"Conceptual Understandings of State Reform"

Prof. Terrie R. Groth

Departamento de Ciência Política
Universidade de Brasília
Caixa Postal 04359
Campus Universitário -- Asa Norte
Brasília, DF  CEP  70919-970
Tel: (061) 348-2426  FAX: (061) 273-3930
e-mail: tgroth@zaz.com.br

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Prof. Terrie R. Groth ²
Department of Political Science
University of Brasilia

INTRODUCTION

The present work offers an analytical bibliographical review interrelating two principal themes carrying cautions for future investigation. The discussion is structured in three segments.

The first part briefly characterizes the central thrusts in the Brazilian and international literature around the question of state reform and suggests other avenues for clarifying the debates. The second part analyzes the conceptual binomial of state and reform; a brief exposition of the paradigms organizing the theory of the contemporary state is offered. The third part analyzes the binomial reform and democracy; a brief exposition of the paradigms organizing the theory of contemporary democracy is offered.

The paper concludes pointing up the significance of the theoretical divergences around state and democracy as a means of clarifying the debates surrounding reform.

CONTEXTS FOR THE ANALYSIS OF THE REFORM OF THE STATE

Three Assertions

To begin, we suggest three premises to guide inquiry into the questions of democracy and reform of the state into more productive lines.

¹ Previous partial and recombined versions of this paper are to be found in Groth and Siqueira Jr. (1997), Groth and von Bulow (1997) and Groth (1997a).
² The current paper represents a preliminary individual research effort linked to a larger and more diverse institutional project ("As Dimensões Comparadas da Reforma do Estado: O Brasil e o MERCOSUL", Programa de Apoio à Formação de Recursos Humanos para o Desenvolvimento da Reforma do Estado (Chamada 02 RH-RE 02/96-03: Apoio a Projetos de Docência e Pesquisa Integradas; CAPES/CNPq/FINEP; R$300,000), one of five proposals awarded in Brazil. The other principal investigators include Profs. Paulo Du Pin Calmon, Luiz Pedone, Marisa von Bulow, Paulo Francisco Afonso de Carvalho and David V. Fleischer.
³ Many English-language sources are cited to references in Portuguese owing to previous versions of this paper. I apologize to the reader for this possible annoyance.

Second, the discussion of reform of the state has clear repercussions in the Brazilian literature (Arretche 1995, Abrucio 1998). Deserving of special examination in the national literature is the line of inquiry developed by the ex-Minister of Federal Administration and State Reform Luiz Carlos Bresser Pereira, especially in relation to his international referents (Osborne and Gaebler 1994, Ketl 1994, Ketl and Dilulio 1994). In spite of a demonstrated consistent theoretical density over the last two decades, there has never been a systematic attempt to evaluate the body of his work on its own terms or in relation to prevailing tendencies in political science. From early on, Bresser Pereira focused on a series of interrelated themes culminating in his most recent work (1996, 1997b): strategic actors (1972, 1974), class interests and state policy (1978, 1981b), economic policy and the contours of the capitalist state in general and in Brazil (1981a, 1984, 1986, 1993a and b), and the process of "re-democratization" (1985, 1990, 1992). A rare critical voice of Bresser Pereira and state reform in Brazil is dos Santos (1997).


Third, the reform of the state is a sub-theme inserted in the larger debate over the nature of "re-democratization" and democracy in Latin America and other regions. In order to appreciate the strengths and weaknesses in the visions of the current democratic period, it is necessary to recuperate interpretations of the state in the authoritarian period. In this sense, an analysis of state reform needs to support itself upon an examination of corporatism and authoritarian forms (Diniz 1996, 11-39 and Malloy 1993 and Malloy and Kaufman 1993; See review by Araújo and Tapia 1992 and the fundamental contributions of Linz 1980, 1978, Malloy 1977, Linz and Stepan 1978, and Collier 1982).
Of special significance in this literature is the initial contribution of Guillermo O'Donnell (1973, 1980; 1987a and b; 1973, 1981a and b) in the form of the model of the bureaucratic-authoritarian state (B-A) in Latin America (see also Canak 1984). Also of relevance in the same period are analyses of the impact of fiscal crises on the authoritarian state (Felix 1986; Hartlyn and Morley 1986; Richards 1985, 1986; Roett 1985) and beyond (O'Donnell 1988a and b, 1990; Stepan 1985; Acuña and Smith 1994). O'Donnell continues to be a key player as the question of democracy is carried into the state reform era (1991, 1993, 1996).

