

## **The managerial administration of housing policies in São Paulo (Brazil): institutional arrangements, governance patterns, models of planning**

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This work aims to enrich the discussion on the manner in which models of territorial management and planning are structured in Brazil. It is based on an analysis of the housing policy operated in the state of São Paulo through a state agency in particular, the Companhia de Desenvolvimento Habitacional e Urbano (Housing and Urban Development Company), CDHU, a public company that runs social housing programs throughout the state's territory, serving low-income families (with income of less than 1,900 dollars a month, approximately).

The daily interactions between the State (CDHU) and some specific private actors involved in the managerial administration policy - engineering, management and consulting companies - are observed in order to illuminate the institutional arrangements they create and that are possibly established as a governance pattern of public policies in São Paulo.

The hypothesis refers to the State's operating dynamics and their influence on the models of planning adopted: the paradigm of the policy, with little pattern changes over the last twenty-five years, is determined from choices and arrangements that happen exactly in the interface between the state and the non-state actor, featuring a complex decision-making dynamics, which responds to interests that are diverse, heterogeneous, but produce concrete results on the planning, conception and implementation of programs and actions.

The idea that private companies influence political processes and, in particular, the public policies of (and in) the city is part of the common sense of Brazilian politics. There is even a relevant literature concerned with emphasizing the importance of

various types of capital (private, domestic and foreign companies) for the planning and production of our urban territory, highlighting the new institutional arrangements that has been allowing a consolidation of the participation of the private sector in such activities.

However, this phenomenon of interaction is not new nor recent: a quite evident example of that, which can serve us as reference, is the course to consolidation of the civil engineering sector in the country, driven by the expansion of the great construction works for modernization of the territory, encouraged and sponsored by the State since the 1930s, and enhanced in the 1950s under the developmental guidelines of the then government.

Heavy construction companies as well as those dedicated exclusively to developing calculations, projects and consultancy - those that can be allocated in the niche called 'Consulting Engineering' - maintained a strong growth curve during the years in which the country was under the strong hand of the military regime (1964 - 85), reaching the peak of its expansion by the end of the 1970s, leveraged mainly by contracts with public administrations at different levels of government.

Between the 1980s and 1990s, during a remarkable process of adjustment and reform of the State, many of these companies took the market of consulting and management packages more strongly by signing contracts with the state sector in order to develop outsourced activities of administrative support, assisting the public agencies with a technical body specialized in planning, directing, coordinating, managing, monitoring and correcting the progress of a particular project or work.

Partly a requirement from multilateral agencies, such as the Inter-American Development Bank (IDB) and the World Bank, for funding urban policies in Third World countries, in Brazil, the spread of managerial techniques in the state structures met, at that time, a number of other demands and particularities such as low capacity of state action, social pressures for reformulations in politics, external pressures from private agencies for new contracts, re-accommodation of interests of political elites in accordance with new reformer requirements directed to underdeveloped countries, etc.

The repercussions in the operative quality of the policy are quite obvious, anyway, with ever stronger guidelines for an outsourced public management model allocating an increasingly denser private technical body in the heart of the state apparatus - consisting of management companies, private foundations, NGOs and all thinkable sorts of consultants.

Such is the case of the companies focused in this work, which have worked along CDHU for at least twenty-five years and since then have taken an increasingly significant space in the daily operations of the programs taken over by the company, in terms of hired services and allocated resources. The growth of their participation can be justified by the increase in the capacity to serve housing demand and also by the alleged efficiency that the presence of the private sector could provide to the implementation of public policies.

Observing the institutional arrangements arising from the interaction between the state agency and such external agencies, at least two fundamental issues deserve to be problematized. The first issue concerns the state's own role in territorial planning and in housing and urban policies in Brazil, and specifically in São Paulo: there would not be a reduction of this role, but a redefinition of its boundaries. The designation of public policies in the institution (and they are not few) involves a mechanism arranged in the wheels of the market, or in forms of entrepreneurialism analogous to them, which in turn reciprocates the policy with demands that are dear to specific segments. This process sets governance patterns structured precisely in these connections that may be considered characteristic of the recent history of urban and planning policies in São Paulo. The second issue is related to the importance of the private agency in this process: focusing specifically on management companies, it is possible to see how they play a prominent role in the network that is established for the implementation of housing and urban policy, especially if we consider the frequency with which they have been working along public authorities and the amount of resources they mobilize. The analysis of the place they take in this plot can therefore reveal new aspects of the relationship between the public and the private sectors in the course of the most recent housing policy in Brazil, and especially its consequences in terms of planning and production of urban space.

There are many challenges standing in the course of planning and producing a fair, dignified and less unequal urban space, either in a specific context such as the state of São Paulo's, in an enlarged perspective, or on a global scale. The issue of institutional arrangements and actors involved in the daily management of policies is certainly a crucial point to understand, discuss, and perhaps overcome them.

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