *Ministério da Saúde (MS)* – Ministry of Health; and the *Ministério do Desenvolvimento, Indústria e Comércio Exterior (MDIC)* – Ministry of Development, Industry and Foreign Trade. See Art. 2 of Decree No 3,945, of 28 September 2001 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/decreto/2001/D3945.htm.

³⁴³ See Carta Maior, 21 October 2007, Corte de 33% no orçamento do MMA desagrada movimentos [In Portuguese] [Online]. Available: <https://www.cartamaior.com.br/?/Editoria/Mae-Terra/Corte-de-33-no-orcamento-do-MMA-desagrada-movimentos/3/12985>

³⁴⁴ Marina was a well-known politician advocating on environmental issues. See Último Segundo, 30 August 2014, Estrela do Governo Lula, Marina perdeu embate com a então Ministra Dilma Rousseff [In Portuguese] [Online]. Available: <https://ultimosegundo.ig.com.br/politica/2014-08-30/dilma-rousseff-minou-prestigio-de-marina-na-esplanada-durante-o-governo-lula.html>

³⁴⁵ SISNAMA encompassed all bodies responsible for environmental protection at the three levels of the Administration. See Law No 6,938, of 31 August 1981 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/LEIS/L6938.htm.

³⁴⁶ Meaning the cross-cutting nature of environmental issues, which involved different sectors of the government in problem-solving.

mechanisms and instruments for sustainable use of natural resources³⁴⁷. MMA should, then, tackle problems arising from MP 2,186-16, of 23 August 2001. In doing so, it should act based on a cross-cutting approach, considering the “institutional dialogue with the Brazilian society” (MMA, 2006: 9).

In view of PT Governments first attempts to address GH, ATK and BS, Marina Silva leadership was key. Coming from a state of the Amazon region and having represented Acre interests, first as Congresswoman (1991-1994), then as Senator (1995-2011)³⁴⁸, Marina was well-known for her commitment to the preservation of natural resources. While she strongly advocated strengthening environmental protection nationwide, what included preserving ecosystems and habitats, species and communities, and genes and genomes, she fought biopiracy, supporting the economic rights of indigenous peoples, traditional communities and traditional farmers. According to her, Amazon inhabitants were responsible for keeping the forest alive. Hence, environmental policy should contemplate their right to live and make their lives from this biome. At the national level, legislation should regulate access to Brazilian biodiversity, ensuring that traditional knowledge holders get rewarded for their accomplishments (Kageyama and Santos, 2011-2012). Her emphasis in sovereign rights over natural resources is verifiable in the first bill on the topic, which was introduced by her at the Federal Senate in 1995³⁴⁹. It describes, as well, one of the main objectives of MP 2,186-16, of 23 August 2001, the legal requirement for CGen’s previous authorization for accessing Brazilian GH and ATK, what is said to have impacted R&D between 2001 and 2015. Thus, while Marina advocated for social participation in decision-making, her stands in favour of MMA control over the access to Brazilian biodiversity ended up acting against CGen efforts for overcoming the political deadlock around the topic³⁵⁰.

At CGen’s first meeting under PT Governments, on 19th March 2003, Marina proposed establishing the Thematic Chamber on Legislation of Access to GH, Protection

³⁴⁷ See Law No 10,683, of 28 May 2003 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/leis/2003/l10.683.htm.

³⁴⁸ Except for 2003-2008, when she took off the post of Minister of Environment.

³⁴⁹ See Bill No 306, 1995 [In Portuguese] [Online]. Available:

<https://www25.senado.leg.br/web/atividade/materias/-/materia/1691>.

³⁵⁰ Interview with a member of the government, July 2019.

of ATK and BS³⁵¹. The Chamber would work under CGen umbrella, being joined not only by CGen permanent members but also by affected parties within the Brazilian society. CGen executive secretariat, the *Secretaria de Biodiversidade e Florestas* – Secretariat of Biodiversity and Forests, would assist in the negotiations within the Chamber, which should address deadlock. In reaching an agreement, the draft bill would be deliberated within CGen. Nevertheless, the latter was also changed. From that moment on, representatives of interested parties within the civil society would join meetings. However, as the *Secretário de Biodiversidade e Florestas* – Secretary of Biodiversity and Forests, João Paulo Capobianco, clarified, they would "firstly join as permanent guests with the right to speak"³⁵², but not to vote. Based on these changes, CGen would concentrate authorizations, while the Thematic Chamber on Legislation of Access to GH, Protection of ATK and BS, as well as other thematic chambers or working groups would focus on regulation³⁵³. Concerning the latter two, whereas the first would draft a bill to be sent to Congress, chambers and working groups would address MP 2,186-16, of 23 August 2001 loopholes, based on resolutions³⁵⁴ and technical guidelines³⁵⁵.

Six months later, in September 2003, CGen held two extraordinary meetings for settling disagreements regarding controversial points on the bill. According to minutes, the text on the table was the outcome of 18 meetings of the Thematic Chamber on Legislation of Access to GH, Protection of ATK and BS, which assembled 34 interested parties – 19 with the government and 15 with the civil society³⁵⁶. At CGen level, remaining

³⁵¹ See Agenda of the 10th CGen Meeting [In Portuguese] [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/pauta10.pdf

³⁵² See Minutes of the 10th CGen Meeting [In Portuguese] [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/ata10.pdf

³⁵³ Other Thematic Chambers were created during PT Governments [In Portuguese] [Online]. Available: See <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/camaras-tematicas-e-grupos-de-trabalho.html>

³⁵⁴ 43 in total. See CGen, Resolutions [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/atos-e-normas-do-cgen/resolu%C3%A7%C3%A7%C3%B5es.html>

³⁵⁵ 10 in total. See CGen, Technical Guidances [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/atos-e-normas-do-cgen/orienta%C3%A7%C3%A7%C3%B5es-t%C3%A9cnicas.html>

³⁵⁶ According to CGen Newsletter No 10, on the business side, CEBDS and Patri – a Brazilian lobbying firm, joined a great number of meetings [In Portuguese] [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/info010.pdf

controversial points were decided by simple majority but, unlike authorizations, deliberations included both permanent members and guests³⁵⁷. As such, representatives of the civil society, including business, decided about controversial points on the drafted bill. On the next stage, MMA expectations were to submit the bill to *Casa Civil da Presidência da República* – Office of the Chief of Staff, which would i) examine the merit, convenience and compatibility of the proposal; ii) collect ministerial expressions of consent; and iii) assist the President in sending the proposal to Congress³⁵⁸ before the end of the year, as all interested parties agreed upon the text at CGen. However, it did not happen as planned. According to CGen minutes, the bill was discussed once more within the council on 18th December 2003³⁵⁹. It was at the Office of the Chief of Staff, where it remained until the end of Lula's second term.

Contrary to MMA expectations, member ministries of CGen did not express their consent to the bill. Even though they took part in deliberations, being aware of the difficulties involved in regulating the matter, they blocked the process. According to interviews, the bill got stuck in the Office of the Chief of Staff, because there was not a consensus about competencies³⁶⁰. The *Ministério da Agricultura, Pecuária e Abastecimento (MAPA)* - Ministry of Agriculture, Livestock and Food Supply, was not comfortable with a cross-cutting regulation. Among other reasons, cultivars were seen as demanding specific legislation³⁶¹. In addition to that, the *Empresa Brasileira de Pesquisa Agropecuária (EMBRAPA)* – Brazilian Agricultural Research Corporation³⁶², which was under MAPA umbrella, had concerns about the impacts of the new legislation on its own operations. In 2006, to make matters worse, Brazil became part of the International Treaty on Plant Genetic Resources for Food and Agriculture³⁶³, what added to MAPA stance on

³⁵⁷ See Minutes of the 2nd and 3rd CGen Extraordinary Meetings [In Portuguese] [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/ata2e.pdf; and https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/ata3e.pdf.

³⁵⁸ Office of the Chief of Staff competencies. See Law No 10,683, of 28 May 2003 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/leis/2003/l10.683.htm.

³⁵⁹ Minutes of the 18th CGen Meeting [In Portuguese] [Online]. Available: https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/ata18.pdf

³⁶⁰ Interviews with a members of the government, June and July 2019.

³⁶¹ Cultivars are plant varieties produced in cultivation by selective breeding. In general, they conform the most basic classification of cultivated plants in the International Code of Nomenclature for Cultivated Plants.

³⁶² See EMBRAPA [Online]. Available: <https://www.embrapa.br/en/international>

³⁶³ See FAO [Online]. Available: <http://www.fao.org/plant-treaty/overview/en/>.

the need for specific legislations³⁶⁴. The *Ministério da Ciência e Tecnologia (MCT)* – Ministry of Science and Technology, also pushed for keeping matters related to research under the aegis of the *Conselho Nacional de Desenvolvimento Científico e Tecnológico (CNPq)* – National Council for Scientific and Technological Development, which like EMBRAPA was under MCT umbrella. Ministries that seem to have been more supportive to CGen proposal were the *Ministério da Saúde (MS)* – Ministry of Health, and the *Ministério do Desenvolvimento, Indústria e Comércio Exterior (MDIC)* – Ministry of Development, Industry and Foreign Trade³⁶⁵.

The controversy within the government led Lula's first Chief of Staff, José Dirceu de Oliveira e Silva (2003-2005), to send the negotiation back to MMA. However, it did not return to CGen. Talks were kept on Marina's hands, at ministerial level, while CGen remained focused on authorizations and the thematic chambers or working groups addressed MP 2,186-16, of 23 August 2001, loopholes³⁶⁶. Nevertheless, there are reasons to suspect that discussions at ministerial level affected CGen work and vice-versa. At some point, between 2005 and 2007, MAPA and MCT started to sustain that penalties regarding the access to GH and ATK without CGen previous authorization should be applied to all companies, including when access preceded MP No 2,052, of 29 June 2000. MMA is said to have strongly disagreed with this position, as some of the assessed companies, among them Natura³⁶⁷, not only came after CGen for conforming with the legislation, but were also assisting in solving regulatory gaps. The quarrel ended up back at the Office of the Chief of Staff, which arbitrated in support to MMA³⁶⁸.

Even though Marina was empowered to address the issue³⁶⁹, presidential preferences may have assisted in making her efforts insufficient. Lula's priority was

³⁶⁴ As a backdrop, the legalization of genetically modified seeds may have influenced MMA and MAPA disputes. See Com Ciência, Revista Eletrônica de Jornalismo Científico, 10 April 2003, O impasse dos transgênicos no Brasil [In Portuguese] [Online]. Available: <http://www.comciencia.br/dossies-1-72/reportagens/genetico/gen05.shtml>.

³⁶⁵ Interview with a member of the government, June 2019.

³⁶⁶ See CGen, Thematic Chambers and Working Groups [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/camaras-tematicas-e-grupos-de-trabalho.html>

³⁶⁷ Within the beauty sector. See Natura [In Portuguese] [Online]. Available: <https://www.natura.com.br/>.

³⁶⁸ Interview with a member of the government, June 2019.

³⁶⁹ The bill was released for public consultation. See: Office of the Chief of Staff, Released Public Consultations; and bill [In Portuguese] [Online]. Available:

national development³⁷⁰. The environmental agenda was secondary, so much so that MMA lost decisive political battles and disputes, which led to her resignation in 2008³⁷¹. Carlos Minc (2008-2010) replaced her and engaged in a new attempt of resuming discussions. This time, negotiations took place at the Office of the Chief of Staff. However, preferences among ministries were too dissonant for an agreement. It is said that each ministry had its own version of the draft bill, making practically impossible to find common ground³⁷². The deadlock between MMA and MAPA could not be broken³⁷³, neither between MMA and MCT. The scenario only started to change by the end of Lula Second Term, due to the negotiations of the Nagoya Protocol, which addressed BS³⁷⁴. The perspective of changes at the international level engendered coordination at the national level. However, discussions focused on the United Nations Environment Program (UNEP). Drafting a bill in substitution to MP 2,186-16, of 23 August 2001, was postponed.

One of the first decisions of Dilma Rousseff (2011-2016), as President of the Republic, was to sign the Nagoya Protocol, in February 2011. She also kept Izabella Teixeira as Minister of Environment (2010-2016), signalizing that her government would address concerns regarding the access to GH, ATK and BS. Under Rousseff, Teixeira promoted changes in MMA personnel. For assuming CGen's Executive Secretariat, she designated Francisco Gaetani³⁷⁵, who was previously the Assistant Executive Secretary of the *Ministério do Planejamento, Orçamento e Gestão (MPOG)* – Ministry of Planning, Budget and Management. Gaetani was a public official with a background in economic

http://www.planalto.gov.br/ccivil_03/consulta_publica/consulta_realizada.htm; and
http://www.planalto.gov.br/ccivil_03/consulta_publica/consulta_biológica.htm.

³⁷⁰ See O Globo, 30th November 2006, Marina Silva aprova manifesto contra declaração de Lula [In Portuguese] [Online]. Available: <http://g1.globo.com/Noticias/Politica/0,,AA1369697-5601,00-MARINA+SILVA+APROVA+MANIFESTO+CONTRA+DECLARACAO+DE+LULA.html>

³⁷¹ See Folha de São Paulo, 14th May 2008, Marina sofreu bombardeio desde o 1º Mandato de Lula [In Portuguese] [Online]. Available: <https://www1.folha.uol.com.br/fsp/brasil/fc1405200813.htm>.

³⁷² Interview with members of the government and business, July 2019.

³⁷³ MAPA feared an increase in prices. See O Globo, 07 November 2011. Regras para pesquisa devem ser flexibilizadas [In Portuguese] [Online]. Available: <https://oglobo.globo.com/politica/regras-para-pesquisa-em-biodiversidade-devem-ser-flexibilizadas-diz-ministra-do-meio-ambiente-2929816>

³⁷⁴ See Science for Brazil, Nagoya Means Bio-Trade [Online]. Available:
<http://www.scienceforbrazil.com/nagoya-uns-challenging-biodiversity-protocol/>

³⁷⁵ See Eco, 19 January 2011, Caetani é o novo secretário-executivo [In Portuguese] [Online]. Available: <https://www.oeco.org.br/noticias/24733-machado-cai-e-gaetani-e-novo-secretario-executivo/>

regulation³⁷⁶. At MMA, he had a key role in the process of drafting the bill that was sent to Congress in 2014. According to interviews, he changed the focus of the text from a regulation that emphasized the importance of controlling the access to GH and ATK, to a results-based regulation that would foster R&D. In addition to that, Gaetani put in place a two-pronged strategy. While a group of MMA bureaucrats held consultations with business, another team considered the suitability of proposals with representatives of indigenous peoples, traditional communities and traditional farmers³⁷⁷. Under this strategy, CGen was not involved. The council kept working on authorizations and loopholes. Consequently, in April 2011, it finally reached consensus about regularization³⁷⁸. That meant that companies that appealed to CGen would have their activities regularized based on Resolution No 35³⁷⁹.

Concerning the bill, after three years of separated meetings with interested parties, MMA had a new draft proposal. However, while it was possible to find common ground within business, it was not possible to achieve support within the government. MAPA still did not back the text, leading to Teixeira's decision of taking out all drafted articles concerning agriculture and food. By becoming non-applicable to these economic activities, the bill was more suitable to be sent to Congress, though the turning point came when MDIC started to actively support the proposal³⁸⁰. Rousseff's second Minister of Development, Mauro Borges (2014-2015), prioritized the approval of new legislation on GH, ATK and BS. In this stance, it seems that his background in R&D – before MDIC, he chaired the *Agência Brasileira de Desenvolvimento Industrial (ABDI)* – Brazilian Agency

³⁷⁶ He was part of the first group of gestores públicos federais – public officials, selected in 1988. See ANESP – Associação Nacional dos Especialistas em Políticas Públicas e Gestão Governamental, Career [In Portuguese] [Online]. Available: <http://anesp.org.br/carreira>

³⁷⁷ Interviews with members of the government and business, July and August 2019.

³⁷⁸ See MMA, 25 July 2011, Autorizações para empresas acessarem recursos genéticos devem ser mais rápidas [In Portuguese] [Online]. Available: <https://www.mma.gov.br/informma/item/7182-autorizacoes-para-empresas-acessarem-recursos-geneticos-devem-ser-mais-rapidas.html>

³⁷⁹ Although to act as the higher appeal body was provided in MP 2,186-16, of 23 August 2001, it was only implemented in 2011. After being assessed for biopiracy, a company would appeal locally the Instituto Brasileiro de Meio Ambiente e Recursos Naturais Renováveis (IBAMA) - Brazilian Institute of Environment and Renewable Natural Resources. If rejected, it could appeal IBAMA at the federal level. And, if also rejected, it would then appeal CGen. By 2015, the total amount of issued fines surpassed R\$ 400 million. See Resolution No 35 [In Portuguese] [Online]. Available:

https://www.mma.gov.br/estruturas/222/_arquivos/res35_222.pdf

³⁸⁰ Interview with a member of the government, July 2019.

of Industrial Development (2011-2014), played a role³⁸¹. The fact is that, in June 2014, together with MMA, MDIC supported sending the bill to Congress with the presidential request for urgent approval³⁸².

Interestingly, MCT also backed the proposal³⁸³, but the scientific community lobbied against the text while it was in Congress. Another main opposition to the bill were indigenous peoples, traditional communities and traditional farmers³⁸⁴, who traditionally supported PT Governments, more specifically, MMA. In the opposite direction, the *Instituto Pensar Agro (IPA)* – Institute Think Agro³⁸⁵, through the *Frente Parlamentar da Agropecuária (FPA)* – Parliamentary Front of Agriculture and Livestock – one of the Brazilian most expressive lobbying groups, not only supported the bill, but also pushed for the inclusion of the failing articles addressing agriculture and food. IPA is said to have been key for achieving congressional approval. It also lobbied changing MAPA's stance, for ensuring that the ministry supported the bill³⁸⁶. Thus, under Rousseff, fragmentation and political instability may have assisted MMA in putting forward a new proposal. While Teixeira stayed for Rousseff First and Second Term, MAPA had five different ministers and MCT six. Constant changes may have hindered the opposition to the bill. All in all,

³⁸¹ See Terra, 13 February 2014, Dilma nomeia Mauro Borges como novo ministro do desenvolvimento [In Portuguese] [Online]. Available: https://www.terra.com.br/noticias/brasil/politica/dilma-nomeia-mauro-borges-como-novo-ministro-do-desenvolvimento_0367a13e59c24410VgnVCM5000009ccceb0aRCRD.html

³⁸² When a bill is sent under “urgency”, it follows a procedural rite that dispenses some regimental requirements, deadlines or formalities so that a given proposition is readily appreciated until its final decision. See Câmara dos Deputados [In Portuguese] [Online]. Available:

<https://www2.camara.leg.br/comunicacao/assessoria-de-imprensa/regime-de-tramitacao>

³⁸³ At this point, it was led by Minister Clelio Campolina Diniz (2014). During Rousseff First Term, MCT had four different ministers. See Aviso de Pauta, 20 June 2014, Izabella Teixeira (MMA), Mauro Borges (MDIC) e Clelio Campolina (MCTI) concedem entrevista coletiva sobre patrimônio genético [In Portuguese] [Online]. Available: <https://mma.gov.br/informmma/item/10212-aviso-de-pauta-izabella-teixeira-mma,-mauro-borges-mdic-e-clelio-campolina-mcti-concedem-entrevista-coletiva-sobre-patrim%C3%B4nio-gen%C3%A9tico>.