There is also an extensive literature which treats the collective process of "re-democratization" in all of its facets in Latin America (Wiarda 1980; O'Donnell, Schmitter and Whitehead 1986, see the critical literature represented by Nef 1988 and MacEwan 1988; Malloy and Seligson 1987; Diamond, Linz and Lipset 1989; Drake and Silva 1986; Cavarozzi and Garretón 1988; Pastor 1989).

More recently, we witness a series of collective treatments viewing the Latin American experience in comparative perspective (Balroya 1987; Ethier 1990; Linz and Stepan 1993; Mainwaring, O'Donnell and Valenzuela 1992; Mainwaring and Scully (1995). Other collections offer a more critical orientation to the transition process (Orrego Vicuña 1985; Lopez and Stohl 1987; Silva-Michelen 1988; Varas 1989; Rueschemeyer et.al. 1992; Haggard and Kaufman 1995) as well as an entirely alternative perspective on state reform (Cunill Grau 1997).

Two Paradigms

There is also an identifiable tendency to understand the state in the context of other issues in the field of comparative politics (Chilcote and Chilcote 1991; Chilcote (1988/1991, 1990, 1995; Azais and Cappellin 1993).

An examination of the contours of the principal literature would easily recognize two directions in the discipline of political science: one orthodox (of liberal behaviorist orientation) and the other radical (of an historicist Marxist and post-behavioral nature). A critical reconstruction of these two competitive paradigms remains essential to sorting out the current analytical impasses of political science (Groth 1997b).

Figure A summarizes our understanding of the fundamental paradigmatic contrasts which condition the discussion of the reform of the state. Broadly speaking, dominant political
science still maintains a behavioralist methodological vision committed to a liberal tradition and restricted to presupposing a capitalist society as the horizon of its analyses. A possible alternative political science maintains a post-behavioralist methodological vision committed to a radical or marxist tradition, open to imagining a society which may supercede capitalism.

*FIGURE A*

**PARADIGMATIC PARAMETERS OF THE ANALYSIS OF REFORM OF THE STATE**

<table>
<thead>
<tr>
<th>DOMINANT</th>
<th>ALTERNATIVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>METHODOLOGY</td>
<td></td>
</tr>
<tr>
<td>Fragmented and subjective;</td>
<td>Holistic, objective and</td>
</tr>
<tr>
<td>Quantitative and ahistorical;</td>
<td>subjective;</td>
</tr>
<tr>
<td>Liberal/orthodox paradigm?</td>
<td>Historical, quantitative;</td>
</tr>
<tr>
<td>Dominant political science?</td>
<td>qualitative;</td>
</tr>
<tr>
<td>Normative Philosophy</td>
<td>Marxist/radical paradigm?</td>
</tr>
<tr>
<td>Positivism</td>
<td>Alternative political science?</td>
</tr>
<tr>
<td>Behavioralism</td>
<td>Marxism</td>
</tr>
<tr>
<td>Post-modernism (Neo-weberianism?)</td>
<td>Post-behavioralism</td>
</tr>
<tr>
<td></td>
<td>Post-marxism (Neo-marxism?)</td>
</tr>
</tbody>
</table>

| GENERAL                          |                               |
| VISION OF                        |                               |
| SOCIETY                          |                               |
| Category of individuals owns the  | Productive category collectively owns the |
| means of production (factories,   | means of production and enters into |
| machinery, etc.), employs another | production mainly to satisfy human needs |
| category of individuals that      | owns nothing more than their own |
| production mainly to satisfy      | labor power and generate social   |
| human needs                      | (and perhaps private) profits    |
| and enters into production and    | and accumulate varied forms of   |
| sales to generate private profits | property                         |
| and accumulate private property   |                               |

Couching the question of state reform in paradigmatic perspective permits us to examine and elucidate two relevant conceptual binomials: state and reform; reform and democracy. We observe how the adoption of certain definitions and premises about the state and democracy lead the political scientist to confuse or clarify the state-society-market relationship.

**STATE & REFORM: GROUPS vs. CLASSES**

The running treatment in the literature on reform follows the liberal formulation in which the state appears in its ideal form as a neutral instrument of the political community and in
practice as the sum of group pressures emanating from organized society. We call this formulation "state-as-artifact" because the state is understood as an object or a collection of visible political institutions separated from civil society. The conception of the state in alternative political science is associated with various marxist schools of political analysis, but seen always as a reflection of the social structure and the productive scheme which gives rise to them both. We call this formulation "state-as relation" because the state is understood in relation to objective interests and subjective struggles among classes.

State-as-Artifact

The dominant notions of the state can be distinguished in two groups: interpretations favoring either a "passive" or an "active" state. The "passive state", aligned with the tradition of limited government, represents a confused collection of preoccupations related to the "problem of big government" or "statism" which does not manage to make explicit a coherent theory of the state. One variant of this emphasis we might call "free-market conservatism" (emphasizing the doctrine of laissez-faire and complaining of the envolvement of the state in the market along the lines of Hayek (1982, 1987), Friedman (1962; Friedman and Friedman 1979) and Buchanan (1975). "Neo-liberalism" reifies this vision of the minimalist state, attempting to internationalize distorted central concepts of classical liberalism as a guide to the formulation and implementation of public policies. Perhaps the most abstract expression of the passive state in contemporary political science had its heyday in the 1960s and 70s in the form of systems theory (see Young 1970 for a summary of this effort; David Easton 1968, 1970a and b, 1982 and Gabriel Almond and his collaborators in Almond 1970, Almond and Powell 1979, 1980).

The "active state", associated with the practice of government of the New Deal in the U.S. and other experiences, stands as the principal counterpoint to free-market conservatism. Its central variant we might call "reformist liberalism", giving emphasis on the use of the state to better the general welfare of political community as the best means of balancing the abuses of the market system while perserving private property and individual liberties. Beyond this vision of the state as the mechanism to preserve and humanize the capitalist economy we might add the more extreme forms of the activist state (e.g., corporatism, authoritarianism and totalitarianism).
State-as-Relation

Generally speaking, the characterization of the state-as-relation views the state as an instrument through which a ruling class protects and advances its interests. In this sense, the state is not merely a "necessary evil" (as in the liberal vision), but an absolutely indispensable instrument of class domination, protecting the unequal distribution of property and benefits and advancing the general interests of the owners of the productive system. The antagonism or fundamental tension at the heart of class societies is expressed in the real world as the domination of the owners of the means of production over society as a whole. With reference to capitalist society, there are three spheres or levels of domination: economic, ideological and political.

In the marxist vision, the state is an aspect of class relations, expressing the basic class tensions of society and at the same time acting as an instrument to brake class struggle. The state disguises its role of political domination through a discourse of "general interest" and mutable forms of regimes (e.g., the liberal representative).

The alternative notions of the state may be discriminated around the characterization of two objects: the capitalist and the socialist state. Inspired by diverse readings of the works of Marx, Hegel, Lenin and Gramsci, contemporary marxists have traced numerous understandings of the nature of the capitalist state.