³⁸⁴ See Instituto Socioambiental, 12 April 2016. Governo abre consulta sobre o decreto que regulamentará lei de acesso ao patrimônio genético [In Portuguese] [Online]. Available: <https://www.socioambiental.org/pt-br/blog/blog-do-ppds/governo-abre-consulta-sobre-o-decreto-que-regulamentara-lei-de-acesso-ao-patrimonio-genetico>

³⁸⁵ Linked to the *Frente Parlamentar da Agropecuária (FPA)* – Parliamentary Front of Agriculture, which is an agricultural lobbying group. See Agência FPA, 31 January 2017, Eleita hoje nova diretoria do Instituto Pensar Agro [In Portuguese] [Online]. Available:

<https://agencia.fpagropecuaria.org.br/2017/01/31/eleita-hoje-nova-diretoria-do-instituto-pensar-agro/>

³⁸⁶ Interview with a member of the government, July 2019.

ministries seem to have dissatisfied their constituencies. In the case of MMA, Rousseff was frequently accused of scaling back environmental policy³⁸⁷.

During the elections that gave Rousseff a second term, the bill was in Congress, but CNI³⁸⁸, among others, kept pushing the Presidency for a new legal framework. To change the available regulation was one of CNI recommendations to presidential candidates in 2014³⁸⁹. Hence, when re-elected, Rousseff prioritized legislative approval and, on 20 May 2015, the “New Law on Biodiversity” was signed³⁹⁰. In the President’s own words, the text fairly addressed the access to GH and ATK, as well as BS³⁹¹. Nevertheless, there was more one step ahead to finally implement the new legal framework. It had to be regulated through a decree. At this stage, negotiations centred on CGen membership. While Law 13,123, of 20 May 2015, defined that representatives of the civil society, within the i) business sector; ii) the scientific community; and iii) indigenous peoples, traditional communities and traditional farmers; would equally share 40% of the seats, it did not clarify how they would be selected³⁹². Disputes around this definition could not be solved, and the Presidency of the Republic had to arbitrate³⁹³. In the case of business, Art. 7 of Decree No. 8,772, of 11 May 2016, provided that the 3 seats would be divided between CNI and CNA³⁹⁴. Whereas each organization would have one seat, the other seat would rotate every two years between them.

³⁸⁷ See Imazon, 21 March 2013, Sobre os retrocessos ambientais do Governo Dilma [In Portuguese] [Online]. Available: <https://imazon.org.br/publicacoes/sobre-os-retrocessos-ambientais-do-governo-dilma/>

³⁸⁸ See CNI [Online]. Available: <http://www.portalaindustria.com.br/cni/en/about/about-cni/>

³⁸⁹ See CNI (2014), Propostas da Indústria para as eleições 2014. Brasília [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/86/1d/861de91b-445c-4ab3-a669-a8ed0dbd1357/sumriosexecutivos_web.pdf

³⁹⁰ See Bill 7735/2014 [In Portuguese] [Online]. Available: <https://www.camara.leg.br/proposicoesWeb/fichadetramitacao?idProposicao=619150>

³⁹¹ See O Globo, 20 May 2015, Dilma sanciona Marco da Biodiversidade em evento no Planalto [In Portuguese] [Online]. Available: <http://g1.globo.com/natureza/noticia/2015/05/dilma-sanciona-marco-legal-da-biodiversidade-em-evento-no-planalto.html>.

³⁹² See Art. 6 of Law 13,123, of 20th May 2015, regulated by Decree No. 8,772, of 11th May 2016 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_Ato2015-2018/2015/Lei/L13123.htm; http://www.planalto.gov.br/ccivil_03/_ato2015-2018/2016/decreto/D8772.htm.

³⁹³ Interview with a member of the government, July 2019.

³⁹⁴ See CNA [In Portuguese] [Online]. Available: <https://www.cnabrasil.org.br/cna>

On the business side, the first organizations to join CGen in 2003, as permanent guests, were not peak sectoral corporatist business associations³⁹⁵. They were the *Conselho Empresarial Brasileiro para o Desenvolvimento Sustentável (CEBDS)* – Brazil Business Council for Sustainable Development³⁹⁶; the *Associação Brasileira de Empresas de Biotecnologia (ABRABI)* – Brazilian Association of Biotechnology Companies³⁹⁷; and the *Federação Brasileira das Indústrias Farmacêuticas (Febrafarma)* - Brazilian Federation of the Pharmaceutical Industry³⁹⁸. CEBDS, notably, took part in CGen, as well as in the Thematic Chamber on Legislation of Access to GH, Protection of ATK and BS³⁹⁹; the *Câmara Temática de Repartição de Benefícios* – Thematic Chamber of BS⁴⁰⁰; and the *Câmara Temática de Conhecimento Tradicional Associado* – Thematic Chamber of ATK⁴⁰¹. In addition to that, it joined joint meetings dealing with ATK and BS, administrative procedures, and BS⁴⁰². In September 2003, when CGen extraordinarily met to settle disputes regarding controversial points on the drafted bill, CEBDS represented business interests together with the *Associação dos Laboratórios Farmacêuticos Nacionais (ALANAC)* – Association of National Pharmaceutical Laboratories⁴⁰³, which may have replaced Febrafarma, for being part of the latter⁴⁰⁴.

³⁹⁵ Such as CNI and CNA, which were legal representatives of economic interests in front of federal authorities, according to the *Consolidação das Leis do Trabalho (CLT)* – Brazilian Labour Law. See CLT (1943). [In Portuguese]. Available: http://www.planalto.gov.br/ccivil_03/decreto-lei/Del5452.htm.

³⁹⁶ See CEBDS, About [Online]. Available: <https://cebds.org/quem-somos/>

³⁹⁷ Founded in 1986, ABRABI aimed at promoting the scientific, technological and business development of biotechnology.

³⁹⁸ Ceased operations on 29 August 2009. See Febrafarma. [In Portuguese]. [Online]. Available: <http://www.febrafarma.org.br/>

³⁹⁹ See Newsletter No 10. [In Portuguese] [Online]. Available:

https://www.mma.gov.br/estruturas/sbf_dpg/_arquivos/info010.pdf

⁴⁰⁰ See Membership. [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/camaras-tematicas-e-grupos-de-trabalho/reparti%C3%A7%C3%A3o-de-benef%C3%ADcios.html#composicao>

⁴⁰¹ See Membership [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/camaras-tematicas-e-grupos-de-trabalho/conhecimento-tradicional-associado.html#composicao>

⁴⁰² See Joint Meetings Minutes [In Portuguese] [Online]. Available: <https://www.mma.gov.br/patrimonio-genetico/conselho-de-gestao-do-patrimonio-genetico/atividades-do-cgen-durante-a-vigencia-da-mp-n-2-186-16-2001/camaras-tematicas-e-grupos-de-trabalho/reuni%C3%B3es-conjuntas.html>

⁴⁰³ See ALANAC [In Portuguese] [Online]. Available: <http://www.alanac.org.br/>

⁴⁰⁴ See Pfarma, 29 August 2009, Febrafarma encerra suas atividades [In Portuguese] [Online]. Available: <https://pfarma.com.br/noticia-setor-farmaceutico/918-industria-farmaceutica/198-febrafarma-encerra-suas-atividades.html>

CEBDS was a cross-cutting business association founded in 1997, within the context of Rio92⁴⁰⁵. According to its website, CEBDS promoted “sustainable development through coordination with governments and civil society, as well as disseminating the concepts and latest theme practices”. It was the Brazil section of the World Business Council for Sustainable Development (WBCSD), a global CEO-led organization⁴⁰⁶. Thus, it worked in alignment with its international counterparts. In 2000, to address issues related to biodiversity and biotechnology, CEBDS established the Thematic Chamber of Biodiversity and Biotechnology⁴⁰⁷. It aimed at streamlining efforts to assist member companies in seizing new market opportunities and minimizing risks arising from the use of biodiversity and access to genetic resources. This Thematic Chamber monitored and participated in CDB meetings, as well as in CGen. One of its achievements was that, between 2003 and 2010, CEBDS regularly represented business interests in CGen meetings.

The other permanent guests, ABRABI and Febrafarma, were sectoral associations⁴⁰⁸. The first encompassed companies with activities in biotechnology. It was founded in 1986, by an enthusiast of biotechnology, the biophysics professor, doctor and businessman Antonio Paes de Carvalho. ABRABI worked until 2006⁴⁰⁹. It promoted wide-ranging congresses that gathered business, government and the scientific community to discuss bio-business, biodiversity, health, industrial policy, industrial process, new technologies, new materials, environment, bioenergy and biotechnology applied to agriculture⁴¹⁰. Febrafarma, in turn, was created in 2002. It was a federation of 15 business associations of the pharmaceutical sector. In 2009, however, it seized operations for having

⁴⁰⁵ See UN Sustainable Development Goals [Online]. Available: <https://sustainabledevelopment.un.org/milestones/unced>

⁴⁰⁶ See WBCSD, About us [Online]. Available: <https://www.wbcsd.org/Overview/About-us>

⁴⁰⁷ See CEBDS (2017).

⁴⁰⁸ Brazil had a dual structure of associations representing business interests at the national level, it encompassed corporatist associations and independent/sectoral business associations (Diniz and Boschi, 2001; 2007).

⁴⁰⁹ See IBCCF, Antonio Paes de Carvalho [In Portuguese] [Online]. Available: <https://www.biof.ufrj.br/pt-br/team/antonio-paes-de-carvalho>.

⁴¹⁰ See ANPEI, 19 April 2005, Abrabi promove o 6º Congresso & Exposição das Empresas de Biotecnologia; and BiotecAHG, 29 September 2005, ABRABI promove Congresso sobre Biotecnologia com qualidade e abrangência em temas [In Portuguese] [Online]. Available: <http://anpei.org.br/abrabi-promove-o-6o-congresso-exposicao-das-empresas-de-biotecnologia/>; <http://www.biotech-agh.com.br/index.php/pt/acervo-de-materias/assuntos-diversos/159-abrabi-promove-congresso-sobre-biotecnologia-com-qualidade-e-abrangencia-em-temas>.

lost purpose⁴¹¹. The association represented business interests in view of the outcomes of the investigations of the *Comissão Parlamentar de Inquérito* (CPI) - Parliamentary Committee of Inquiry, on medicines (1999-2000)⁴¹², as well as during the implementation of the new regulation on medicines, which defined criteria for controlling prices⁴¹³. Between 2003 and 2009, Febrafarma also supported the protection of trademarks⁴¹⁴. It may have joined CGen due to business interests in enhancing predictability and legal certainty.

Based on Kageyama and Santos (2011), CNA and CNI also took part in CGen efforts for drafting a new bill on GH, ATK and BS. Their input, however, seems to have been informal. At this stage, both were not permanent guests of CGen. Accessed minutes showed that CNA did not interact within CGen framework between 2003 and 2015. CNI, in turn, joined the work of the Joint Meetings of the Thematic Chambers of Administrative Procedures and BS, between 2005 and 2006. These meetings focused on drafting technical guidance defining technological development, as well as a special authorization for bioprospecting. In the case of CGen, CNI joined meetings only under companies' requirement. According to interviews, its *Gerência de Meio Ambiente e Sustentabilidade (GEMAS)* – Environment and Sustainability Management, started to be structured in 2004. Thus, a lack of an appropriate organizational structure could have been the reason for the lack of greater engagement in earlier years. Yet, between 2007 and 2009, CNI pushed through MDIC for opening CGen to members of the civil society, who should have voting powers. CNI saw CGen as a divergent case among the operational collegiate bodies and strongly disagreed that interested parties joined only as permanent guests. MMA, in turn, saw business participation as eligible. However, the problem was to arbitrate about whom

⁴¹¹ See Investe São Paulo, 6 June 2009, Setor reforça atuação do Sindusfarma após o fim da Febrafarma [In Portuguese] [Online]. Available: <https://www.investe.sp.gov.br/noticia/setor-reforca-atuacao-do-sindusfarma-apos-o-fim-da-febrafarma/>

⁴¹² See Câmara dos Deputados, 22 June 2005, Especial das CPIs - CPI dos Medicamentos [In Portuguese] [Online]. Available: <https://www.camara.leg.br/radio/programas/258260-especial-das-cpis---cpi-dos-medicamentos----08--13-->

⁴¹³ The Câmara de Regulação do Mercado de Medicamentos (CMED) – Chamber of Medication Market Regulation, was created in 2003. See: ANVISA, *Câmara de Regulação do Mercado de Medicamentos (CMED)* – Chamber of Medication Market Regulation [In Portuguese] [Online]. Available: <http://portal.anvisa.gov.br/cmed/apresentacao>

⁴¹⁴ See O Globo, 4 May 2007, Febrafarma critica quebra de patente de remédio contra Aids [In Portuguese] [Online]. Available: <http://g1.globo.com/Noticias/Ciencia/0,,MUL31327-5603,00-FEBRAFARMA+CRITICA+QUEBRA+DE+PATENTE+DE+REMEDIO+CONTRA+AIDS.html>

could take part? By opening CGen to civil society, the government would have to select representatives of each interested party, an issue that was only fully addressed in 2016, with Decree No. 8,772, of 11 May 2016. Around 2007, in response to government inertia, CNI decided to declare a “moratorium” to CGen. It would not join meetings while representatives of the civil society did not have voting powers⁴¹⁵.

Yet, other business representatives took part in CGen meetings. They were companies. Among them, Natura stood out. It not only joined CGen when decisions concerned its business interests, as other companies⁴¹⁶, but it also took part in discussions regarding regulatory loopholes, such as within the Joint Meetings of the Thematic Chambers of Administrative Procedures and BS. Another regular attendant of CGen was Patri, a leading Brazilian lobbying firm that provided public policy services mainly to companies⁴¹⁷. It probably represented a company or a business sector, but it was not possible to access who interests Patri was assisting during CGen meetings.

In 2010, Natura, together with Alcoa⁴¹⁸, Vale⁴¹⁹ and Walmart Brasil⁴²⁰, non-governmental organizations (NGO) and other interest groups, such as the *Instituto Ethos de Empresas e Responsabilidade Social*⁴²¹, launched a new business initiative that fostered the sustainable use of biodiversity. It was the *Movimento Empresarial pela Biodiversidade (MEBB)* – Corporate Movement for Biodiversity. It targeted the negotiations of the Nagoya Protocol and, by the end of the year, it was already gathering more than 60 companies and associations. MEBB made public position papers on biodiversity, mainly in relation to international negotiations. In 2011, it launched, in partnership with CEBDS and CNI, the

⁴¹⁵ Interview with members of the government and business, July 2019.

⁴¹⁶ According to CNI, other companies affected by CGen decisions between 2002 and 2015 were Solabiá Biotecnologia Ltda, Beraca Sabará Químicos e Ingredientes S.A., Symrise Aromas e Fragâncias Ltda. See CNI (2018) [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/5f/66/5f66541b-a375-4947-b1b1-d1720081ba10/10_biodiversidade.pdf

⁴¹⁷ See Patri, About us [Online]. Available: <https://patri.com.br/about>.

⁴¹⁸ See About Alcoa in Brazil [In Portuguese] [Online]. Available: <https://www.alcoa.com/brasil/pt/default.asp>

⁴¹⁹ See Who we are [In Portuguese] [Online]. Available: <http://www.vale.com/brasil/PT/aboutvale/Paginas/default.aspx>

⁴²⁰ See Now we are Grupo Big [In Portuguese] [Online]. Available: <https://www.big.com.br/sobre-o-grupo/nossa-historia>.

⁴²¹ It assisted member companies to manage business responsibly. See About the Institute [In Portuguese] [Online]. Available: <https://www.ethos.org.br/conteudo/sobre-o-instituto/-XbM-TudKjow>

Diálogos da Biodiversidade - Construindo a Estratégia Brasileira para 2020 – Biodiversity Talks - Building the Brazilian Strategy for 2020. With this initiative, MEBB aimed at raising business awareness about the Aichi Biodiversity Targets⁴²², including, BS, as MMA would review the national strategy and action plan negotiated during the Conference of the Parties (COP 10), in Nagoya⁴²³. In 2013, MEBB became a permanent guest of CGen. It replaced ABRABI, increasing its power for pushing forward business interests in matters related to biodiversity⁴²⁴.

Within business, discussions about the need of reviewing the applicable regulation on the access to GH, ATK and BS regained momentum in 2011. After signing the Nagoya Protocol, it was necessary to refocus on national treatment. Thus, CNI created the *Rede de Biodiversidade e Florestas* – Network of Biodiversity and Forests⁴²⁵. The thematic network encompassed federations of industries⁴²⁶, sectoral associations and companies within different activities. It aimed at strengthening business alignment and interest representation in matters related to CDB, including concerning the national legal framework⁴²⁷. During the negotiation of the draft bill, the network was highly operational, to the point of being weekly consulted about the suitability of controversial points on the text. According to interviews, this was a unique experience within CNI. Owing to companies' direct engagement, in parallel to sectoral associations, the network made possible to develop cross-cutting recommendations based on information provided by the first and confirmed as of sectoral interest by the second⁴²⁸.

⁴²² See Diálogos sobre Biodiversidade – A participação do setor privado [In Portuguese] [Online]. Available: http://mebbrasil.org.br/wp-content/uploads/2012/08/Clipping_dialogos4.pdf

⁴²³ See CDB, Aichi Biodiversity Targets [Online]. Available: <https://www.cbd.int/sp/targets/>

⁴²⁴ See Instituto Ethos, 9 August 2013, MEBB passa a participar das reuniões do CGen [In Portuguese] [Online]. Available: <https://www.ethos.org.br/cedoc/mebb-passa-a-participar-das-reunioes-do-cgen/#.XbHj3-dKjow>

⁴²⁵ See CNI, 8 October 2013, CNI promove Workshops Indústria e Biodiversidade: construindo uma relação sustentável [In Portuguese] [Online]. Available: <http://www.ibnbio.org/cni-promove-workshops-industria-e-biodiversidade-construindo-uma-relacao-sustavel/>

⁴²⁶ Whereas CNI represented industrial interests at the federal level, federations of industries operated at the state level.

⁴²⁷ See CNI (2012) [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/14/59/1459be69-9159-43f4-8675-f3d8bea952d4/biodiversidade_e_industria-completa.pdf

⁴²⁸ Interviews with members of the government and business, July 2019.