"Instrumentalism", viewing the capitalist state as the instrument of a dominant or ruling class, maintains a focus on this class and its linkages to the formulation and implementation of public policies. This more British or North American variant is represented in the prevailing literature by the work of Ralph Miliband (1972, 1979a and b, 1983a and b) and G. William Domhoff (1970, 1978). Paul Baran (1942) also saw the state as an instrument in the hands of a ruling class.

"Structuralism", viewing the state as organizer and unifier of ruling class interests, maintains a focus on the resolution of economic contradictions and crises. In this interpretation, the functions of the capitalist state are widely determined by the structures of society, not the individuals occupying positions of state power. Structuralism proposes to examine the limits and contradictions of capitalism from within the structure where the state is situated. This more French variant of marxist state theory is represented principally by the works of Nicos Poulantzas (1977 a and b, 1978, 1979 a and b, 1981, 1982). The American marxists Baran e Paul Sweezy (1966) emphasized the
economic side of structuralism, noting the role of the state in the resolution of economic contradictions through attempts to avoid the crises inherent to monopoly capitalism.

"Criticalism" offers a focus on the mystification of the capitalist state and the propagation of the ideology of false consciousness, as well as the obfuscation of class struggle and the nature of public policies. Representative authors include thinkers associated with the Frankfurt School (Freitag 1986, Freitag and Rouanet 1980; Habermas 1980, 1982; Jay 1989, Schroyer 1973, Slater 1977).

"Statism" locates the state within the dialectical relationship between domination and its systemic limits, noting how social structures condition class struggles and state policies, thus examining the content of class struggles as well as the structures and policies of the state. Representative authors include James O'Connor (1977, 1984) who focused on the profit crises of corporations and the bankruptcy of the state in order to show the relation between internal state structures and the accumulation process and class struggles. Claus Offe (1975, 1979, 1984a, b and c, 1989) criticized both instrumentalists and structuralists for ignoring the mechanisms which reflect the class nature of the state and its structure, ideology, processes and repression.

Among the alternative notions it is also possible to include a reading of the forms of the socialist state, distinguishing between visions of classes under socialism, the road to a socialist transition (in terms of political strategy and the reorganization of the economy), and the role of political democracy. "Statist" or "bureaucratic socialism" did not recognize classes under socialism (following its criticism of capitalist class society), presuming an effective abolition of classes through the collective ownership of the means of production. The transition would necessarily be revolutionary, utilizing the state as the arm of a new class that dominates the economy (acting under the tutelage of a vanguard party). This strategic perspective of "reform of the state" is essentially the script for the state collectivism of the Russian Revolution which also favored central economic planning. The historical result was the usurpation of democratic politics with the dictatorship of the proletariat substituted by the dictatorship of the party.

"Democratic" or "revolutionary socialism" admits that classes continue to exist under socialism owing to the complexity of the process of abolishing private property. Thus, the implantation of socialism implies not only the socialization of the means of production, but also the transformation of the social relations of production. Such a transition would eventually be revolutionary in the sense that class relations are
fundamentally changed. The strategic perspective for the transition would be more evolutionary in character and the organization of the economy could be based in part on the mechanism of the market, defining and refining roles and levels of central planning. Without separating ends and means, socialism in this perspective must be reached through democratic means with participatory experiences within the law eventually producing the conditions to contest economic autocracy and bourgeois political culture. Democratic politics is seen as an essential instrument in the construction of socialism, since democratic forms aid workers in controlling a bureaucratic elite, restrict attempts to accumulate personal power, guarantee pacific sucessions to power, and resolve the objective conflicts of interests within socialism.

Figure B translates our understanding of the contrasting notions of the state in relation to "reform". Broadly considered, dominant political science with its vision of state-as-artifact confounds the state with its more mutable form as regime, thus reducing the dicussion of state reform to a restricted technical field defined principally by the impulses of the market. A possible alternative political science with its vision of state-as-relation understands the state as a function of class structure and places the dicussion of state reform in the field of contestation of socio-political domination.
**FIGURE B**

**PERSPECTIVES ON THE STATE & IMPLICATIONS FOR REFORM**

<table>
<thead>
<tr>
<th>DOMINANT POLITICAL SCIENCE</th>
<th>ALTERNATIVE POLITICAL SCIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>STATE</strong></td>
<td></td>
</tr>
<tr>
<td>Group or community instrument</td>
<td>Related to social classes</td>
</tr>
<tr>
<td>Passive State</td>
<td></td>
</tr>
<tr>
<td>Free-market Conservatism</td>
<td>Capitalist State</td>
</tr>
<tr>
<td>Political System</td>
<td>Instrumentalism</td>
</tr>
<tr>
<td>Neo-Liberalism</td>
<td>Structuralism</td>
</tr>
<tr>
<td></td>
<td>Criticalism</td>
</tr>
<tr>
<td></td>
<td>Statism</td>
</tr>
<tr>
<td>Active State</td>
<td></td>
</tr>
<tr>
<td>Reformist Liberalism</td>
<td>Socialist State</td>
</tr>
<tr>
<td>Corporatism</td>
<td>Statist/Bureaucratic</td>
</tr>
<tr>
<td>Authoritarianism</td>
<td>Democratic/Revolutionary</td>
</tr>
<tr>
<td>Totalitarianism</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>NATURE OF REFORM</strong></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Impeled by the market, with</td>
<td>Impeled by the state and class</td>
</tr>
<tr>
<td>or without state planning,</td>
<td>struggles, markets regulated</td>
</tr>
<tr>
<td>in the general context of</td>
<td>with state planning</td>
</tr>
<tr>
<td>private capitalist planing</td>
<td></td>
</tr>
<tr>
<td>Aimed at serving interests</td>
<td>Aimed at serving popular</td>
</tr>
<tr>
<td>and imperatives of capital</td>
<td>interests and the construction</td>
</tr>
<tr>
<td>(efficiency)</td>
<td>of socialism (efficacy)</td>
</tr>
<tr>
<td>Administrative reform;</td>
<td>Contestation and political</td>
</tr>
<tr>
<td>political engineering</td>
<td>revolution</td>
</tr>
</tbody>
</table>

The critical contrast which emerges from the analysis of the state-reform binomial is that of a state composed of and a reform carried out either by groups or social classes. These conceptions carry meanings of actors and interests that are fundamentally opposite (Balbus 1971, Cunningham 1975-76). In the dominant acritical view of state reform, markets are automatically presumed to be superior to the state as the principal mechanism for social and economic organization. This is not to suggest that reform of the state is a random, chaotic process. On the contrary, modifications of state institutions and regulations are driven by an abiding respect for the ideal of efficiency (understood as responsiveness to private capital and organized private interests). State reform is thus administrative
reform with the state understood as visible governmental institutions and regime types. "Political engineering" from above is the best means for making "the state" compatible with market signals emitted from society. In an alternative contestant view of state reform, markets are best subjected to the state which reflects the constellation of class forces in society. Alterations in the state-society relationship are structured by the principle of efficacy (understood as responsiveness to broader social interests in the pursuit of democracy and social justice). State reform is thus a contested process with the state understood as an expression of conflictive class interests. "Political revolution" from below is the best means for making the state compatible with popular classes interested in transforming market society.

REFORM & DEMOCRACY: PLURALIST vs. POPULAR

The prevailing treatment (although quite indirect) of democracy in the literature on reform of the state also reflects the liberal formulation in which democracy appears in its ideal form as classical participation (as idealized in antiquity) and in practice as liberal representation. We call this formulation "democracy-as-process" because democracy is understood principally as a collection of rules restricted to governing the relationship between political rulers and citizens who are ruled. The conception of democracy in an alternative political science is inspired by marxist analytical notions, although the socialist practice takes many forms. We call this formulation "democracy-as-result" because democracy is understood not only in relation to juridical guarantees of political equality but also in terms of substantive conditions of equality as the desired end of the process.