In addition to the Network of Biodiversity and Forests, CNI started to promote the *Fóruns de Bioeconomia* – Bioeconomy Forums⁴²⁹. The initiative focused on increasing awareness about economic opportunities arising from biodiversity, as well as about the unsuitability of the legal framework. It was launched in alignment with the *Mobilização Empresarial pela Inovação (MEI)* – Business Mobilisation for Innovation⁴³⁰, which started to pay closer attention to bioeconomy due to the leadership of Pedro Passos – with Natura⁴³¹. In 2012, the first edition of the Bioeconomy Forums targeted how Brazil could legally and sustainably access biodiversity, developing new products and services that benefit society and promote economic growth. In 2013, the Forum launched the *Agenda de Bioeconomia para o Brasil* – Brazilian Bioeconomy Agenda, and promoted workshops in five different states⁴³². The Agenda was, as well, discussed within MEI, in a meeting that counted with the participation of MCT, MS and MMA, represented by Ministers Marco Antonio Raupp and Alexandre Padilha, and Francisco Gaetani⁴³³. On behalf of business, Bernardo Gradin – with GranBio⁴³⁴, sustained that the modernization of the legal framework was an urgent and consensual priority⁴³⁵. In 2014, the Forum met for the last time during PT Governments. At this meeting, it made public research about the stage of bioeconomy in Brazil. Among its findings, the work revealed that business, government

⁴²⁹ See Agência de Notícias CNI, 23 March 2016, CNI prepara a 4 Edição do Fórum de Bioeconomia [In Portuguese] [Online]. Available: <https://noticias.portaldaindustria.com.br/noticias/economia/cni-prepara-a-4a-edicao-do-forum-de-bioeconomia/>

⁴³⁰ MEI gathered business leaders sympathetic to innovation and aimed at building awareness about the importance of innovation to competitiveness. It was one of the most relevant business initiatives facilitated by CNI. See MEI, About MEI [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/o-que-e-a-me/>

⁴³¹ See Agência de Notícias CNI, 4 October 2012, Um caminho de desenvolvimento chamado bioeconomia [In Portuguese] [Online]. Available: <https://noticias.portaldaindustria.com.br/noticias/inovacao-e-tecnologia/um-caminho-de-desenvolvimento-chamado-bioeconomia/>

⁴³² See Iniciativa Brasileira de Negócios de Biodiversidade, 8 October 2013, CNI promove Workshops Indústria e Biodiversidade: construindo uma relação sustentável [In Portuguese] [Online]. Available: <http://www.ibnbio.org/cni-promove-workshops-industria-e-biodiversidade-construindo-uma-relacao-sustentavel/>

⁴³³ See MEI, Downloads, 2013 [In Portuguese] [Online]. Available: <http://www.portaldaindustria.com.br/cni/canais/mei/biblioteca/downloads/-tab-plugin-7>

⁴³⁴ See GranBio, Who we are [In Portuguese] [Online]. Available: <http://www.granbio.com.br/conteudos/conheca-a-granbio/>

⁴³⁵ See CNI (2013) [In Portuguese] [Online]. Available: https://bucket-gw-cni-static-cms-si.s3.amazonaws.com/media/filer_public/5e/71/5e717fe1-39f5-45eb-8944-300e772dd536/bioeconomia uma agenda para brasil.pdf

and the scientific community saw the legal framework as drawback⁴³⁶, what reinforced once more the need for new legislation.

Around 2013 and 2014, CNI also engaged in bilateral talks with other interest groups within the civil society⁴³⁷. At this stage, business recommendations were set around three priorities i) ensuring business membership in CGen; ii) dismantling bureaucracy to access GH and ATK, unlocking innovation; and iii) defining clear rules on BS. GEMAS, then, began to coordinate business positions with the *Sociedade Brasileira para o Progresso da Ciéncia (SBPC)* – Brazilian Society for Advancement of Science⁴³⁸; the *Fundaçao Nacional do Índio (FUNAI)* – National Indian Foundation⁴³⁹; and the *Instituto Sócio-Ambiental (ISA)* – Socio-Environmental Institute⁴⁴⁰. Even though other organizations also represented the scientific community, as well as indigenous peoples, traditional communities and traditional farmers, SBPC, FUNAI and ISA may have been among the most engaged in the policy-making process. They were permanent guests of CGen since 2003. In addition to that, the sectors that would represent the Brazilian civil society in the restructured CGen were, as well, represented by them. Besides business, they were the scientific community, indigenous peoples, traditional communities and traditional farmers.

In 2011, another event that changed the course of the policy-making process was the reorganization of the pharmaceutical sector in a new business association called Grupo FarmaBrasil (GFB). This new association encompassed nine companies of domestic capital⁴⁴¹. Among them, Aché⁴⁴² and EMS⁴⁴³ were recognized as the most interested in pushing for the overhaul of the available legislation on GH, ATK and BS, which was one

⁴³⁶ See 3th Forum of Bioeconomy, Research about Bioeconomy in Brazil [In Portuguese] [Online]. Available:

http://arquivos.portaldaindustria.com.br/app/conteudo_18/2014/10/23/7643/Pesquisa_bioeconomia_2014.pdf

⁴³⁷ Interview with a business member, July 2019.

⁴³⁸ See SBPC, About us [Online]. Available: <http://portal.sbpconet.org.br/en/>

⁴³⁹ See FUNAI, Who we are [In Portuguese] [Online]. Available: <http://www.funai.gov.br/index.php/quem-somos>

⁴⁴⁰ See O ISA [In Portuguese] [Online]. Available: <https://www.socioambiental.org/pt-br/o-isa>

⁴⁴¹ In 2019, it represented 12 companies. See Grupo FarmaBrasil, History [In Portuguese] [Online]. Available: <http://www.grupofarmabrasil.com.br/sobre/historico/>

⁴⁴² See Aché, Who we are [In Portuguese] [Online]. Available: <https://www.ache.com.br/sobre-o-ache/quem-somos/>

⁴⁴³ See EMS [In Portuguese] [Online]. Available: <https://www.ems.com.br/ems-farmaceutica.html>

of GFB priorities. Aché and EMS guidance, combined with GFB size may have facilitated collective action. Based on interviews, that was its main difference in comparison to CNI. Whereas the first was faster and more effective, the latter was “too slow and prudential, it overly relied on leadership to decision-making”⁴⁴⁴. In addition to promptitude, GFB Executive President is reported to have been key in the process. Reginaldo Arcuri was selected for his background in industrial policy and R&D⁴⁴⁵. Between 2007 and 2011, he presided the *Agência Brasileira de Desenvolvimento Industrial (ABDI)* – Brazilian Agency of industrial Development⁴⁴⁶. But, Arcuri was also influential. He had a well-developed personal network within the government, including at presidential level⁴⁴⁷. Around 2011 and 2012, whilst MMA was resuming talks with interest parties, Arcuri took up a proposal based on the interests of the pharmaceutical sector. The text became the baseline for the coming negotiations, which last until 2014⁴⁴⁸.

To push further, GFB also set up an informal business group that counted with the participation of following business associations, among others:

- *Associação Brasileira da Indústria de Higiene Pessoal e Cosméticos (ABIHPEC)* – Brazilian Association of the Perfumery, Cosmetics and Personal Hygiene Industry⁴⁴⁹;
- *Associação Brasileira da Indústria de Produtos de Limpeza e Afins (ABIPLA)* – Brazilian Association of Cleaning Products⁴⁵⁰;
- *Associação Brasileira das Empresas do Setor Fitoterápico, Suplemento Alimentar e de Promoção da Saúde (ABIFISA)* – Brazilian Association of the Phytotherapeutic Sector, Food Supplement and Health Promotion⁴⁵¹;

⁴⁴⁴ Interviews with members of the government, July and August 2019.

⁴⁴⁵ It represented the interests of nine Brazilian pharmaceutical companies. See Valor Econômico, 12 July 2012, Laboratórios criam o Grupo FarmaBrasil [In Portuguese] [Online]. Available: <https://valor.globo.com/empresas/noticia/2012/07/12/laboratorios-criam-grupo-farmabrasil.ghtml>

⁴⁴⁶ See Grupo FarmaBrasil, Structure [In Portuguese] [Online]. Available: <http://www.grupofarmabrasil.com.br/sobre/estrutura/>

⁴⁴⁷ Rousseff recognized Arcuri work when she signed the “New Law on Biodiversity”. See Instituto Socioambiental, 21 May 2015, Governo sanciona nova Lei da Biodiversidade com cinco vetos [In Portuguese] [Online]. Available: <https://www.socioambiental.org/pt-br/noticias-socioambientais/governo-sanciona-nova-lei-da-biodiversidade-com-cinco-vetos>

⁴⁴⁸ Interview with a business member, October 2019.

⁴⁴⁹ See ABIHPEC, Institutional [In Portuguese] [Online]. Available: <https://abihpec.org.br/institucional/>

⁴⁵⁰ See ABIPLA, About [In Portuguese] [Online]. Available: <http://www.abipla.org.br/Novo/Abipla/Sobre>

⁴⁵¹ See ABIFISA, Who we are [In Portuguese] [Online]. Available: <http://www.abifisa.org.br/quem-somos>

- *Associação Brasileira da Indústria Química (ABIQUIM)* – Brazilian Association of Chemical Industry⁴⁵²;
- *Associação Brasileira da Indústria de Alimentos (ABIA)* – Brazilian Association of Food Industries⁴⁵³;
- *Associação das Empresas de Biotecnologia na Agricultura e Agroindústria (AgroBio)* – Business Association of Agriculture and Agribusiness Biotechnology⁴⁵⁴,

The group became known as the *Coalizão pela Biodiversidade* – Coalition of Biodiversity. Together with CNI – organized in the Network of Biodiversity and Forests, and highly interested companies, such as Natura and Beraca, the Coalition assisted MMA in building consensus on controversial points of the drafted bill that was sent to Congress on 24 June 2014⁴⁵⁵.

In the course of the legislative process, interested parties within the agriculture sector became more active. As previously described, they lobbied to reintroduce the failing articles on agriculture and food, ensuring that these activities would receive special treatment regarding BS. CNA was reported, as well, as to have been the business association that insisted on securing civil society membership in CGen. In fact, the first Congressman to propose an amendment changing CGen membership had close ties with FPA⁴⁵⁶. According to interviews, although ‘BI’ was a long-lasting business priority, for sending the bill to Congress without further delay, business decided to postpone this recommendation. Dismantling bureaucracy for accessing GH and ATK, as well as defining clear rules to BS was more urgent. In addition to that, the proposition of cancelling previous fines through the signing of a term of commitment, in which debtor companies would state that they carried out the registration of the finished product and shared due benefits, was

⁴⁵² See ABIQUIM, Institutional [In Portuguese] [Online]. Available: <https://www.abiquim.org.br/abiquim>

⁴⁵³ See ABIA, About [In Portuguese] [Online]. Available: https://www.abia.org.br/vsn/tmp_3.aspx?id=11

⁴⁵⁴ See AgroBio, Who we are [In Portuguese] [Online]. Available: <https://agrobiobrasil.org.br/quem-somos/>

⁴⁵⁵ See Lower House, Bill 7735/2014 [In Portuguese] [Online]. Available:

<https://www.camara.leg.br/proposicoesWeb/fichadetramitacao?idProposicao=619150>.

⁴⁵⁶ Nilson Leitão chaired FPA in 2017. See: Metrópoles, 7 December 2017, Deputado Nilson Leitão recebe Prêmio da Confederação da Agricultura e Pecuária do Brasil [In Portuguese] [Online]. Available:

<https://olivre.com.br/deputado-nilson-leitao-recebe-premio-da-confederacao-da-agricultura-e-pecuaria-do-brasil>

as well at stake. The amount of the sum due may have been R\$ 400 mi⁴⁵⁷. Thus, assessed companies may have had greater priorities than CGen full membership.

The bill was transformed in the “New Law on Biodiversity” on 20 May 2015, which ceased the effects of MP 2,186-16, of 23 August 2001. It contemplated all the mentioned points of business interest. However, there was one more step ahead for fully restructuring the institutional arrangement applicable to the access to GH, ATK and BS. To come into effect, the sanctioned Law had to be implemented based on a Decree. MMA resumed negotiations with interested parties. During this last effort, CNI, the Coalition of Biodiversity, companies, as well as CNA and IPA, were all engaged. As Law No 13,123, of 20 May 2015, kept many issues unaddressed, the achieved consensual solution was to provide CGen with the additional task of coordinating policy-making and policy implementation regarding GH, ATK and BS⁴⁵⁸. CGen scope was then enlarged, alongside with interest groups appeals for becoming permanent members of the collegiate body. Among business, for solving the latter, CNI and CNA became answerable for the 3 seats. Based on an addition gentleman’s agreement, they would be the chair holders, whereas sectoral business associations or companies would be the first and second alternates. The measure opened the way to interest representation according to the topic on the table, as it made negotiable among the chair holder and the two alternates who would join each of CGen’s meetings. Besides, turnover was as well secured. Members mandates would be of two years.

As seen, during PT Governments, while new initiatives emerged, business progressively increased its organization to represent interests regarding the overhaul of the legal framework applied to the access to Brazilian biodiversity. However, business organization kept somehow fragmented, holding corporatist and pluralist features. The once “overtly (Brazilian) corporatist model yielded space to pluralist features and presented business with alternative means of interest intermediation” (Doctor, 2017: 206). As

⁴⁵⁷ Interview with members of the government, July and August 2019. See also: Senado Notícias, 8 April 2015. Reguffe critica dispositivo do novo marco legal da biodiversidade que anistia R\$ 214 milhões em multas [In Portuguese] [Online]. Available:

<https://www12.senado.leg.br/noticias/materias/2015/04/08/reguffe-critica-dispositivo-do-novo-marco-legal-da-biodiversidade-que-anistia-r-214-milhoes-em-multas/>

⁴⁵⁸ See Art. 4, I and II, of Decree No. 8,772, of 11 May 2016 [In Portuguese] [Online]. Available: http://www.planalto.gov.br/ccivil_03/_ato2015-2018/2016/decreto/D8772.htm.

described, besides CNI and CNA, business organized sectoral associations and new initiatives, including broad mobilizations and lobbying groups. As per an interview with a business representative, “companies appeared (in the political system) when they had a specific interest; if they cannot act through sectoral associations, they try to directly access peak sectoral corporatist business associations; if they still cannot act through peak sectoral corporatist business associations, they invent a new business initiative”. In the case of the “New Law on Biodiversity”, business made use of all these political investments according to opportunities and returns (Schneider, 2010). The result was that, between 2003 and 2016, business represented interests across formal and informal channels, from peak sectoral corporatist business associations to personal networks.

Even though MMA signalized at the beginning of the policy-making process that political interaction would be formal, based on CGen’s institutional arrangement, the existence of corporatist structures mattered less than expected. While the corporatist model foresaw interest representation through peak sectoral corporatist business associations participation in collegiate bodies, CGen was a deviating case. Not only members of the civil society could just join the work as permanent guests without voting powers, but also neither CNA nor CNI represented business interests in this mechanism of participation in earlier years. On the business side, permanent guests of CGen were sectoral business associations and CEBDS, which was an innovation regarding the dual structure that portrayed business interest representation in Brazil (Diniz and Boschi, 2001; 2007). In the following years, despite CNI increasing interest in CGen, it was MEBB that pleaded to become a permanent guest of the collegiate body. CNI signalized its disagreement with choices of institutional design through other means, including not taking part in meetings. This peak sectoral corporatist business association would only join participatory policy-making if as a member with voting powers. Thus, whilst business organization increased with the launch of new initiatives within and without the corporatist system of interest representation (Schmitt, 2018a; 2018b), policy-making within CGen gave rise to a policy network (Rhodes and March, 1992; Smith, 1993; Doctor, 2017), in which input varied in its format. Business political action followed a more or less formal pattern (Schneider, 2009; 2010), depending on how PT Governments addressed discontent with MP 2,186-16, of 23 August 2001.

Fragmentation within business may have posed an additional challenge to MMA, as it had to consider as well dissonant interests within the government and the civil society⁴⁵⁹. While a new law on GH, ATK and BS would impact the activities of other bodies and ministries, they preferred autonomy rather than coordination under CGen. Thus, MMA capacity of drafting a viable bill had to rely on its relative political power, what made political instability key. With environmental policy not being a governmental priority during PT Governments, political instability helped to push the bill forward under Rousseff. Although Marina implemented a new model of environmental policy-making, promoting changes that paved the way to the formalization of business political action, due to political stability, she could not overcome ministries' preference for autonomy. Yet, under Teixeira, instability within other ministries, precisely MAPA and MCT, helped MMA. MAPA became less active during negotiations, and MCT became even supportive at key moments. An additional fact that added to MMA capabilities under Rousseff was presidential support. A new legal framework was a personal request of the President.

Hence, while business underwent a process of increasing organization to represent its interests regarding the access to Brazilian biodiversity, MMA only achieved political support to move forward under Rousseff. 'CB' impacted formalization because business depended on political capabilities and preferences to overhaul CGen's institutional arrangement, what would secure further 'BI'. If, on the business side, broad engagement was needed, on the government side, MMA had to become politically capable for addressing the matter, what came along with business inclusion in policy-making. Under Rousseff, policy networks stemming from CGen became increasing effective in avoiding conflict. They improved mutual powers, what allowed MMA to head the process and business to be highly influential. Among policy outcomes, it stands out the higher level of inclusiveness achieved with the new legislation.

In the next section, how restricted 'BI' interacted with 'CB' negatively impacting formalization within CGen is discussed.

⁴⁵⁹ Based on interviews with members of the government, July and August 2019, to aggravate matters, the scientific community, as well as indigenous peoples, traditional communities and traditional farmers, were represented by multiple organizations, with dissonant interests.

7.4. FORMALIZATION

Between 2003 and 2016, PT Governments struggled to formalize business political action through CGen. The inherited institutional arrangement represented a limitation to the promotion of formalization, as members of the civil society could only take part in the collegiate body as permanent guests, without voting powers. In other words, their participation was restricted to consultations, while permanent members solved problems jointly in the form of deliberations. The restriction impacted PT Government's capacity of, among others, tackling concerns about MP 2,186-16, of 23 August 2001, as the adoption of Marina's environmental policy principles implied in MMA's launch of negotiations on a new legislation under CGen umbrella. Failure at this first attempt, ended up postponing formalization in biodiversity participatory policy-making. It had to wait for the achievement of inclusion in policy-making on the government side, and engagement in policy-making on the business side, what took place within the policy networks stemming from CGen solely under Rousseff. It was through the dual process of commitment building arising from discussions on the new legislation that business secured inclusiveness, and MMA became able of promoting formalization.

Before PT Governments, 'CB' was restricted to "1. Exchange of information" on the business side, and "A. Promotion of transparency" on the government side – refer to Figure 10⁴⁶⁰. Thus, in extending participation, though not membership, Marina had the chance of promoting more than transparency (A), she could include business in policy-making (B). Nevertheless, that depended solely on 'CB', as the collegiate body did not become responsible for "*Oversight*". Regarding members of the civil society, CGen's responsibility was "*Consultations*" – refer the the lower-left quadrant in Figure 10. Business' role was, then, to exchange information (1), not to engage in policy-making (2). As a permanent guest, it was only allowed to join the public part of meetings, which did not correspond to decision-making moments. During deliberations, while permanent members were deciding about authorizations or legal loopholes, guests had to leave the room. They would re-enter only during the debriefing section⁴⁶¹. As such, even though

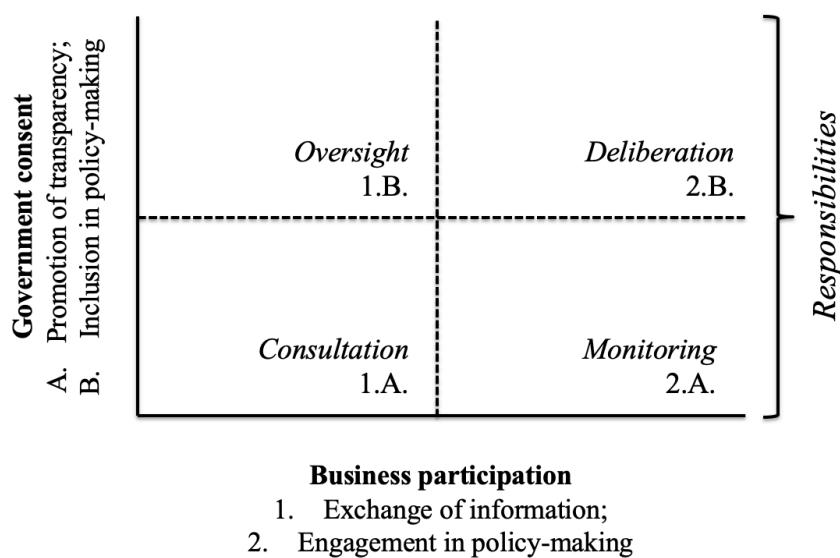
⁴⁶⁰ In here, policy networks under CGen aegis have been ignored.

⁴⁶¹ Interview with members of the government, July 2019.

business recommendations could contribute to policy-making, nothing guaranteed that they would be considered. Inclusion (B) was not certain, and, as seen, the outcome of “Consultations” was a lower level of ‘CB’ on the business side, with the causal factor for participation being accessing information.

Figure 10

FORMALIZATION RESULTING FROM THE INTERACTIONS BETWEEN RESPONSIBILITIES AND THE DUAL PROCESS OF COMMITMENT BUILDING BETWEEN BUSINESS AND THE GOVERNMENT



Nevertheless, in 2003, despite the restrictive institutional framework, MMA included business in policy-making. CEBDS, Febrafarma and, to a lesser extent, ABRABI, exchanged information within the Thematic Chamber on Legislation on the Access to GH, Protection of ATK and BS, also engaging in the deliberations on controversial points of the negotiated bill, what took place within CGen. Though this was an exception, at this stage, business “2. Engage in policy-making”. However, as seen, on the government side, despite MMA preference to include business in policy-making, it was only achieved “A. Promotion of transparency”. Lula’s Presidency kept business informed about policy decisions, but it did not include business in participatory policy-making, as it did not provide CGen with the authority for proposing a new legislation. As such, business became able of “Monitoring” government policy-making through CGen, what may have fitted the collegiate body, for some months, at the lower-right quadrant of Figure 10. Under that

interaction between “Business Participation” and “Government Cosent”, CGen was a venue for pushing the government to conform with business preferences, what, as revealed by the analysis of ‘CB’, promoted formalization.

Nevertheless, the policy-making process targeting the overhaul of the legal framework applicable to the access to GH, ATK and BS was moved out from CGen on the following years. Under that circumstances, business input became more informal, though it led to further inclusiveness. Business not only ended up engaging in the work within the policy networks that arose from CGen, but government officials also considered its recommendations while deciding about policy outcomes. ‘CB’ progressed to the point that it achieved joint problem-solving in the form of collective deliberations in spite of institutional restrictions. Conversations within policy networks were so consequential that outcomes reflected business inclusion in policy-making. Among them, stands out civil society’s full membership in CGen. Under Law 13,123, of 20 May 2015, business and other interested parties achieved decision-making power, whereas under Decree No. 8,772, of 11 May 2016, because Rousseff increased CGen authority, competencies were amplified, so they started to coordinating policy-making and policy implementation regarding GH, ATK and BS⁴⁶².

CGen, then, became empowered to achieve "2. Engagement in policy-making" on the business side, and “B. Inclusion in policy-making” on the government side. As such, business preferences will be considered in policy-making, with the collegiate body fitting the upper-right quadrant of Figure 10. That responsibility reveals a mutual preference for coordinating policy-making through a formalized channel, in which bargains would be transparently aggregated. Nevertheless, there can be ignored that "when analysing dynamics over time, effective collaboration is also more complex than the institutional desiderata imply" (Schneider, 2015: 4). In other words, the effects of ‘BI’ will continue to be contingent on ‘CB’. Thus, for keeping formalizing business political action, CGen would have to maintain either inclusion on the government side, or engagement on the business side.

⁴⁶² See Art. 4, I and II, of Decree No. 8,772, of 11 May 2016 [In Portuguese][Online]. Available: http://www.planalto.gov.br/ccivil_03/ato2015-2018/2016/decreto/D8772.htm.

7.5. FINAL REMARKS

Whereas formalization relies on the interaction between ‘BI’ and ‘CB’, it develops throughout consequential exchanges in the form of real problem-solving. As CGen path towards formalization demonstrated, it does not necessarily follow a one-way pattern in which ‘BI’ leads to increasing ‘CB’. It can be the other way around. Determined capabilities and preferences within the political system could engender greater ‘BI’. Within the policy networks arising from CGen, increasing ‘CB’ resulted in the formalization of business political action under a new institutional arrangement that secured ‘BI’. Though through different means, Lula and Rousseff ended up promoting increasing business inclusiveness in participatory policy-making. The outcome was CGen transformation from a collegiate body that limited business-state relations to consultations, to a collegiate body in which business became part of deliberations.

As such, between 2003 and 2016, policy-making concerning the access to GH, ATK and BS followed an incremental path regarding participation. Whilst PT Governments favoured the “institutional dialogue with the Brazilian society” (MMA, 2006: 9) (Doctor, 2007; 2017; Schneider, 2009; 2010; Diniz, 2010; Boschi, 2010; Pires, 2011; Araujo, 2015), adjustments on the inherited institutional arrangement fostered ‘CB’ in the form of inclusion and engagement, even though they proved to be insufficient to secure ‘BI’. After a first failure for altering the legislation based on a participatory policy process, MMA reacted turning inwards and tried to detach negotiations from the civil society. Still, it could not cope with dissents manifested in divergent ministerial preferences. Political stalling led government to turn outwards once more. This time, with Rousseff direct support, MMA held the reins of the process. Nevertheless, it kept discussions on the new legal framework within the policy networks that arose from CGen. In them, thanks to increasing organization on the business side, mutual political powers were enhanced. Government could count on business engagement, and business could count on inclusion in policy-making. When all was said and done, MMA retained its power over the regulation on GH, ATK and BS and business secured participation in the decision-making process, becoming a full member of CGen.

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8. CONCLUSION

By analyzing CNA, CNC, CNI and CNF/CONSIF participation in collegiate bodies, this thesis has shown the extent that business political action became more formalized during PT Governments in Brazil. Contrary to research expectations, in using an increasing number of collegiate bodies for policy-making, Lula and Rousseff moved business politics into a more formalized pattern. The studied institutional arrangement of collegiate bodies structured business interest representation, increasing organization not only on the business side, but also on the government side. For meeting the growing demand for participation, CNA, CNC, CNI and CNF/CONSIF become more transparent and accountable. The Federal Executive, in turn, improved coordination, smoothing to business the access to information and decision-makers. However, political action was only formalized to the extent that the participation of peak sectoral corporatist business associations in collegiate bodies, and in the policy networks that emerged and shaped the policy process set by these mechanisms of participation became a competitive activity in comparison to other political investments (Schneider, 2009; 2010). As revealed by case-analysis, collegiate bodies could not hold joint problem solving all along, even though they were responsible for deliberations. Capabilities and preferences within the political system (Schneider, 2015) impacted outcomes, for compounding business and government informational sets (Ostrom, 2007; 2011). Thus, formalization was not an outcome of participation nor, expressly, of overrepresentation, neither of a combination of choices of institutional design (Fung, 2003; 2009). It was a product of the interaction between business inclusiveness in participatory policy-making – ‘BI’, and business and government commitment building – ‘CB’, in the form of either inclusion on the government side, or of engagement on the business side.

PT Governments’ choices of institutional design promoted formalization, for empowering business to take part in formalized policy-making within 22 ministries and the Presidency of the Republic. Their additive combination revealed not only a government willingness for receiving business advice, but also a commitment to business inclusiveness in the policy process. Between 2003 and 2016, the most recurrent choice of institutional

design concerning type was of a council. In regards to participation, the majority of the 125 collegiate bodies were selective, with business being overrepresented in relation to labour in 65% of the cases in which it was possible to access information about membership. To put it another way, while the access to the studied mechanisms of participation was mostly restricted and linked to representation, business frequently counted with preferential treatment. Collegiate bodies were, also, mainly responsible for deliberations. Summing up deliberative mechanisms with the collegiate bodies responsible for monitoring and oversight, business was empowered to influence policy decisions in a total of 78 permanent mechanisms of participation. On the whole, business regularly joined discussions on topics related to labour, environment, manufacturing, science and technology, health, regional development, education, culture, social security, energy, foreign trade, human rights, transports, agriculture, finance, services, taxation, and transparency. Though such matters affected industrial or development policy (Rodrik, 2004; 2008; Bresser-Pereira, 2011; Schneider, 2015), the scope of the latter seems to have been severely enlarged in the period of analysis, which corresponds to new developmentalism in Brazil.

At the same time that PT Governments advanced coordination, also with an eye in achieving business political support, CNA, CNC, CNI and CNF/CONSIF progressively adapt operations to meet the mounting requests for direct participation and interest representation. If Lula inherited at least 44 permanent collegiate bodies with business membership, he created other 52. Rousseff added to the sum with more 29. While the number of the operational mechanisms of participation more than double, peak sectoral corporatist business associations invested in organizing their relations with the Executive Power. They established specialized management areas that systematized interest representation. Tasks included monitoring and guiding representatives, putting in place educational activities and releasing publications that highlighted the relevance of direct participation and interest representation for pushing the government to conform with business interests. On CNA, CNC, CNI and CNF/CONSIF websites, it became possible to check out the number of representations, as well as to access reports about policy developments in mechanisms of participation. Whereas improvements increased transparency and accountability, they also sought to cultivate support to the role of employer confederations in the Brazilian system of interest intermediation (Schmitter,

1971; 1974). In an increasingly pluralistic context (Gozzeto and Thomas, 2014; Doctor, 2017), participatory policy-making became a marketing tool. Participation in collegiate bodies highlighted the political reach of peak sectoral corporatist business associations⁴⁶³. As such, membership in collegiate bodies enhanced mutual powers. Whilst Lula (2003) and Rousseff (2011-2016), who had the autonomy to ignore or override groups (Smith, 1993), invited CNA, CNC, CNI and CNF/CONSIF to take part in participatory policy-making, they empowered these business associations. Yet, the latter empowered PT Governments', for supporting policy-making.

Nevertheless, BI would not be sufficient for moving business politics into a more organized, structured and centripetal pattern (Schneider, 2009; 2010). Though PT Governments made CNA, CNC, CNI and CNF/CONSIF part of a large number of mechanisms of participation, business exerted influence within formalized channels to the extent that these channels generated returns. In other words, if collegiate bodies were not empowered to decide about the matters they were set to address, or if business stakes regarding such matters were not high, membership made little difference for formalization. As one sort of political investment (Schneider, 2009; 2010), peak sectoral corporatist business associations' participation in collegiate bodies was an option along with others, what included personal networks, legislative lobbying, campaign financing, and corruption. Hence, even in a context of great inclusiveness, meaning that PT Governments' choices of institutional design made interest representation in collegiate bodies an attractive political investment, evolving capabilities and preferences within the political system had to have sustained 'CB', meaning that they supported either business inclusion in policy-making, or engagement. Whereas government representatives should have compromised with more than promoting transparency, business should have compromised with more than exchanging information. In doing so, resources within the political system mattered, as they impacted not only preferences, but also members capacity of fulfilling given responsibilities. Collegiate bodies would, then, change patterns of business politics, formalizing business political action, solely on the occasions when 'BI' was met or, even, overcame by 'CB'. That is, when government and business were capable and preferred to

⁴⁶³ Interviews with business members, July 2019.

consent to, as well as to take part in oversight, monitoring or deliberations within mechanisms of participation and/or the policy networks stemming from them.

In the case of CODEFAT, PT Governments inherited an institutional arrangement that had already formalized business political action regarding employment policy-making. While companies funded the national system of employment because they were the main taxpayers of FAT, CNA, CNC, CNI and CNF/CONSIF represented their interests in the collegiate body deciding on its allocation. Since the 1990's, they were taking part in, at least, quarterly tripartite meetings, which were also joined, in the same number, by government and labour representatives. Though policy space within CODEFAT was not great due to compulsory allocation of great part of the funds, participatory policy-making resulted in control over expenditures. Under PT Governments, MT was kept responsible for providing technical and political support to discussions. The well-organized executive secretariat drafted almost all policy proposals under consideration, and also monitored policy implementation. Peak sectoral corporatist business associations, in turn, saw participation more of a priority of labour representatives than of business⁴⁶⁴. However, they engage in formalized policy-making, with special attention to training programs. As per the high-level representatives intermediating business interests, participation in CODEFAT was seen as politically relevant to these business associations.

Although government had control over CODEFAT's agenda, both Lula and Rousseff sponsored internal and external changes that restricted the reach of its decisions. The most visible change happened in 2009, and targeted participation. It meant to equally increase the number of government, business, and labor representatives, but it ended up troubling the election of the new chairman, what led to CNA, CNC, CNI and CNF/CONSIF decision of leaving the council. Even though MT managed to substitute these employer confederations, safeguarding tripartite representation, business lost representativeness for the significance of these business associations within the Brazilian system of interest intermediation (Schmitter, 1971; 1974; Doctor, 2017). Impacting all the more CODEFAT deliberations, government preferences led, as well, to reductions in the scope and authority

⁴⁶⁴ Interviews with business members, July 2019.

of the collegiate body. Throughout Lula, policy space for deciding about discretionary employment programs narrowed due to increases in the minimum wage, as well as to the growth in employment. Both policies impacted compulsory allocations for their relationship with the Unemployment Insurance Program and the Salary Allowance. And, if that were not enough for challenging the need of a permanent mechanism of participation for deciding about how to foster employment based on discretionary programs, countercyclical measures used for fighting economic downturn impacted the already restricted availability of resources. In a scenario of increasing constraints, business problematic representativeness became one additional cause that had adverse impacts on formalization. Declines in ‘CB’, mainly due to PT Governments preferences, diminished CODEFAT political relevance and, according to interviews, rendered incomprehensible CNA, CNC, CNC and CNF/CONSIF interest in returning to the collegiate body⁴⁶⁵, what happened months after the end of Rousseff Government.

If CODEAFAT accumulated losses in inclusiveness and commitment building during PT Governments, CDFNDCT followed a different path. This deliberative council was created in 2006, underpinned by direct presidential support. Its aim was to improve coordination in decision-making regarding the allocation of the sectoral funds composing FNDCT. Since the 1970’s, the primary funding of programs and projects that sought to advance research and development in Brazil. Within the deliberative council, business was overrepresented in relation to labour, which counted with one representative, instead of three. However, business representatives appointed by CNI joined the work in the same number of members of the scientific and technology community. These interest groups, traditionally, had conflicting allocation priorities. For the first, FNDCT should mainly fund innovation, for the second, research. Other members of the collegiate body were ministries, development agencies and bank. Even though CDFNDCT was backed by the President, direct participation in science, technology and innovation faced difficulties since its first days. They were mostly related to MCT capabilities and preferences. Compounding the problem, efforts for improving the organization of the collegiate body, which sought to facilitate decision-making, empowered MCT for influencing the outcomes of collective

⁴⁶⁵ Interview with a member of the government, July 2019.

deliberations. Concurrently, business autonomously invested in organizing interest representation under the leadership of CNI. Aware of bottlenecks that undermined companies' competitiveness, a group of CEO's launched MEI and pushed for advancements in innovation policy. Despite the fact that CNI was an interface between MEI and CDFNDCT, business did not engage in deliberations within the mechanism of participation. It oversighted government policy-making, whereby exchanging information.

Nevertheless, difficulties in holding collective deliberations within CDFNDCT did not hamper inclusion in science, technology and innovation policy-making. On the contrary, CDFNDCT seems to have became an auxiliary mean for pushing PT Governments to subsidize companies' investments in competitiveness. At the same time that the collegiate body brought to light the policy networks intricated in the negotiations over FNDCT, it was a valuable political space for getting government attention to the need of public support to innovation. Though CNI did not engage in policy-making within CDFNDCT or, even, objected the destination of resources to other ends than to foster innovation, membership made possible voicing business discontentment with MCT stands in relation to the allocation of the sectoral funds. And, the fact that MEI was the preferred tool for exerting political influence in science, technology and innovation policy-making did not hinder formalization through the collegiate body. Instead, it reinforced. MEI had a greater scope and provided greater autonomy to business. Hence, it was preferred. However, even more important was that the same peak sectoral corporatist business association that was recognized as a business voice within CDFNDCT was, as well, in charge of facilitating MEI. In accessing decision-making through a mechanism of participation, CNI increased its own capabilities for representing business interests, strengthening MEI, as well as contributing to a more formalized pattern of business politics in science technology, and innovation.

The interaction between 'BI' and 'CB' moved business politics into a more organized, structured and centripetal pattern in the case of CDFNDCT. CGen followed a similar path, but in an unanticipated way. The studied sample of collegiate bodies contained CGen because it promoted 'BI' in the form of deliberations on the very last day of Rousseff. Not aware of the regulatory obstacles that hindered business participation between 2003

and 2016, the selection of CGen for in-depth analysis seemed to be, at first glance, a research misstep. If the council were an outlier, case selection would have been poorly defined. However, what happened was that CGen ended up being a very good case for analysis. It illustrated how evolving capabilities and preferences were as important to formalization as choices of institutional design. Yet, for validating the consideration of CGen for case analysis, there was also the fact that CNI joined collective deliberations that targeted the access to GH, ATK and BS already in the first months of Lula. Even as a permanent guest, who had no decision-making power, CNI representative voted in the first effort that aimed at providing Congress with a draft-bill that would replace the legal framework internalizing CBD. From that moment on, business became part of the policy process stemming from CGen, but not limited to the collegiate body. While business was out of deliberations authorizing research and development applying Brazilian biodiversity, it was in discussions that sought to promote improvements on the available legal framework, as well as that aimed its complete overhaul. Concerning those matters, inclusion in policy-making was neither completely formal, nor informal. If the inherited choices of institutional design restricted participation, MMA preferences supported business inclusion in participatory policy-making for the greatest part of PT Governments. Simultaneously, business increased its capabilities for representing interests concerning biodiversity policy. Together with the verified preferences on the government side, developments in capabilities on the business side sustained engagement, formalizing business political action even before that changes in choices of institutional design could make CNA and CNI full members of CGen.

Between 2003 and 2016, business invested in further organization not only within CNI and CNA, but also towards new initiatives that pushed for the overhaul of the applicable legislation on GH, ATK and BS. That progressively moved business politics from a more fluid, disperse and centrifugal pattern, into a more organized, structured and centripetal pattern in matters concerning biodiversity policy-making. In 2011, notably, discussions on GH, ATK and BS regained momentum. Rousseff honored pledges received from business leaders during campaign, and after elected, gave high-level support to reform. Following the event, GFB offered MMA the text that ended up serving as a basis for the bill that was finally sent to Congress. In the course of the legislative process, FPA,

contrary to expectations, backed MMA, lobbying for the approval of the “New Law on Biodiversity”, which not only secured fines’ cancellation, but also business full membership in CGen. When the law had to be implemented, CNA and CNI were responsible for rushing the date that it entered into force⁴⁶⁶, retaining the three seats intended to business representatives, as well as greater authority, as the scope of the collegiate body was enlarged under the new legal framework.

The described path indorses the view of an interviewed business representative on business interest representation on the federal level. According to the interview, companies, first, seek the support of business associations, if needed of peak sectoral corporatist business associations. If that is not attainable, or if that does not generate the expected returns, they act through another means, also launching new business initiatives. Not surprisingly, then, business pressed for full membership in CGen. Their revealed preference was to act through the participation of a business association in a mechanism of participation. During the policy process, due to the unavailability of full membership, business interest representation took place through an increasing number of business associations and initiatives, as well as within the policy networks stemming from CGen. After reform, the division of business seats followed a gentleman’s agreement, though CNI and CNA were the chair holders, sectoral business associations or companies became the first and second alternates. As such, if not possible to influence policy outcomes based on the participation of the first, business could use the latter. Interest representation from 2016 on could, then, take place according to the topic on the table. Peak sectoral corporatist business associations were preferable, but business interests could be represented in the form of sectoral associations and companies as well.