Democracy-as-Process

In our times, democracy has been defined mostly in terms of elections, representation, and civil liberties. In its oldest and more fundamental sense, democracy has meant the organization of political society in such a way as to guarantee the direct participation of the citizens in their own governance; common people acting publicly to affect the direction of collective life. This vision of classical participation gives way in the modern period to more restricted conceptions of democracy.

In the vision of liberal representation common since the last century, participation becomes indirect and politics is seen not as a process of deliberation but as a means of establishing instruments through which citizens exercise indirect control over their governors. This necessarily implies the separation of rulers and ruled, i.e., the people govern indirectly through
representatives authorized to make decisions in their name. Citizen participation is limited basically to periodic elections. This model responds to the demands of industrial mass society, although recognizing the potential problems that intermittent participation may create as well as the problem of maintaining private space in the face of public encroachment.

Arising from the empirical research of behavioral political science, the pluralist revision of democratic theory seeks a description of democracy supposedly more consistent with contemporary political life. Maintaining the U.S. political system as an article of faith, authors like Joseph Schumpeter (1984), Robert Dahl (1958, 1961, 1989) and Seymour Martin Lipset (1966, 1967; see also Bachrach 1967) emphasized the functional necessity of apathy, the role of political elites in a democracy, equated popular apathy with political satisfaction, and defended competition among elites as a guarantee against the formation of rigid oligarchies in contemporary democracies.

Social democracy, in spite of the label, locates itself within the line of thinking of democracy-as-process due to its presumption of pluralist democracy. The institutions of liberal representation are accepted (e.g., representation through the formation of groups, participation in elections, etc.) along with the possibility of developing additional forms of participation (e.g., plebiscite, referendum, democratic experiences in the workplace, etc.). Although a strong working class movement may exist, the capitalist class maintains dominance of the political system which implies acceptance of the capitalist mode of production along its general lines. Following the corporatist mode of representation, social reform of capitalism is made possible through a welfare state which provides certain social and economic guarantees for the working class without altering in any significant way the distribution of political power between classes in society.

Democracy-as-Result

With roots in marxist political analysis and its critique of capitalism, democracy-as-result suggests that political power arises from the control of the economic system and politics is seen as conflict over public priorities, choosing certain values, interests and ends and excluding others. In this perspective, politics involves not only competition among groups within the system, but also struggles to change the system entirely. Thus, the notion of the political process includes not only the desire to achieve certain predefined ends, but also the struggle to redefine the ends of the system and propose alternatives.
This vision of democracy contained in the notion of class struggle posits a fusion of the political and the economic since politics is generally an extension of the struggles which deal with questions of material survival, human welfare, in sum, the essential conditions of social life. Democracy is thus seen not only as a collection of political procedures, but also as a system which ought to provide substantive results for the public in general. These advances and democracy itself are represented by the struggles for these substantive benefits on the part of democratic forces (e.g., workers, consumers, community groups, etc.). These economic struggles inherently imply political struggles to democratize "the rules of the game" (e.g., the right to vote, to assemble, to redress grievances to the government, etc.). Seen in this way, the true history of democracy might be represented by a series of events typically downplayed in liberal analysis (e.g., strikes, mass movements, boycotts, etc.).

In practice, the concrete socialist experience produced various expressions of this general definition of democracy. The "dictatorship of the proletariat" is perhaps the most widely recognized, with its emphasis on a revolutionary transition to socialism, inverting the class domination in capitalist society and understanding democracy as "democratic centralism." "Popular hegemony," a concept constructed in the Sandinista Revolution in Nicaragua, presumes socialism as the definition of a just society, desires that popular classes achieve hegemony through organizational pluralism, and values the political participation of all classes obeying the "logic of the majority." From the writings of Marx himself there remains a portrait of "democratic socialism" emphasizing redistributive justice and the construction of a new socialist political economy, the eventual extinction of the dominant classes and private property, and the democratization of life in general.