Simultaneously to greater business organization concerning biodiversity policy, growing inclusion in policy-making, between 2003 and 2016, confirmed government’s interest in counting with business political and technical support. Whereas business was, if not prepared, investing for being able to provide the government with the needed

⁴⁶⁶ According to interviews with government and business members, July 2019, leaders of these business associations plead Rousseff to publish the decree implementing the new legislation on the very last of her government, what she did.

information for advancing reform, the latter facilitated to the first access to information, as well as to decision-makers. Given that resources were unequally distributed among interest parties involved in the negotiations on the new legislation over GH, ATK and BS, the policy process disproportionately amplified business capabilities for influencing political outcomes. Not for nothing, other organizations, representing the interests of indigenous peoples, traditional communities and traditional farmers, lobbied against the government when the bill was under discussions in Congress. A member of MMA even recognized during an interview that the main downside of the process, while under Rousseff, was MMA disregard of the groups that traditionally supported PT Governments. Nevertheless, in moving business politics into a more formalized pattern, there was also that PT Governments secured greater levels of transparency, consequently becoming more accountable. In the course of policy-making within the policy networks stemming from CGen not only business oversaw government, but also other interest parties. Business, specifically, seized the opportunity, exchanging information and engaging in policy-making, in spite of the institutional arrangement. In the end, changes in inclusiveness validated the procedures being followed, formalizing business political action.

The studied cases confirmed that ‘BI’, contingent on ‘CB’, impacted formalization. They also confirmed that individually they are insufficient to formalize business political action. Contrary to expectations, however, the study of CGen revealed that formalization entails ‘BI’, but including business in the form of deliberations may not be a prerequisite to formalization, as assumed when selecting pathway cases. Contrariwise, all case analysis showed that the interaction between ‘BI’ and ‘CB’ in the form of inclusion in policy-making on the government side, or engagement in policy-making on the business side, or preferably both, was indispensable for formalization, what confirms the second research hypothesis. Certainly, neither one case, nor three cases are representative of the whole sample. However, that does not invalidate findings, nor the applicability of the proposed model to the study of the impacts of mechanisms of participation on patterns of business politics. The model organized the test of hypothesis, whereby defining the main steps of the investigation. They were, first, the test of the effects of ‘BI’ on formalization; second, the test of the effects of ‘CB’; and, third, the test of the effects of the interaction between both independent variables on formalization. Its adoption made possible following a

unified logic of inference in a mix-methods research. Analysis was then, primarily, quantitative. It sought to measure the effects of ‘BI’ on patterns of business politics (Schneider, 2009; 2010). Next, it was qualitative. By taking the form of three case studies, the investigation addressed the effects of ‘BI’ in more detail, what also allowed acknowledging ‘CB’ and pursuing a process-tracing of the policy process. As such, research could explore the effects of the interaction between ‘BI’ and ‘CB’ on formalization looking on deliberative moments (Avritzer, 2011) that defined the impacts of participatory policy-making in terms of policies and democratization.

In starting the investigation through the collection of information on choices of institutional regarding the type, participation, scope, responsibility, regularity and authority of the collegiate bodies composing the studied sample, research confirmed that PT Governments encouraged changes in business politics. On a cross-cutting basis, business inclusiveness through 125 collegiate bodies promoted formalization. It also democratized business interest representation, for increasing the transparency and accountability of peak sectoral corporatist business associations. Based on ‘BI’, then, the selection of cases and their in-depth analysis further clarified the impacts of the configural combination of choices of institutional design (Fung, 2003; 2009; Ostrom, 2007) on formalization. It also set the ground for acknowledging capabilities and preferences impacting ‘CB’ in each mechanism of participation, as well as in related policy networks. Whereas it was assumed that the effects of ‘BI’ on formalization were contingent on ‘CB’, the process tracing of the policy processes set by CODEFAT, CDFNDCT and CGen confirmed that formalization occurred when capabilities and preferences within the political system interacted with choices of institutional design producing either collective deliberations, or oversight, or monitoring. In other words, the interaction between ‘BI’ and ‘CB’ formalized business political action on the occasions that it resulted in either business inclusion in policy-making, or engagement. Considering the cases of CODEFAT, CDFNDCT and CGen, the identified capabilities and preferences were as important as choices of institutional design for formalizing business political action.

Case analysis also confirmed the impression that permanent collegiate bodies could have been too rigid forms for advancing formalization in conditions of uncertainty and

dispersed resources (Börzel, 1998; Bresser-Pereira, 2011). While the studied collegiate bodies secured greater levels of transparency and participation in employment; science, technology and innovation; and biodiversity policy-making, throughout PT Governments, business inclusion and engagement in the policy process set up by these mechanisms of participation varied through time. In the case of CODEFAT, budgetary problems progressively reduced the scope and the authority of the collegiate body, putting in check even the need for regular consultations. CDFNDCT faced similar problems, though its scope was not undermined to the extent of CODEFAT, what kept business exerting oversight on government policy-making until 2016. CGen, in turn, did not hold the policy process regarding the overhaul of the legislation on GH, ATK and BS within the main collegiate body. Policy-making was, at the start, assigned to a mechanism of participation accountable to CGen, as well as to CGen. Then, on a second phase, it was kept within the policy networks arising from the collegiate body. Business inclusion and engagement did not relate to ‘BI’ in the form of collective deliberations as expected. Nevertheless, the availability of a mechanism of participation made possible to launch and keep the policy process in a more organized, structured and centripetal pattern. Thus, case analysis revealed that certain choices of institutional design may be dispensable. In the least, rigidity in relation to regularity and participation seem to have impacted negatively business inclusion and engagement in formalized policy-making. Regularity should fit changes in authority and participation should be linked not only to scope, but also to stakes.

Besides, as permanent mechanisms of participation joined by selected business associations, the studied collegiate bodies set up policy communities instead of producer or issue networks (Rhodes and Marsh, 1992). Whereas the first type of policy network is characterized by stability, highly restricted membership, vertical interdependence and limited horizontal articulation, the second two types are characterized either by fluctuating membership, or by unstable and large number of members, which have limited vertical interdependence. As forms of governance (Börzel, 1992), producer and issue networks are less fixed. Policy communities, in turn, are dominated by the government and serve the interests of the community, as members develop common interests over time. In an increasingly pluralist system of interest intermediation (Gozzeto and Thomas, 2014; Doctor, 2017), if policy-making in collegiate bodies could have shaped more loosely

integrated forms of policy networks, such as producer or issue networks, impacts on formalization could have been more sustainable. By making available an increasing number of collegiate bodies, PT Governments promoted ‘BI’ with positive impacts on formalization. Along the way, however, the scope of the studied mechanisms of participation became obsolete and, combined with rigidity concerning participation, impacted business preferences. According to an interview, representatives of peak sectoral corporatist business associations preferred not to criticize government in collegiate bodies because that would impact other interests under negotiation between their organizations and the government. Policy-making within CODEFAT and CDFNDCT confirmed that peak sectoral corporatists business associations adopted a cooperative position in spite of business interests, even in occasion when they frontally disagreed with the government. They hardly voted against government decisions, preferring to withdraw from taking part in deliberations when interests differed. If membership were not fixed, other business associations could have assisted in sustaining business inclusion and engagement, as happened within the policy networks stemming from CGen.

Undisputedly, the effects of less rigid forms of governance arrangements on formalization call for more research. Based on findings, one can only sustain that permanent collegiate bodies could not, constantly, generate greatest political and policy returns to business people. And, while business interest representation through the participation of peak sectoral corporatist business associations in collegiate bodies is a political investment that would be preferable depending on returns, formalization relied on the interaction between ‘BI’ and ‘CB’ in the form of business inclusion and engagement in policy-making. Collegiate bodies should have been able to solve the matters that they were set to address. If not, the use of these mechanisms of participation would hardly change patterns of business politics (Schneider, 2009; 2010), formalizing business political action. For evaluating the chances of a collegiate body of being an effective policy tool, a policy-maker could, then, look at capabilities and preferences. A policy outcome, such as formalization, would have greater chances of being achieved if stakes were high (Fung, 2003; 2009), but interest groups’ capabilities, and the preferences arising from them, are also crucial. They will define the extent that these groups are able to commit to participatory policy-making. Thus, as a policy recommendation, findings suggest that,

while deciding over the suitability of a mechanism of participation for addressing the problems at stake, actors should, as well, consider the attributes of the world (Ostrom, 2007) that appear contained in the informational sets of the most suitable members, as they will impact their ‘CB’. In the case of PT Governments, capabilities and preferences affected private-public collaboration and, consequently, new developmentalism achievements.

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9. APPENDIX 1: LIST OF INTERVIEWEES

All affiliations of interviewees relate to the period of interest.

MMA - Ministry of Environment

Francisco Gaetani

Henry Novion

João Paulo Ribeiro Capobianco

Maria Cecília Wey de Brito

MDIC - Ministry of Development, Industry and Foreign Trade

Rafael Sa Marques

MT - Ministry of Employment and Labour

Suely Barrozo

MCT - Ministry of Science and Technology

Sergio Rezende

CNA- National Confederation of Agriculture

Lígia Dutra

Renato Conchon

CNC - National Confederation of Trade in Goods, Services and Tourism

Roberto Nogueira Ferreira

Wany Pasquarelli

CNI - National Confederation of Industry

Alberto Nobre Mendes

Dirlene Maria

Elisa Romano

Pablo Cesario

Carlos Américo Pacheco

Glaucio Arbix

Paulo Mol

Suely Pereira

Zil Miranda

CNF/CONSIF - National Confederation of Financial Institutions and National Confederation of the Financial Service

Angra Marques

Marcelo Silva

FarmaBrasil

Adriana Diaferria

10. APPENDIX 2: LIST OF COLLEGIALE BODIES

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope					
					Oversight (O)	Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry	Policy	
1	CNI	I ^a CÂMARA DE JULGAMENTO DO CONSELHO DE RECURSOS DA PREVIDÊNCIA SOCIAL – CRPS	Chamber	PORTARIA Nº 548, DE 13 DE SETEMBRO DE 2011.	P		D			C	2	4	1	1	1	1	1939	T		MPS	Social Security	
2	CNI	CÂMARA DE GESTÃO E ACOMPANHAMENTO DO DESENVOLVIMENTO DE SISTEMAS DE COMUNICAÇÃO MÁQUINA A MÁQUINA E INTERNET DAS COISAS	Chamber	DECRETO Nº 8.234, DE 2 DE MAIO DE 2014	P	C		O				3	1	1		1	2014	T		MCom	Manufacturing	
3	CNI	CÂMARA FEDERAL DE COMPENSAÇÃO AMBIENTAL	Chamber	DECRETO Nº 6.848/2009	P		D			S			8	5	1		2	2010	T		MMA	Environment
4	CNI	COMISSÃO DE GESTÃO DE FLORESTAS PÚBLICAS	Commission	LEI 11.284/06, DECRETO Nº 5.795/06	P	C				S			22	10	1	3	8	2006	T		MMA	Environment
5	CNC	COMISSÃO DE MONITORAMENTO DO REGIME DE TRIBUTAÇÃO UNIFICADA (CMRTU)	Commission	LEI Nº 11.898, DE 8 DE JANEIRO DE 2009, E NO § 5º DO ART. 5º DO DECRETO Nº 6.956, DE 9 DE SETEMBRO DE 2009, PORTARIA MDIC Nº 245, DE 02.08.2013	P			M	O			9	6	3			2009	T		MDIC	Foreign Trade	

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope							
								C Consultative (C)	D Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
6	CNI	COMISSÃO DE POLÍTICAS DE DESENVOLVIMENTO SUSTENTÁVEL E DA AGENDA 21 BRASILEIRA	Commission	DECRETO DE 3 DE FEVEREIRO DE 2004	P	C	O						34	17	2	3	12	2004	T		MMA	Environment
7	CNI	COMISSÃO NACIONAL DE BIODIVERSIDADE	Commission	DECRETO Nº 4.703, DE 21 DE MAIO DE 2003	P	D/C	S			2	20	11	2	1	6		1994	T		MMA	Environment	
8	CNC, CNI, CNF	COMISSÃO NACIONAL DE ERRADICAÇÃO DO TRABALHO INFANTIL (CONAETI)	Commission	PORTARIA Nº 365, DE 12/09/2002	P		M			C		31	17	5	5	4		2002	T		MT	Labour
9	CNC, CNI, CNF	COMISSÃO NACIONAL DE INCENTIVO À CULTURA (CNIC)	Commission	LEI Nº 8.313 DE 23/12/91, ART. 32 // DEC. Nº 5.761 DE 27/04/06	P	D/C	O			2	21							1991	S	MinC	Culture	
10	CNI	COMISSÃO NACIONAL PARA A ERRADICAÇÃO DO TRABALHO ESCRAVO	Commission	DECRETO DE 31 DE JULHO DE 2003	P		M		S			18	9	1	1	7		2003	T		PR	Labour
11	CNI	COMISSÃO NACIONAL PERMANENTE DO BENZENO	Commission	PORTARIA Nº 191, DE 19 DE NOVEMBRO DE 2010 PORTARIA SSST N.º 14 DE 20 DE DEZEMBRO DE 1995	P		M			C		15	5	5	5			1995	T		MT	Labour
12	CNI	COMISSÃO PARA ACOMPANHAMENTO E GOVERNANÇA DA POLÍTICA NACIONAL DE CIÊNCIA, TECNOLOGIA E INOVAÇÃO	Commission	PORTARIA MCTI Nº 16, DE 30 DE MARÇO DE 2016	P		M		S			8	1	1		6		2016	T		MCT	Science and Technology

10. APPENDIX 2: LIST OF COLLEGIALE BODIES

Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope							
								Consultative (C)	Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
13	CNC, CNI	COMISSÃO PERMANENTE NACIONAL PORTUÁRIA (CPNP)	Commission	PORTARIA N.º 33, DE 21 DE NOVEMBRO DE 2002	P	O				C			14	4	5	5		1999	T		MT	Labour
14	CNC	COMISSÃO PERMANENTE PARA O APERFEIÇOAMENTO DA GESTÃO COLETIVA (CPAGC)	Commission	LEI N.º 12.853/13, QUE ALTEROU A LEI DE DIREITOS AUTORAIS BRASILEIRA (N.º 9.610/1998)	P		M	O					20	6	4		10	2013	T		MinC	Culture
15	CNF	COMISSÃO QUADRIPARTITE PARA PROPOR O FORTALECIMENTO DO SALÁRIO MÍNIMO	Commission	DECRETO DE 20 DE ABRIL DE 2005	P	C				C			23	7	5	6	5	2005	T		MT	Labour
16	CNI	COMISSÃO SOCIOLABORAL DO MERCOSUL E SUBGRUPOS	Commission	DECLARAÇÃO SOCIOLABORAL DO MERCOSUL DE 2015	P		D/C			C			12	4	4	4		2015	T		MRE	Labour
17	CNI	COMISSÃO TÉCNICA DO PLANO SETORIAL DE REDUÇÃO DE EMISSÕES DA INDÚSTRIA - CTPIN, PLANO INDÚSTRIA	Commission	PORTARIA INTERMINISTERIAL N.º 207, DE 24 DE AGOSTO DE 2012	P		C/M			S			15	4	9		2	2012	T		MDIC	Manufacturing
18	CNC, CNI, CNF	COMISSÃO TRIPARTITE DE IGUALDADE DE OPORTUNIDADES E DE TRATAMENTO DE GÊNERO E RAÇA NO TRABALHO	Commission	DECRETO DE 20 DE AGOSTO DE 2004	P		C			C			17	5	5	7		2004	T		MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope				
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour		Date	Technical	Superior	Ministry	Policy
19	CNC, CNI, CNF	COMISSÃO TRIPARTITE <i>DE RELAÇÕES INTERNACIONAIS (CTRI)</i>	Commission	PORTARIA Nº 447, DE 19/08/04	P	C				C	16	5	5	6		2004	T		MT	Labour	
20	CNC, CNI, CNF	COMISSÃO TRIPARTITE <i>DE SAÚDE E SEGURANÇA NO TRABALHO (CTSST)</i>	Commission	PORTARIA INTERMINISTERIAL Nº 152, DE 13 DE MAIO DE 2008	P		D/C			C	18	6	6	6		2008	T		MT/MPS/MS	Labour	
21	CNC, CNI, CNF	COMISSÃO TRIPARTITE <i>DO PROGRAMA DE ALIMENTAÇÃO DO TRABALHADOR (CTPAT)</i>	Commission	PORTARIA INTERMINISTERIAL Nº 6, DE 13 DE MAIO DE 2005	P	C/M				C	18	6	6	6		2005	T		MT	Labour	
22	CNC, CNI, CNF	COMISSÃO TRIPARTITE <i>PARITÁRIA PERMANENTE (CTPP)</i>	Commission	PORTARIA N.º 393, DE 09 DE ABRIL DE 1996	P	C				C	2	15	5	5		1996	T		MT	Labour	
23	CNC	COMISSÃO TRIPARTITE <i>SOBRE CONDIÇÕES DE TRABALHO MARÍTIMO (CT MARÍTIMA)</i>	Commission	PORTARIA Nº 2.242, DE 14 DE SETEMBRO DE 2010	P		D/C			C	8	4	2	2		2010	T		MT	Labour	
24	CNC, CNI	COMITÊ ASSESSOR DE <i>POLÍTICA NACIONAL DE EDUCAÇÃO AMBIENTAL</i>	Committee	LEI Nº 9.795/1999 E O DECRETO Nº 4.281/2002	P	C				S		13	1	1	1	10	2002	T		MMA/MEC	Environment
25	CNI	COMITÊ CONSULTIVO <i>DE NANOTECNOLOGIA</i>	Committee	PORTARIA MCTI Nº 441, DE 24 DE ABRIL DE 2014	P	C	D/C			S	2	16	2	4		10	2014	T		MCT	Science and Technology

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope								
								Consultative (C)	Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry	Policy
26	CNC, CNF	COMITÊ DE ACOMPANHAMENTO DAS DELIBERAÇÕES DA 4ª CONFERÊNCIA NACIONAL DO MEIO AMBIENTE	Committee	PORTARIA Nº 109, DE 26 DE MARÇO DE 2014	P		M	O					13	5	2	1	5	2014	T		MMA	Environment	
27	CNI, CNF	COMITÊ DE INVESTIMENTO DO FUNDO DE INVESTIMENTO DO FUNDO DE GARANTIDO TEMPO DE SERVICO (FGTS)	Committee	LEI Nº 11.491, DE 20 DE JUNHO DE 2007	P		D				C	2	12	6	3	3			1989	T		MT	Labour
28	CNI	COMITÊ DIRETIVO DO PROGRAMA DE MOBILIZAÇÃO DA INDÚSTRIA DE PETRÓLEO E GÁS NATURAL	Committee	DECRETO Nº 4.925 DE 19 DE DEZEMBRO DE 2003	P		D			S			14	6	8				2003	T		MME	Manufacturing
29	CNC	COMITÊ GESTOR DA INFRAESTRUTURA DE CHAVES PÚBLICAS BRASILEIRAS	Committee	MEDIDA PROVISÓRIA NO 2.200-2, DE 24 DE AGOSTO DE 2001	P		D			S			12	7			5	2008	T		PR	Science and Technology	
30	CNI	COMITÊ GESTOR DE INDICADORES DE EFICIÊNCIA ENERGÉTICA (CGIEE)	Committee	LEI Nº 10.295, DE 17 DE OUTUBRO DE 2001	P		D			S			2	7	5		2	2001	T		MME	Energy	
31	CNI	COMITÊ GESTOR DE MONITORAMENTO DOS NÚCLEOS DE APOIO À GESTÃO DA INOVAÇÃO (NAGI)	Committee	PORTARIA MCTI PORTARIA Nº 435, DE 15 DE MAIO DE 2013	P	O				S			6	5		1		2013	T		MCT	Science and Technology	

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope							
								Consultative (C)	Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
32	CNC, CNI	COMITÊ GESTOR DE PRODUÇÃO E CONSUMO SUSTENTÁVEL	Committee	PORTARIA NÚMERO 30 DE 14/02/2008	P	D	S						18	7	4	1	6	2008	T		MMA	Environment
33	CNI	COMITÊ GESTOR DO FUNDO NACIONAL SOBRE MUDANÇA DO CLIMA	Committee	LEI Nº 12.114, DE 9 DE DEZEMBRO DE 2009, E DECRETO Nº 7.343, DE 26 DE OUTUBRO DE 2010	P	D	S						20	13	2	2	3	2009	T		MMA	Environment
34	CNI	COMITÊ NACIONAL DE DESENVOLVIMENTO TECNOLÓGICO DA HABITAÇÃO	Committee	PORTARIA INTERMINISTERIAL Nº 471/2004	P	C	S						25	10	13		2	1998	T		MCID	Manufacturing
35	CNC	COMITÊ NACIONAL DE MOBILIZAÇÃO CONTRA A DENGUE	Committee	PORTARIA Nº 1934, DE 09 DE OUTUBRO DE 2003 - MINISTÉRIO DA SAÚDE	P	C/M	O						2					2003	T		MS	Health
36	CNI	COMITÊ NACIONAL DE POLÍTICAS DE EDUCAÇÃO PROFISSIONAL E TECNOLÓGICA	Committee	PORTARIA SETEC/MEC Nº 45, DE 23 DE DEZEMBRO DE 2013	P	C/M	S						19	11	5	3		2013	T		MEC	Education
37	CNI	COMITÊ ORIENTADOR DO FUNDO AMAZÔNIA	Committee	DECRETO Nº 6.527, DE 1º DE AGOSTO DE 2008	P	D	S						16	10	1	1	4	2008	T		MMA	Environment
38	CNC, CNI	COMITÊ PERMANENTE DE REGULAÇÃO DA ATENÇÃO À SAÚDE (COSAÚDE)	Committee	RESOLUÇÃO NORMATIVA N.º 338 DE 21 DE OUTUBRO DE 2013, INSTRUÇÃO NORMATIVA N.º 44 DE 13 DE FEVEREIRO DE 2014	P	C	O											2014	T		MS	Health

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope					
					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry	Policy
39	CNC, CNI	COMITÊ TÉCNICO-INSTITUCIONAL DO PROGRAMA PRÓ-EQUIDADE DE GÊNERO E RAÇA	Committee	PORTARIA Nº 43 DE 13.05.2011 - SECRETARIA DE POLÍTICAS PARA AS MULHERES DA PRESIDÊNCIA DA REPÚBLICA	P		D		S				26	14	5		7	2011	T		PR	Human Rights
40	CNC, CNI	CONSELHO ADMINISTRATIVO DE RECURSOS FISCAIS (CARF)	Council	LEI Nº 11.941, DE 27 DE MAIO DE 2009	P		D	O				2						1924	T		MF	Taxation
41	CNC, CNI	CONSELHO CONSULTIVO DA AGÊNCIA NACIONAL DE VIGILÂNCIA SANITÁRIA (ANVISA)	Council	LEI Nº 9.782 DE 26/01/99, ART. 9º	P	C	D	O				3						1999	T		MS	Health
42	CNC, CNI	CONSELHO CONSULTIVO DA EMPRESA DE PESQUISA ENERGÉTICA (CONSEPE)	Council	DECRETO Nº 5.184, DE 16 DE AGOSTO DE 2004	P		C		S			3	20	5	13		2	2004	T		MME	Energy
43	CNI	CONSELHO CONSULTIVO DA FINEP	Council	DECRETO-LEI Nº 719, DE 31 DE JULHO DE 1969; DECRETO NO 1.808, DE 7 DE FEVEREIRO DE 1996; DECRETO Nº 7.954, DE 12 DE MARÇO DE 2013	P		C		S			2	19	6	5	2	6	1996	S	MCT		Science and Technology

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope								
								C Consultative (C)	D Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry	Policy
44	CNI	CONSELHO CONSULTIVO DO FUNDO NACIONAL DE DESENVOLVIMENTO FLORESTAL	Council	LEI Nº 11.284/2006	P	O	S						14	7	2	2	3	2006	T		MMA	Environment	
45	CNC	CONSELHO CONSULTIVO DO OBSERVATÓRIO BRASIL DA IGUALDADE DE GÊNERO	Council	PORTARIA Nº 60, DE 26 DE MAIO DE 2010	P	O	O						23	1	1	4	17	2010	T		PR	Human Rights	
46	CNI	CONSELHO CONSULTIVO DO SETOR PRIVADO DA CAMEX	Council	DECRETO Nº 4.732, DE 10 DE JUNHO DE 2003	P	O	O						22	2	20			2003		S	MDIC	Foreign Trade	
47	CNC, CNI	CONSELHO CURADOR DA FUNDACENTRO	Council	ESTATUTO FUNDACENTRO	P	D	C						3	16	8	4	4	1966	T		MT	Labour	
48	CNC, CNI, CNF	CONSELHO CURADOR DO FUNDO DE DESENVOLVIMENTO SOCIAL (CCFDS)	Council	DECRETO NO 1.081, DE 8 DE MARÇO DE 1994	P	D	C						2	13	6	3	4	1994		S	MCID	Regional Development	
49	CNC, CNI	CONSELHO CURADOR DO FUNDO DE GARANTIA DO TEMPO DE SERVIÇO (CCFGTS)	Council	LEI Nº 8.036, DE 11 DE MAIO DE 1990	P	D	C						2					1990		S	MT	Labour	
50	CNC, CNI, CNF	CONSELHO DAS CIDADES (CONCIDADES)	Council	MEDIDA PROVISÓRIA Nº 2220, DE 04 DE SETEMBRO DE 2001, DECRETO Nº 5.790, DE 25 DE MAIO DE 2006	P	D	O						3	86	37	8	8	33	2001	T		MCID	Regional Development

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope			
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
51	CNI	COMISSÃO NACIONAL DE COMBATE À DESERTIFICAÇÃO (CNCD)	Commission	DECRETO DE 21 DE JULHO DE 2008	P		D	O			3	44	30	2		12	2008	S	MMA	Environment
52	CNI	CONSELHO DE ACREDITAÇÃO INMETRO	Council	PORTARIA INMETRO Nº 307, DE 9 DE SETEMBRO DE 2008, PORTARIA INMETRO Nº 348, DE 30 DE AGOSTO DE 2011	P	C		O			2						2008	T	MDIC	Manufacturing
53	CNI	CONSELHO DE ADMINISTRAÇÃO DA ZONA FRANCA DE MANAUS SUFRAMA	Council	LEI COMPLEMENTAR Nº 134, DE 14 DE JANEIRO DE 2010, REGULAMENTADA PELO DECRETO Nº 7.138, DE 29 DE MARÇO DE 2010	P		D			C	1			1	1		2010	S	MDIC	Regional Development
54	CNI	COMITÊ GESTOR NACIONAL DE PRODUÇÃO E CONSUMO SUSTENTÁVEIS	Committee	PORTARIA MMA Nº 44 DE 13/02/2008	P		D		S			18	7	6	1	4	2008	T	MMA	Environment
55	CNI	CONSELHO DE DESENVOLVIMENTO ECONÔMICO E SOCIAL (CDES)	Council	LEI Nº 10.683, DE 28 DE MAIO DE 2003	P	C		O			2	102	12			90	2003	S	PR	Regional Development
56	CNI, CNA	CONSELHO DE GESTÃO DO PATRIMÔNIO GENÉTICO (CGEN)	Council	LEI Nº 13.123, DE 20 DE MAIO DE 2015, DECRETO Nº 8.772, DE 11 DE MAIO DE 2016	P		D		S			20	11	3		6	2015	T	MMA	Environment

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope				
					Oversight (O)	Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour		Date	Technical	Superior	Ministry	Policy
57	CNC	CONSELHO DE RECURSOS DO SEGURO SOCIAL (CRSS)	Council	DECRETO-LEI Nº 72 DE 21/11/66 E REGIDO ATUALMENTE PELA PORTARIA Nº 88 DE 22/01/04, DECRETO Nº 3.048/99	P		D			C	2					1966	T		MDS	Social Security	
58	CNF	CONSELHO DE RECURSOS DO SISTEMA FINANCEIRO NACIONAL	Council	DECRETO Nº 8.652, DE 28 DE JANEIRO DE 2016	P		D	O			3	8	4	4		1964	T		MF	Social Security	
59	CNC, CNI	CONSELHO DE RELAÇÕES DO TRABALHO	Council	PORTARIA MTE Nº 2.092 DE 02/09/2010	P	C				C		3	1	1	1		2010	T		MT	Labour
60	CNI	CONSELHO DE TRANSPARÊNCIA PÚBLICA E COMBATE À CORRUPÇÃO	Council	DECRETO Nº 4.923 DE 18 DE DEZEMBRO DE 2003	P	C		O			20					2003	T		MTCGU	Transparency	
61	CNC, CNI	CONSELHO DELIBERATIVO DA AGÊNCIA BRASILEIRA DE DESENVOLVIMENTO INDUSTRIAL (ABDI)	Council	LEI Nº 11.080 DE 30 DE DEZEMBRO DE 2004, DECRETO Nº 5.352 DE 24 DE JANEIRO DE 2005	P		D		S			15	8	6	1		2004	S	MDIC	Manufacturing	
62	CNI	CONSELHO DELIBERATIVO DA APEX-BRASIL	Council	DECRETO Nº 4.584, DE 5 DE FEVEREIRO DE 2003	P		D		S			2	7	4	3		2003	S	MDIC	Foreign Trade	
63	CNI	CONSELHO DELIBERATIVO DA COMISSÃO DA FARMACOPEIA BRASILEIRA	Council	PORTARIA Nº 452, DE 25 DE FEVEREIRO DE 2013	P		D		S			21	3	2		12	2013	T		MS	Health

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope							
								Consultative (C)	Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
64	CNI	CONSELHO DELIBERATIVO DA FUNDAÇÃO JOAQUIM NABUCO	Council	LEI Nº 6.687, DE 17 DE SETEMBRO DE 1979	P	D	S						18	7	5		6	1979	T		MEC	Education
65	CNC, CNI	CONSELHO DELIBERATIVO DA SUPERINTENDÊNCIA DE DESENVOLVIMENTO DO NORDESTE (SUDENE)	Council	LEI COMPLEMENTAR Nº 125, DE 3/01/07	P	D	S						26	20	3	3		2007	S	MI		Regional Development
66	CNC, CNI	CONSELHO DELIBERATIVO DA SUPERINTENDÊNCIA DO DESENVOLVIMENTO DA AMAZÔNIA (SUDAM)	Council	LEI COMPLEMENTAR Nº 124, DE 3/01/07	P	D	S						20	14	3	3		2007	S	MI		Regional Development
67	CNC, CNI	CONSELHO DELIBERATIVO DO FUNDO DE AMPARO AO TRABALHADOR (CODEFAT)	Council	LEI Nº 7.998, DE 11 DE JANEIRO DE 1990	P	D		C	4	18	6	6	6					1990	T		MT	Labour
68	CNI	CONSELHO DIRETOR DA REDE BRASILEIRA DE PESQUISAS SOBRE MUDANÇAS CLIMÁTICAS GLOBAIS - REDE CLIMA	Council	PORTARIA Nº 728, DE 20 DE NOVEMBRO DE 2007; DECRETO Nº 7.390 DE 9 DE DEZEMBRO DE 2010	P	D	S			3	18	10	1	7				2007	T		MCT	Science and Technology

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Oversight (O)	Participation					Regularity	Authority	Scope		
					Consultative (C)	Deliberative (D)	Corporatist / tripartite			Turnover (years)	Members	Government	Business	Labour	Others		Ministry	Policy	
69	CNI	CONSELHO DIRETOR DO FUNDO NACIONAL DE DESENVOLVIMENTO CIENTÍFICO E TECNOLÓGICO (CDFNDCT)	Council	LEI Nº 11.540, DE 12 DE NOVEMBRO DE 2007, E PELO DECRETO Nº 6.938, DE 13 DE AGOSTO DE 2009	P	D	O	Open	Selective	2	17	10	3	1	3	2007	T	MCT	Science and Technology
70	CNA	CONSELHO DO AGRONEGÓCIO (CONSAGRO)	Council	DECRETO DE 2 DE SETEMBRO DE 1998, PORTARIA Nº 231, DE 21 DE OUTUBRO DE 2015	P	C	O			2	2	1	1			1998	T	MAPA	Agriculture
71	CNI	CONSELHO DO PROJETO ÁREAS MARINHAS E COSTEIRAS PROTEGIDAS - PROJETO GEF -MAR	Council	PORTARIA 349/2014 DO MMA	P		M	O			12	6	1		5	2014	T	MMA	Environment
72	CNC, CNI	CONSELHO EMPRESARIAL NACIONAL PARA PREVENÇÃO AO HIV/AIDS	Council	PORTARIA Nº 3.717 DE 08/10/1998	P	C	O									1998	T	MS	Health
73	CNI	CONSELHO FISCAL DA AGÊNCIA BRASILEIRA DE DESENVOLVIMENTO INDUSTRIAL (ABDI)	Council	DECRETO Nº 5.352 DE 24 DE JANEIRO DE 2005	P		M	O			3	2	1			2005	T	MDIC	Manufacturing
74	CNC, CNI, CNF	CONSELHO GESTOR DO FUNDO NACIONAL DE HABITAÇÃO DE INTERESSE SOCIAL DA SECRETARIA DE HABITAÇÃO	Council	LEI Nº 11.124, DE 16 DE JUNHO DE 2005.	P	D	O									2005	T	MCID	Regional Development

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation				Regularity	Authority	Scope			
						Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others			Ministry	Policy
75	CNC, CNI	CÂMARA DE SAÚDE SUPLEMENTAR DA AGÊNCIA NACIONAL DE SAÚDE SUPLEMENTAR	Chamber	LEI Nº 9.961, DE 28 DE JANEIRO DE 2000	P	O		S				34	7	11	3	13	2000	T	MS	Health	
76	CNI	CÂMARA SETORIAL DE ALIMENTOS DA ANVISA	Chamber	PORTARIA Nº 599, DE 9 DE OUTUBRO DE 2006	P	C		S				31	13	9		9	2006	T	MS	Health	
77	CNI	CONSELHO NACIONAL DE AQÜICULTURA E PESCA (CONAPE)	Council	DECRETO Nº 5.069, DE 5 DE MAIO DE 2004	P	C		O				2	47	20	10	15	2	2004	T	PR	Manufacturing
78	CNI	CONSELHO NACIONAL DE CIÊNCIA E TECNOLOGIA (CCT)	Council	LEI Nº 9.257, DE 9 DE JANEIRO DE 1996, E REGULAMENTADO PELO DECRETO Nº 8.898, DE 9 DE NOVEMBRO DE 2016	P	C		O				3	16	8	4		4	1996	T	MCT	Science and Technology
79	CNC, CNI	CONSELHO NACIONAL DE COMBATE À PIRATARIA E DELITOS CONTRA A PROPRIEDADE INTELECTUAL (CNCP)	Council	PORTARIA Nº 1.207, DE 21 DE JUNHO DE 2005	P	C		O				2	20	13			7	2004	T	MJ	Manufacturing
80	CNI	CONSELHO NACIONAL DE DESENVOLVIMENTO INDUSTRIAL (CNDI)	Council	DECRETO Nº 5.353 DE 24 DE JANEIRO DE 2005	P	C		O				36	18			18		2005	S	MDIC	Manufacturing
81	CNI	CONSELHO NACIONAL DE EDUCAÇÃO (CNE)	Council	LEI 9.131, DE 25/11/95	P		D	O				4						1995	S	MEC	Education
82	CNC, CNI, CNF	CONSELHO NACIONAL DE IMIGRAÇÃO (CNIG)	Council	LEI Nº 8.490, DE 19 DE NOVEMBRO DE 1992	P		D	O				19	8	5	5	1	1992	T	MT	Labour	

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope				
						Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
83	CNI	CONSELHO NACIONAL DE INTEGRAÇÃO DE POLÍTICAS DE TRANSPORTE (CONIT)	Council	LEI N° 10.233, DE 05 DE JUNHO DE 2001, DECRETO N° 6.550, DE 27 DE AGOSTO DE 2008	P	C		O				10	10				2001	S	MTPA	Transports	
84	CNC, CNI	CONSELHO NACIONAL DE METROLOGIA, NORMALIZAÇÃO E QUALIDADE INDUSTRIAL (CONMETRO)	Council	LEI N.º 9.933, DE 20 DE DEZEMBRO DE 1999, ARTIGO 8º	P		D		S			16	12	2		2	1999	S	MDIC	Manufacturing	
85	CNC	CONSELHO NACIONAL DE POLÍTICA CULTURAL (CNPC)	Council	CONSTITUIÇÃO FEDERAL, ART. 216-A, § 2º, INCISO II, DECRETO N° 5.520/2005 E PORTARIA N° 28/2016	P			M	O			2					2005	S	MinC	Culture	
86	CNC, CNI, CNA, CNF	CONSELHO NACIONAL DE PREVIDÊNCIA (CNPS)	Council	LEI N° 8.213, DE 24 DE JULHO DE 1991	P		D		O			2	15	6	3	3	3	1991	S	MF	Social Security
87	CNI	CONSELHO NACIONAL DE RECURSOS HÍDRICOS (CNRH)	Council	LEI N° 9.433, DE 8 DE JANEIRO DE 1997	P		D		O								1997	T	MMA	Environment	
88	CNC, CNI, CNF	CONSELHO NACIONAL DE SAÚDE (CNS)	Council	LEI N° 378 DE 13/01/37	P		D			S		4	30	6	3	3	18	1937	T	MS	Health
89	CNC	CONSELHO NACIONAL DE TURISMO (CNT)	Council	DECRETO N° 6.705 , DE 19 DE DEZEMBRO DE 2008 - REGULAMENTADO	P	C		O				2	19	14			5	2001	T	MTur	Culture

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Business	Labour	Others	Regularity	Authority	Scope			
						Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government						Date	Technical	Superior	Ministry
90	CNC, CNI	CONSELHO NACIONAL DO MEIO AMBIENTE (CONAMA)	Council	LEI 6.938/81	P		D	O				2			8		22	1981	S	MMA		Environment	
91	CNC, CNI	CONSELHO NACIONAL DO TRABALHO (CNT)	Council	LEI NO 10.683, DE 28 DE MAIO DE 2003, DECRETO Nº 8.732, DE 30 DE ABRIL DE 2016	P		C	O				1	30	10	10	10		2003	T		MT		Labour
92	CNF	CONSELHO NACIONAL DOS DIREITOS DA PESSOA PORTADORA DE DEFICIÊNCIA (CONADE)	Council	DECRETO NO 3.076, DE 1º DE JUNHO DE 1999	P			M	O									1999	S	PR		Human Rights	
93	CNI	CONSELHO SUPERIOR DA AGÊNCIA ESPACIAL BRASILEIRA	Council	LEI FEDERAL N.O- 8854, DE 10 DE FEVEREIRO DE 1994 E RELACIONADOS NO DECRETO FEDERAL N.O- 4.718, DE 4 DE JUNHO DE 2003	P		D	O				2			1		1	1994	S	MCT		Science and Technology	
94	CNI	CONSELHO SUPERIOR DA CAPES	Council	DECRETO NO 3.543, DE 12 DE JULHO DE 2000	P		D	O				15	6	2		7	2000	S	MEC		Education		
95	CNC	FÓRUM DE COMPETITIVIDADE DO VAREJO	Forum	PORTARIA Nº 1.401- SEI, DE 10 DE AGOSTO DE 2018 - FORMALIZADO	P		C			S								2015	T		MDIC		Services
96	CNC, CNI	FÓRUM DE DEBATES SOBRE POLÍTICAS DE EMPREGO, TRABALHO E RENDA E DE PREVIDÊNCIA SOCIAL	Forum	DECRETO Nº 8.443, DE 30 DE ABRIL DE 2015	P		C			S		24	6	7	7	4	2015	T		PR		Labour	