Figure C illustrates our understanding of the contrasting notions of democracy in relation to "reform of the state." Generally, dominant political science with its vision of democracy-as-process, carrying a vision of a state as a product of pressure groups, privileges a process of reform restricted to "strategic actors" associated with the regime and others who retain political power. A possible alternative political science with its vision of democracy-as-result, conceiving the state as the expression of class forces, posits the possibility of the participation of actors traditionally excluded by the state in its reformulation.
FIGURE C

PERSPECTIVES OF DEMOCRACY & IMPLICATIONS FOR REFORM

| DEMOCRACY | ALTERNATIVE
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DOMINANT</strong></td>
<td><strong>POLITICAL SCIENCE</strong></td>
</tr>
<tr>
<td><strong>POLITICAL SCIENCE</strong></td>
<td>Political organization in which certain rights and liberties exist and are guaranteed principally by the state</td>
</tr>
<tr>
<td>Classical Participation</td>
<td>Class Struggle</td>
</tr>
<tr>
<td>Liberal Representation</td>
<td>Dictatorship of the Proletariat</td>
</tr>
<tr>
<td>Pluralism</td>
<td>Popular Hegemony</td>
</tr>
<tr>
<td>Social Democracy</td>
<td>Democratic Socialism</td>
</tr>
<tr>
<td><strong>NATURE</strong></td>
<td><strong>OF REFORM</strong></td>
</tr>
<tr>
<td><strong>Pluralist democracy, with political rights separated from social</strong></td>
<td><strong>Popular democracy, with political and social rights interdependent</strong></td>
</tr>
<tr>
<td><strong>Capitalist class hegemonic; popular influences indirect and minimized</strong></td>
<td><strong>Popular classes hegemonic; both direct and indirect popular participation valued</strong></td>
</tr>
</tbody>
</table>

The crucial contrast which emerges from the analysis of the reform-democracy binomial is that of a democracy characterized by a reform undertaken with more or less dispersion of political power; more or less inclusion of exclusion of non-state actors. These conceptions also carry obviously contrary meanings. In the predominant view of contemporary political science, state reform is a matter for the state itself. The process of administrative reform and political engineering is necessarily restricted to key bureaucratic actors and invited elites from civil society. Such a perspective is consistent with pluralism which narrows democracy to a political sphere and prefers popular non-involvement in public policy. In the minority view of alternative political science, state reform might extrapolate the goals of orthodox theory. The process of altering the composition of the state involves expanding the definition of democracy to include new actors and new forms of participation in the formulation, implementation and evaluation of public policy.
CONCLUSION

A number of general preoccupations were identified initially in this paper, with special attention given to the predominant interpretations of the origins and delimitations of the reform of the state. The treatment of the question of democracy in literature on state reform provides the principal avenue for a critical re-analysis.

Two contrasting visions of the state were presented, offering divergent understandings of the notion of reform. The vision of "state-as-artifact" associates (and confuses) the state with regime or government, thus producing an interpretation of reform as a preeminently technical process linked to the dynamic of the market. The vision of "state-as-relation" characterizes the state in relation to the social structure, thus suggesting an interpretation of reform as a process of rearticulation of hegemony or domination.

Two contrasting visions of democracy were presented, offering divergent understandings of the state and its reform. The vision of "democracy-as-process" (associated with the state-artifact) entertains an elitist route to the reform of the state. The vision of "democracy-as-result" (associated with the state-relation) opens the alternative of a popular route to the reform of the state.

In the face of this analysis it is crucial to perceive that reform of the state and democratic consolidation need not configure a problematic relationship. But it is also necessary to recognize the fact that in order to offer better conditions for the functioning of the market (at the same time as developing wider democratic mechanisms) modification of existing political and economic institutions is necessary, i.e., the creation of institutions capable of creating a relation of interdependence (and not subordination) between state, society, and market.

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