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope							
								C Consultative (C)	D Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
97	CNC, CNI	FÓRUM NACIONAL DE EDUCAÇÃO	Forum	PORTARIA MEC N.º 1.407, DE 14 DE DEZEMBRO DE 2010	P	C		S					34	10	1	1	22	2010	T		MEC	Education
98	CNC, CNI	FÓRUM PERMANENTE DAS MICROEMPRESAS E EMPRESAS DE PEQUENO PORTO (FPMPEPP)	Forum	LEI COMPLEMENTAR N.º 123/06 (ARTIGO 2º, INCISO II)	P	C		O										2006	T		PR	Manufacturing
99	CNI	FÓRUM PERMANENTE PARA O TRANSPORTE RODOVIÁRIO DE CARGAS DO MINISTÉRIO DOS TRANSPORTES	Forum	PORTARIA N.º 101, DE 13 DE MAIO DE 2015	P	C		O					5	3	1	1		2015	T		MTPA	Transports
100	CNC	GRUPO COORDENADOR DE CONSERVAÇÃO DE ENERGIA ELÉTRICA (GCCE)	WG	PORTARIA INTERMINISTERIAL N.º 1.877, DE 30 DE DEZEMBRO DE 1985	P		D		S				12	10	2			1985	T		MME	Energy
101	CNC, CNI	GRUPO DE INTEGRAÇÃO DE GERENCIAMENTO COSTEIRO (GI - GERCO)	WG	PORTARIA DO MINISTÉRIO DA MARINHA N.º 0440 DE 20 DE DEZEMBRO DE 1996	P			M	O									1996	T		MMA	Environment
102	CNI	GRUPO DE TRABALHO - CORAL SOL - GT CORAL SOL	WG	PORTARIA N.º 94, DE 6 DE ABRIL DE 2016	P		D	O										2016	T		MMA	Environment

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility Consultative (C) Deliberative (D)	Monitoring (M)	Participation					Regularity	Authority	Scope					
								Corporate/ tripartite	Turnover (years)	Members	Government	Business	Labour		Date	Technical	Superior	Ministry	Policy	
103	CNI	GRUPO DE TRABALHO DE METODOLOGIA DE AVALIAÇÃO DO PROJETO PILOTO DE ALIANÇA ESTRATÉGICA PÚBLICA E PRIVADA, ÂMBITO EMPRESA BRASILEIRA DE PESQUISA E INOVAÇÃO INDUSTRIAL.	WG	PORTARIA Nº 2, DE 28 DE JULHO DE 2014	P		D	O							2014	T		MCT	Science and Technology	
104	CNC, CNI	GRUPO DE TRABALHO DO SISTEMA DE REGISTRO ELETRÔNICO DE PONTO	WG	PORTARIA Nº 373 DE 25.02.2011	P	C				C		12	6	3	3	2011	T		MT	Labour
105	CNI	GRUPO DE TRABALHO PARA A CRIAÇÃO DE UMA REDE NACIONAL DE INFORMAÇÃO PARA AS MICRO E PEQUENAS EMPRESAS E EMPREENDEDORES INDIVIDUAIS DO COMITÊ REDE DE DISSEMINAÇÃO, INFORMAÇÃO E CAPACITAÇÃO	WG	PORTARIA Nº 184, DE 13 DE JULHO DE 2012 - MINISTÉRIO DO DESENVOLVIMENTO SOCIAL E COMBATE À FOME GABINETE DO MINISTRO	P	C		S			9	1	8			2012	T		MDIC	Manufacturing
106	CNC, CNI	GRUPO DE TRABALHO PARA ANALISAR OS INSTRUMENTOS DA OIT NÃO RATIFICADOS PELO BRASIL	WG	PORTARIA N 1.237, DE 10 DE SETEMBRO DE 2015	P	C		C								2015	T		MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation				Regularity	Authority	Scope								
								C Consultative (C)	D Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
107	CNI	GRUPO DE TRABALHO PERMANENTE PARA ARRANJOS PRODUTIVOS LOCAIS (GTP APL)	WG	PORTARIA INTERMINISTERIAL Nº 200 DE 03/08/04, REEDITADA EM 24/10/2005, 31/10/2006, E 28/04/2008	P	C	O											2004	T		MDIC	Manufacturing
108	CNI	GRUPO EXECUTIVO DO COMPLEXO INDUSTRIAL DA SAÚDE (GECIS)	WG	DECRETO DE 12 DE MAIO DE 2008	P	C	O											2008	T		MS	Health
109	CNC, CNI	NR 06 - COMISSÃO NACIONAL TRIPARTITE DA NR - 06 EQUIPAMENTO DE PROTEÇÃO INDIVIDUAL - EPI	Commission	PORTARIA N.º 11, DE 17 DE MAIO DE 2002	P	D				C			3	3	3			2002	T		MT	Labour
110	CNI	NR 10 - COMISSÃO PERMANENTE NACIONAL DE SEGURANÇA EM ENERGIA ELÉTRICA - NR 10	Commission	PORTARIA MINISTRO DE ESTADO DO TRABALHO E EMPREGO Nº 598 DE 07.12.2004	P		M			C								2004	T		MT	Labour
111	CNC, CNI	NR 12 - COMISSÃO NACIONAL TRIPARTITE TEMÁTICA - NR 12 - SEGURANÇA NO TRABALHO EM MÁQUINAS E EQUIPAMENTOS	Commission	PORTARIA SIT N.º 197, DE 17 DE DEZEMBRO DE 2010	P	C				C								2010	T		MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope				
						Consultative (C)	Deliberative (D)				Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
112	CNI	NR 13 - COMISSÃO NACIONAL TRIPARTITE TEMÁTICA NR 13	Commission	PORTARIA N.º 234 DE 09 DE JUNHO DE 2011	P			M		C		12	4	4	4		2011	T		MT	Labour
113	CNI	NR 18 - COMITÊ NACIONAL PERMANENTE SOBRE CONDIÇÕES E MEIO AMBIENTE DE TRABALHO NA INDÚSTRIA DA CONSTRUÇÃO (CPN NR 18)	Committee	PORTARIA N.º 4, DE 04 DE JULHO DE 1995	P		D			C		15	5	5	5		1995	T		MT	Labour
114	CNC, CNI	NR 20 - COMISSÃO NACIONAL TRIPARTITE TEMÁTICA DA NR-20 (CNTT NR-20)	Commission	PORTARIA N.º 308/12 DOU 06/03/12	P	C				C							2012	T		MT	Labour
115	CNC, CNI, CNF	NR 22 - COMISSÃO PERMANENTE NACIONAL DO SETOR MINERAL (CPNM - NR22)	Commission	PORTARIA MTE/GM N.º 2.038, DE 15 DE DEZEMBRO DE 1999, PORTARIA N.º 34, DE 26 DE DEZEMBRO DE 2000	P			M		C		15	5	5	5		1999	T		MT	Labour
116	CNI	NR 30 - COMISSÃO PERMANENTE NACIONAL AQUAVIÁRIA NR 30 (CPNAQ)	Commission	PORTARIA N.º 34, DE 4 DE DEZEMBRO DE 2002	P			M		C							2002	T		MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope							
								Consultative (C)	Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
117	CNC, CNI, CNF	NR 32 - COMISSÃO TRIPARTITE PERMANENTE NACIONAL - CTPNDA NR-32	Commission	PORTARIA Nº 485, DE 11 DE NOVEMBRO DE 2005	P		M			C			9	3	3	3		2005	T		MT	Labour
118	CNI	NR 34 - COMISSÃO NACIONAL TRIPARTITE TEMÁTICA NR 34	Commission	PORTARIA N.º 235 DE 09 DE JUNHO DE 2011	P		M			C			15	5	5	5		2011	T		MT	Labour
119	CNI	NR 35 - COMISSÃO NACIONAL TRIPARTITE TEMÁTICA NR 35	Commission	PORTARIA DA SECRETARIA DE INSPEÇÃO DO TRABALHO - SIT Nº 313 DE 23.03.2012	P		M			C								2012	T		MT	Labour
120	CNI	NR 36 - COMISSÃO NACIONAL TRIPARTITE TEMÁTICA NR 36	Commission	PORTARIA MTE N.º 555, DE 18 DE ABRIL DE 2013	P		M			C								2013	T		MT	Labour
121	CNI, CNC	NR 15 - COMISSÃO NACIONAL PERMANENTE DO BENZENO	Commission	PORTARIA N.º 191 DE 19 DE NOVEMBRO DE 2010, PORTARIA DA SECRETARIA DE INSPEÇÃO DO TRABALHO - SIT Nº 252 DE 04.08.2011	P		M			C			15	5	5	5		2010	T		MT	Labour
122	CNI	CONSELHO GESTOR DO PROJETO DE INTEGRAÇÃO DO RIO SÃO FRANCISCO	Council	DECRETO Nº 5.995, DE 19 DE DEZEMBRO DE 2006	P	C	O											2006	T		MI	Regional Development
123	CNC, CNI	FÓRUM NACIONAL DE APRENDIZAGEM PROFISSIONAL (FNAP)	Forum	PORTARIA Nº 1.339, DE 15 DE AGOSTO DE 2012	P	C				C			35	6	6	6	17	2012	T		MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope					
					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry	Policy
124	CNF	GRUPO DE TRABALHO SOBRE MECANISMOS DEFINITIVOS DE SUSTENTAÇÃO FINANCEIROS DA ORGANIZAÇÃO SINDICAL PATRONAL	WG	PORTARIA MTE Nº 575 DE 22/11/2006	P		D		S				1	1			2007	T		MT	Labour	
125	CNI, CNC	GRUPO DE TRABALHO TRIPARTITE NR-24 - CONDIÇÕES MÍNIMAS DE HIGIENE, CONFORTO E ACESSIBILIDADE NOS LOCAIS DE TRABALHO	WG	PORTARIA Nº 443, DE 25 DE JULHO DE 2014	P		C				C		15	5	5	5		2014	T		MT	Labour
126	CNI	CÂMARA SETORIAL DA CADEIA PRODUTIVA DE OLEAGINOSAS E BIODIESEL	Chamber		S														MAPA	Agriculture		
127	CNI	CÂMARA SETORIAL DA CADEIA PRODUTIVA DO AÇÚCAR E DO ÁLCOOL	Chamber		S													MAPA	Agriculture			
128	CNI	CÂMARA SETORIAL DE FLORESTAS PLANTADAS	Chamber		S													MAPA	Agriculture			
129	CNI	CÂMARA TEMÁTICA DE INFRAESTRUTURA E LOGÍSTICA DO AGRONEGÓCIO	Chamber		S													MAPA	Agriculture			

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope		
					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
130	CNI	CÂMARA TEMÁTICA TEMPORÁRIA DO SISTEMA BRASILEIRO DE INSPEÇÃO DE PRODUTOS E INSUMOS AGROPECUÁRIOS DO SISTEMA UNIFICADO DE ATENÇÃO À SANIDADE AGROPECUÁRIA	Chamber	S														MAPA	Agriculture
131	CNC	CÂMARA TEMÁTICA DE FORMAÇÃO E HABILITAÇÃO DE CONDUTORES DO CONTRAN	Chamber	LEI Nº 9.503 DE 23/09/97	S													MCID	Transports
132	CNC	CÂMARA BRASILEIRA DE EDUCAÇÃO PROFISSIONAL E TECNOLÓGICA	Chamber	EM CONSTRUÇÃO	S													MEC	Education
133	CNI	COMITÊ TÉCNICO DE HABITAÇÃO	Committee		S													MCID	Regional Development
134	CNC, CNI	CÂMARA CONSULTIVA TÉCNICA DE ATUALIZAÇÃO DO CATÁLOGO DE CURSOS SUPERIORES DE TECNOLOGIA	Chamber	RESOLUÇÃO CC-PARES Nº 1, DE 24/01/2014	S													MEC	Education

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation				Regularity	Authority	Scope	
								Consultative (C)	Deliberative (D)	Corporatist / tripartite	Turnover (years)			Ministry	Policy
135	CNC	CONSELHO NACIONAL DE TRÂNSITO (CONTRAN) CÂMARA TEMÁTICA DE ASSUNTOS VEICULARES E CÂMARA TEMÁTICA DE FORMAÇÃO E HABILITAÇÃO DE CONDUTORES	Chamber	LEI N.º 9503, DE 23 DE SETEMBRO DE 1997	S									MCID	Transports
136	CNI	CÂMARA TÉCNICA DE MONITORAMENTO DA ATMOSFERA - COMISSÃO DE COORDENAÇÃO DAS ATIVIDADES DE METEOROLOGIA, CLIMATOLOGIA E HIDROLOGIA (CTCM)	Commission	LEI N.º 10.683, DE 28 DE MAIO DE 2003, E REGULAMENTADO PELO DECRETO N.º 5.886, DE 6 DE SETEMBRO DE 2006	S									MCT	Environment
137	CNI	COMISSÃO ESPECIAL PARA ACOMPANHAR E MONITORAR A IMPLANTAÇÃO DO PLANO NACIONAL DE PÓS-GRADUAÇÃO	Commission	PORTARIA N.º 203 PUBLICADA NO ÚLTIMO MÊS DE NOVEMBRO	S									MEC	Education
138	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT AERO)	Committee		S									MCT	Science and Technology
139	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT AGRO)	Committee		S									MCT	Science and Technology

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation				Regularity	Authority	Scope				
								Consultative (C)	Deliberative (D)	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
140	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT AQUAVIÁRIO)	Committee	S													MCT	Science and Technology
141	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT BIOTEC)	Committee	S													MCT	Science and Technology
142	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT ENERG)	Committee	S													MCT	Science and Technology
143	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT ESPACIAL)	Committee	S													MCT	Science and Technology
144	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT HIDRO)	Committee	S													MCT	Science and Technology
145	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT INFO/CATI)	Committee	S													MCT	Science and Technology
146	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT MINERAL)	Committee	S													MCT	Science and Technology

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					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
147	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT SAÚDE)	Committee	S														MCT	Science and Technology
148	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT TRANSCO)	Committee	S														MCT	Science and Technology
149	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE CIÊNCIA E TECNOLOGIA (CT VERDE AMARELO)	Committee	S														MCT	Science and Technology
150	CNI	COMITÊ GESTOR DO FUNDO SETORIAL DE PETRÓLEO E GÁS NATURAL	Committee	S														MCT	Science and Technology
151	CNI	COMITÊ GESTOR DO PROGRAMA NACIONAL DE APOIO ÀS INCUBADORAS DE EMPRESAS E AOS PARQUES TECNOLÓGICOS	Committee	S														MCT	Science and Technology
152	CNI	COMITÊ GESTOR DO PROGRAMA SULAMERICANO DE APOIO ÀS ATIVIDADES DE COOPERAÇÃO TÉCNICA EM CIÊNCIA E TECNOLOGIA	Committee	S														MCT	Science and Technology

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Participation			Regularity	Authority	Scope			
					Oversight (O)	Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior
153	CNI	COMITÊ GESTOR DO SIBRATEC	Committee	DECRETO Nº 6.259, DE 20 DE NOVEMBRO DE 2007	S													MCT	Science and Technology
154	CNI	COMISSÃO TÉCNICA DO PLANO SETORIAL DE REDUÇÃO DE EMISSÕES DA INDÚSTRIA	Commission		S													MDIC	Environment
155	CNI	COMISSÃO TÉCNICA GÁS NATURAL VEICULAR	Commission		S													MDIC	Manufacturing
156	CNC	COMITÊ TEMÁTICO DE INVESTIMENTO, FINANCIAMENTO E CREDITO DO FPMEPP	Committee		S													MDIC	Manufacturing
157	CNC, CNI	COMITÊ BRASILEIRO DE AVALIAÇÃO DA CONFORMIDADE (CBAC)	Committee		S													MDIC	Manufacturing
158	CNI	COMITÊ BRASILEIRO DE METROLOGIA COMMETRO	Committee		S													MDIC	Manufacturing
159	CNC, CNI	COMITÊ BRASILEIRO DE NORMALIZAÇÃO (CBN)	Committee		S													MDIC	Manufacturing
160	CNI	COMITÊ CODEX ALIMENTARIUS DO BRASIL	Committee		S													MDIC	Foreign Trade
161	CNC, CNI	COMITÊ DE COORDENAÇÃO DE BARREIRAS TÉCNICAS AO COMERCIO (CBTC)	Committee		S													MDIC	Foreign Trade

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								Consultative (C)	Deliberative (D)	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
162	CNI	COMITÊ DE ORIENTAÇÃO ESTRATÉGICA DA BIENAL BRASILEIRA DE DESIGN	Committee	S															MDIC	Manufacturing
163	CNI	COMITÊ GESTOR DO PROGRAMA BRASILEIRO DA AVALIAÇÃO DO CICLO DE VIDA (CONMETRO)	Committee	S															MDIC	Manufacturing
164	CNC	COMITÊ TEMÁTICO DE ACESSO A MERCADOS DO FPMEPP	Committee	S															MDIC	Foreign Trade
165	CNI	COMITÊ TEMÁTICO DE BASE MINERAL	Committee	S															MDIC	Manufacturing
166	CNI	CONSELHO CONSULTIVO DO CENTRO DE BIOTECNOLOGIA DA AMAZÔNIA (CBA)	Council	S															MDIC	Manufacturing
167	CNI	GRUPO DE TÉCNICO SOBRE NUTRIÇÃO E ALIMENTOS PARA DIETAS ESPECIAIS (CODEX)	WG	S															MDIC	Foreign Trade
168	CNI	GRUPO DE TRABALHO ADITIVOS ALIMENTARES DO CCAB	WG	S															MDIC	Foreign Trade
169	CNI	GRUPO DE TRABALHO CAPACITAÇÃO PROFISSIONAL CALÇADOS, TÊXTIL E CONFECÇÕES E JÓIAS	WG	S															MDIC	Manufacturing

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation		Regularity	Authority	Scope			
						Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
170	CNI	GRUPO DE TRABALHO CNDI - PLANO NACIONAL DE EXPORTAÇÃO	WG	S													S	MDIC	Foreign Trade
171	CNI	GRUPO DE TRABALHO CNDI - SIMPLIFICAÇÃO, DESBUROCRATIZAÇÃO E FACILITAÇÃO	WG	S													S	MDIC	Manufacturing
172	CNI	GRUPO DE TRABALHO DA CADEIA DE BENS DE CAPITAL	WG	S														MDIC	Manufacturing
173	CNI	GRUPO DE TRABALHO PARA REVISÃO DO MARCO LEGAL DAS ZONAS DE PROCESSAMENTO DE EXPORTAÇÃO	WG	S														MDIC	Foreign Trade
174	CNI	GRUPO TÉCNICO SOBRE ROTULAGEM DE ALIMENTOS CCAB	WG	S														MDIC	Manufacturing
175	CNC	GT - CAPITAL DE GIRO, RECUPERAÇÃO DE CRÉDITO E INVESTIMENTO	WG	S														MDIC	Manufacturing
176	CNC	GT - DADOS E INFORMAÇÕES	WG	S														MDIC	Manufacturing
177	CNC	GT - INICIAÇÃO EMPREENDEDORA	WG	S														MDIC	Manufacturing
178	CNC	GT - PARCEIROS PÚBLICOS E PRIVADOS	WG	S														MDIC	Manufacturing
179	CNC	GT - SUSTENTABILIDADE DOS NEGÓCIOS	WG	S														MDIC	Manufacturing

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation					Regularity	Authority	Scope				
								Consultative (C)	Deliberative (D)	Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date
180	CNI	REDE DE METROLOGIA QUÍMICA DO INMETRO (REMEQ-I)	Network	S														MDIC	Manufacturing
181	CNC	SUBCOMITÊ DE COOPERAÇÃO DO CONFAC	Committee	S														MDIC	Foreign Trade
182	CNI	CÂMARA DE EDUCAÇÃO BÁSICA CNE	Chamber	S														MEC	Education
183	CNI	CÂMARA DE EDUCAÇÃO SUPERIOR	Chamber	S														MEC	Education
184	CNI	COMITÊ GESTOR DO CADASTRO EMPRESA PRÓ-ÉTICA	Committee	S														MTCGU	Transparency
185	CNI	FÓRUM NACIONAL DE APOIO À FORMAÇÃO E QUALIFICAÇÃO PROFISSIONAL	Forum	S														MEC	Education
186	CNI	COMISSÃO DE ASSUNTOS TRIBUTÁRIOS E FISCAIS	Commission	S														MF	Taxation
187	CNI	COMISSÃO TRIPARTITE DE ACOMPANHAMENTO E AVALIAÇÃO DA DESONERAÇÃO DA FOLHA DE PAGAMENTOS	Commission	S														MF	Taxation
188	CNI	GRUPO DE APOIO TÉCNICO - COMISSÃO TRIPARTITE DE DESONERAÇÃO DA FOLHA	WG	S														MF	Taxation

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope		
					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
189	CNC	GRUPO DE TRABALHO NO ÂMBITO DO CNPS PARA DISCUTIR E APRESENTAR UM CONJUNTO DE CONTRIBUIÇÕES E OPINIÕES PARA QUALIFICAR O CRSS	WG	S														MF	Social Security
190	CNC	COMITÊ TÉCNICO DO CONDEL/SUDAM	Committee	S														MI	Regional Development
191	CNC	COMITÊ TÉCNICO DO CONDEL/SUDENE	Committee	S														MI	Regional Development
192	CNI	CÂMARA ESPECIAL RECURSAL CONAMA	Chamber	S														MMA	Environment
193	CNI	CÂMARA TÉCNICA DE ÁGUAS SUBTERRÂNEAS	Chamber	S														MMA	Environment
194	CNI	CÂMARA TÉCNICA DE ASSUNTOS JURÍDICOS CONAMA	Chamber	S														MMA	Environment
195	CNI	CÂMARA TÉCNICA DE ASSUNTOS LEGAIS E INSTITUCIONAIS CNRH	Chamber	S														MMA	Environment
196	CNI	CÂMARA TÉCNICA DE BIODIVERSIDADE CONAMA	Chamber	S														MMA	Environment
197	CNI	CÂMARA TÉCNICA DE CIÊNCIA E TECNOLOGIA (CTCT) CNRH	Chamber	S														MMA	Science and Technology
198	CNI	CÂMARA TÉCNICA DE COBRANÇA PELO USO DE RECURSOS HÍDRICOS (CTCOB) CNRH	Chamber	S														MMA	Environment

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope		
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior
199	CNI	CÂMARA TÉCNICA DE CONTROLE AMBIENTAL CONAMA	Chamber	S														MMA	Environment
200	CNC, CNI	CÂMARA TÉCNICA DE EDUCAÇÃO AMBIENTAL E DESENVOLVIMENTO SUSTENTÁVEL CONAMA	Chamber	S														MMA	Environment
201	CNC, CNI	CÂMARA TÉCNICA DE GESTÃO TERRITORIAL, UNIDADES DE CONSERVAÇÃO E DEMAIS ÁREAS PROTEGIDAS CONAMA	Chamber	S														MMA	Environment
202	CNI	CÂMARA TÉCNICA DE INTEGRAÇÃO DA GESTÃO DAS BACIAS HIDROGRÁFICAS E DOS SISTEMAS ESTUARINOS E ZONA COSTEIRA - CTCOST-CNRH	Chamber	S														MMA	Environment
203	CNI	CÂMARA TÉCNICA DE INTEGRAÇÃO DE PROCEDIMENTOS, AÇÕES DE OUTORGAS E AÇÕES REGULADORAS	Chamber	S														MMA	Environment
204	CNC, CNI	CÂMARA TÉCNICA DE QUALIDADE AMBIENTAL E GESTÃO DE RESÍDUOS	Chamber	S														MMA	Environment
205	CNI	CÂMARA TÉCNICA DO CGEN	Chamber	S														MMA	Environment

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation				Regularity	Authority	Scope		
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior
206	CNI	<i>CÂMARA TÉCNICA DO PLANO NACIONAL DE RECURSOS HÍDRICOS CNRH</i>	Chamber	S														MMA	Environment
207	CNI	<i>CÂMARA TÉCNICA PERMANENTE PARA FINALIZAÇÃO E MONITORAMENTO DA IMPLEMENTAÇÃO DO PAN-BIO CONABIO</i>	Chamber	S														MMA	Environment
208	CNI	<i>COMISSÃO BRASILEIRA PARA O PROGRAMA "O HOMEM E A BIOSFERA"</i>	Chamber	S														MMA	Environment
209	CNI	<i>COMITÊ DE INTEGRAÇÃO DE POLÍTICAS AMBIENTAIS (CIPAM) CONAMA</i>	Committee	S														MMA	Environment
210	CNI	<i>GRUPO DE TRABALHO DE REVISÃO DA RESOLUÇÃO 03/1990 SOBRE QUALIDADE DO AR (CONAMA)</i>	WG	S														MMA	Environment
211	CNI	<i>GRUPO DE TRABALHO DE REVISÃO DA RESOLUÇÃO 359/2005 DE FÓSFORO EM DETERGENTES</i>	WG	S														MMA	Environment

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope		
					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
212	CNI	GRUPO DE TRABALHO PCBS - GESTÃO AMBIENTALMENTE ADEQUADA E ELIMINAÇÃO CONTROLADA DE BIFENILAS POLICLORADAS (PCBS) E DOS SEUS RESÍDUOS.	WG	S														MMA	Environment
213	CNI	GRUPO TÉCNICO 01 DO COMITÊ INTERMINISTERIAL DA POLÍTICA NACIONAL DE RESÍDUOS SÓLIDOS	WG	S														MMA	Environment
214	CNI	GRUPO TÉCNICO PERMANENTE DO COMITÊ GESTOR DO FUNDO NACIONAL SOBRE MUDANÇA DO CLIMA	WG	S														MMA	Environment
215	CNI	COMITÊ PERMANENTE DE GESTÃO DE ATUNS E AFINS - CPG DE ATUNS E AFINS	Committee	S														MPA	Manufacturing
216	CNI	COMITÊ PERMANENTE DE GESTÃO E DO USO SUSTENTÁVEL DE RECURSOS DEMERSAIS SUDESTE E SUL - CPG DEMERSAIS SUDESTE E SUL	Committee	S														MPA	Manufacturing

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Turnover (years)	Participation			Regularity	Authority	Scope	
					Oversight (O)	Consultative (C)	Deliberative (D)						Members	Government	Business	Labour	Others		
217	CNI	COMITÊ PERMANENTE DE GESTÃO E DO USO SUSTENTÁVEL DOS CAMARÕES NORTE E NORDESTE - CPG CAMARÕES NORTE E NORDESTE	Committee	S														MPA	Manufacturing
218	CNI	COMITÊ PERMANENTE DE GESTÃO E DO USO SUSTENTÁVEL DOS RECURSOS DEMERSAIS E PELÁGICOS - CPG NORTE E NORDESTE	Committee	S														MPA	Manufacturing
219	CNI	COMITÊ PERMANENTE DE GESTÃO E DO USO SUSTENTÁVEL DOS RECURSOS PELÁGICOS - CPG PELÁGICOS SUDESTE E SUL	Committee	S														MPA	Manufacturing
220	CNI	GRUPO PERMANENTE PARA COMPETITIVIDADE E MERCADO - CONAPE	WG	S														MPA	Manufacturing
221	CNI	GRUPO DE TRABALHO PARA DISCUTIR FORMAS DE QUALIFICAR O CRPS	WG	S														MPS	Social Security
222	CNC	COMISSÃO INTERSETORIAL ATENÇÃO À SAÚDE DE PESSOAS COM PATOLOGIAS (CIASPP)	Commission	S														MS	Health

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation				Regularity	Authority	Scope					
								Consultative (C)	Deliberative (D)	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior
223	CNC, CNI	COMISSÃO INTERSETORIAL DE ALIMENTAÇÃO E NUTRIÇÃO (CIAN), DO CNS	Commission	S													MS		Health
224	CNI	COMISSÃO INTERSETORIAL DE ATENÇÃO DE SAÚDE DA PESSOA COM DEFICIÊNCIA (CNS)	Commission	S													MS		Health
225	CNC, CNI	COMISSÃO INTERSETORIAL DE CIÉNCIA, TECNOLOGIA E ASSISTÊNCIA FARMACÉUTICA (CICTAF)	Commission	S													MS		Health
226	CNC, CNI	COMISSÃO INTERSETORIAL DE RECURSOS HUMANOS E RELAÇÕES DE TRABALHO (CIRHRT)	Commission	S													MS		Health
227	CNI	COMISSÃO INTERSETORIAL DE SAÚDE DO TRABALHADOR (CNS)	Commission	S													MS		Labour
228	CNI	COMISSÃO INTERSETORIAL DE SAÚDE MENTAL (CNS)	Commission	S													MS		Health
229	CNI	COMISSÃO INTERSETORIAL DE SAÚDE SUPLEMENTAR (CNS)	Commission	S													MS		Health

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation			Regularity	Authority	Scope			
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior
230	CNI	COMISSÃO INTERSETORIAL DE VIGILÂNCIA EM SAÚDE	Commission	S													MS		Health
231	CNC, CNI	COMISSÃO INTERSETORIAL SAÚDE DO TRABALHADOR E DA TRABALHADORA (CISTI)	Commission	S													MS		Health
232	CNC	FÓRUM BRASILEIRO DE PARCERIA CONTRA A TUBERCULOSE	Forum	S													MS		Health
233	CNC, CNI	GRUPO DE TRABALHO CONFEDERATIVO SOBRE O ESOCIAL	WG	DECRETO Nº 8.373, DE 11 DE DEZEMBRO DE 2014	S												MT		Labour
234	CNC	GRUPO DE APOIO PERMANENTE AO CCFGTS (GAP/CCFGTS)	WG		S												MT		Labour
235	CNI	GRUPO DE TRABALHO - CONTRATAÇÃO DE APRENDIZES EM ATIVIDADES CONSIDERADAS PERIGOSAS E/OU INSALUBRES	WG		S												MT		Labour
236	CNI	GRUPO DE TRABALHO HCFCS	WG	PORTARIA Nº 41, DE 25 DE FEVEREIRO DE 2010	S												MMA		Environment

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Open	Selective	Corporatist / tripartite	Participation			Regularity	Authority	Scope		
					Oversight (O)	Consultative (C)	Deliberative (D)					Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
237	CNC, CNI	GRUPO DE TRABALHO PARA ACOMPANHAMENTO DA REVISÃO DO PLANO NACIONAL DE RESÍDUOS SÓLIDOS	WG	LEI Nº 12.305/2010, DECRETO 7.404/2010	S													MMA	Environment
238	CNC	GRUPO TÉCNICO DO FUNDO DE AMPARO AO TRABALHADOR (GTFAF)	WG		S													MT	Labour
239	CNI	SUBCOMISSÃO DA PESCA INDUSTRIAL	Commission		S													MT	Labour
240	CNC, CNI	SUBCOMISSÃO DE MATRIZ DE COMPETÊNCIA DA CTPP	Commission		S													MT	Labour
241	CNI	SUBCOMISSÃO NA CNTT DA NR-36	Commission		S													MT	Labour
242	CNI	SUBCOMISSÃO PERMANENTE NACIONAL DO MÁRMORE E GRANITO	Commission		S													MT	Labour
243	CNC	SUBCOMITÊ DO COMITÊ EXECUTIVO QUE OBJETIVA A CONSTRUÇÃO DA AGENDA DE PROMOÇÃO DE TRABALHO DECENTE PARA A JUVENTUDE	Committee		S													MT	Labour
244	CNC, CNI	SUBCOMITÊ INTERMINISTERIAL DE TRABALHO DECENTE PARA A JUVENTUDE	Committee		S													MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)			Monitoring (M)	Participation				Regularity	Authority	Scope			
					Consultative (C)	Deliberative (D)	Corporatist / tripartite		Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
245	CNC	SUBGRUPO - CONTRIBUIÇÃO SINDICAL	WG	S													MT	Labour
246	CNC	SUBGRUPO - SAÚDE E SEGURANÇA NO TRABALHO	WG	S													MT	Labour
247	CNC	CÂMARA TEMÁTICA DE QUALIFICAÇÃO PROFISSIONAL DO CNT	Chamber	S													MTur	Turism
248	CNC	CÂMARA TEMÁTICA DE TURISMO RESPONSÁVEL DO CNT	Chamber	S													MTur	Turism
249	CNC	CÂMARA TEMÁTICA DO PLANO NACIONAL DE TURISMO DO CNT	Chamber	S													MTur	Turism
250	CNC	COMITÊ GESTOR DO DOCUMENTO REFERENCIAL DO CNT 2015/2019	Committee	S													MTur	Turism
251	CNI	COMITÊ TEMÁTICO DE ACESSO A MERCADO DO FÓRUM PERMANENTE DAS MPE'S	Committee	S													PR	MPE's
252	CNI	COMITÊ TEMÁTICO DE FORMAÇÃO E CAPACITAÇÃO EMPREENDEDORA DO FÓRUM DAS MPE'S	Committee	S													PR	MPE's

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation			Regularity	Authority	Scope		
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
253	CNI	COMITÊ TEMÁTICO DE INVESTIMENTO, FINANCIAMENTO E CRÉDITO DO FÓRUM DAS MPES	Committee	S													PR	MPE's
254	CNI	COMITÊ TEMÁTICO DE RACIONALIZAÇÃO LEGAL E BUREOCRÁTICA DO FÓRUM DAS MPES	Committee	S													PR	MPE's
255	CNI	COMITÊ TEMÁTICO DE TECNOLOGIA E INOVAÇÃO DO FÓRUM DAS MPE'S	Committee	S													PR	MPE's
256	CNI	FÓRUM NACIONAL DE PREVENÇÃO E ERRADICAÇÃO DO TRABALHO INFANTIL	Forum	S													MT	Labour
257	CNF	GRUPO DE ATUALIZAÇÃO DAS NORMAS TÉCNICAS DE AVALIAÇÃO DE INCAPACIDADE LABORATIVA EM DOENÇAS OCUPACIONAIS	WG	S													MT	Labour
258	CNC, CNI	GRUPO DE ESTUDO TRIPARTITE - CONVENÇÃO Nº 174 SOBRE A PREVENÇÃO DE ACIDENTES INDUSTRIAL MAIORES - OIT	WG	S													MT	Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility		Monitoring (M)	Open	Selective	Participation			Regularity	Authority	Scope			
						Consultative (C)	Deliberative (D)				Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior
259	CNI	GRUPO DE TRABALHO DE CAPACITAÇÃO A DISTÂNCIA	WG	S													MT		Labour
260	CNI	GRUPO DE TRABALHO FACILITAÇÃO DA TRANSIÇÃO DA ECONOMIA INFORMAL PARA A FORMALIDADE	WG	S													MT		Labour
261	CNI	GRUPO DE TRABALHO PARA APERFEIÇOAR O PROCESSO DE INTEGRAÇÃO SÓCIO LABORAL	WG	S													MT		Labour
262	CNC	GRUPO DE TRABALHO PARA ELABORAÇÃO DA PROPOSTA DE SISTEMA ÚNICO DE EMPREGO E TRABALHO DECENTE	WG	S													MT		Labour
263	CNI	GRUPO DE TRABALHO PARA ELABORAR DIRETRIZES DOS PROGRAMAS DE APRENDIZAGEM NOS SETORES DE CONSERVAÇÃO E LIMPEZA, TRANSPORTE E VIGILÂNCIA	WG	PORTARIA Nº 1.642, DE 11 DE AGOSTO DE 2011	S												MT		Labour
264	CNI	GRUPO DE TRABALHO PARA ELABORAR E PROPOR UMA ESTRATÉGIA NACIONAL PARA A INDÚSTRIA 4.0	WG	S													MDIC		Manufacturing

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Oversight (O)	Responsibility	Monitoring (M)	Participation				Regularity	Authority	Scope						
								Consultative (C)	Deliberative (D)	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical	Superior	Ministry
265	CNC	NR 16 - GRUPO DE TRABALHO TRIPARTITE (GTT) - ANEXO 5 DA NR-16	WG	PORTARIA SIT N° 598, DE 03/03/2017	S													MT		Labour
266	CNF	NR 17 - GRUPO DE TRABALHO TRIPARTITE DA NORMA REGULAMENTADORA 17 - TELEATENDIMENTO / TELEMARKETING	WG		S													MT		Labour
267	CNI	GRUPO DE TRABALHO TRIPARTITE DE PLATAFORMAS	WG		S													MT		Labour
268	CNI, CNC	GRUPO DE TRABALHO TRIPARTITE PARA A NR SOBRE LIMPEZA URBANA	WG		S													MT		Labour
269	CNC, CNF	GRUPO DE TRABALHO TRIPARTITE PARA IMPLEMENTAÇÃO DA AGENDA NACIONAL DE TRABALHO DECENTE	WG	PORTARIA N.º 540 DE 07 DE NOVEMBRO DE 2007	S													MT		Labour
270	CNF	GRUPO TÉCNICO DO SISTEMA INTEGRADO DE RELAÇÕES DO TRABALHO	WG		S													MT		Labour
271	CNF, CNC	GRUPO TÉCNICO TRIPARTITE SOBRE O HIV/AIDS NO LOCAL DE TRABALHO	WG		S													MT		Labour
272	CNI	GT- TRABALHOS AOS DOMINGOS E FERIADOS	WG		S													MT		Labour

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Member	Name	Type	Law/Decree	Main (P); Subsidiary (S)	Responsibility			Monitoring (M)	Participation				Regularity	Authority	Scope				
					Oversight (O)	Consultative (C)	Deliberative (D)		Open	Selective	Corporatist / tripartite	Turnover (years)	Members	Government	Business	Labour	Others	Date	Technical
273	CNC	<i>NR 11 - GRUPO DE ESTUDOS TRIPARTITE - GET DA ESTUFAGEM (NR-11)</i>	WG	S														MT	Labour