

The Civil Service in Brazil & Turkey

A Comparative Analysis

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Objectives:

- An exploratory study of the structure, evolution and key issues of the civil service in Brazil and Turkey.
- Focusing on: government efficiency & effectiveness, merit and professionalism, rights and benefits, demographic representation

Outline:

- I. Comparative Framework
- II. Historical Context
- III. Structure & characteristics of the civil service
- IV. Summary of key findings and challenges

I. Comparative Framework



Is Turkey heading for an economic crisis?

By Andrew Walker

BBC World Service economics correspondent

BUSINESS NEWS

MAY 30, 2017 / 7:11 PM / A YEAR AGO

Brazil's economy likely crawled out of recession in first quarter





Getúlio Vargas



Atatürk

II. Historical Context

Evolution of the Civil Service in BR & TR

	Brazil	Turkey
Turn of the century	“Order and Progress”	“Union and Progress”
Interwar Era	“New Republic” Reforms of Getulio Vargas (1934– 37) Centralization, Rationalization, Modernization	“New Republic” Reforms of Kemal Atatürk (1923 – 38) Centralization, Rationalization, Modernization
1960s	“Military dictatorship” Decree Laws 199 & 200 of 1967 Decentralization & Delegation	“Military guardianship” Law 657 of 1965 (<i>still in effect</i>) Centralized, Weberian bureaucracy
1980s	“Re-democratization” 1988 Constitution Single Juridical System, Career System (Weberian)	“Neo-liberalisation” Transition to market economics Privatizations, Private sector practices in public sector
Turn of the millennium	“Economic liberalization” Cardoso reforms (1995 – 98) --NPM--	“Europeanization” EU reforms (1999 – 2004) --NPM--

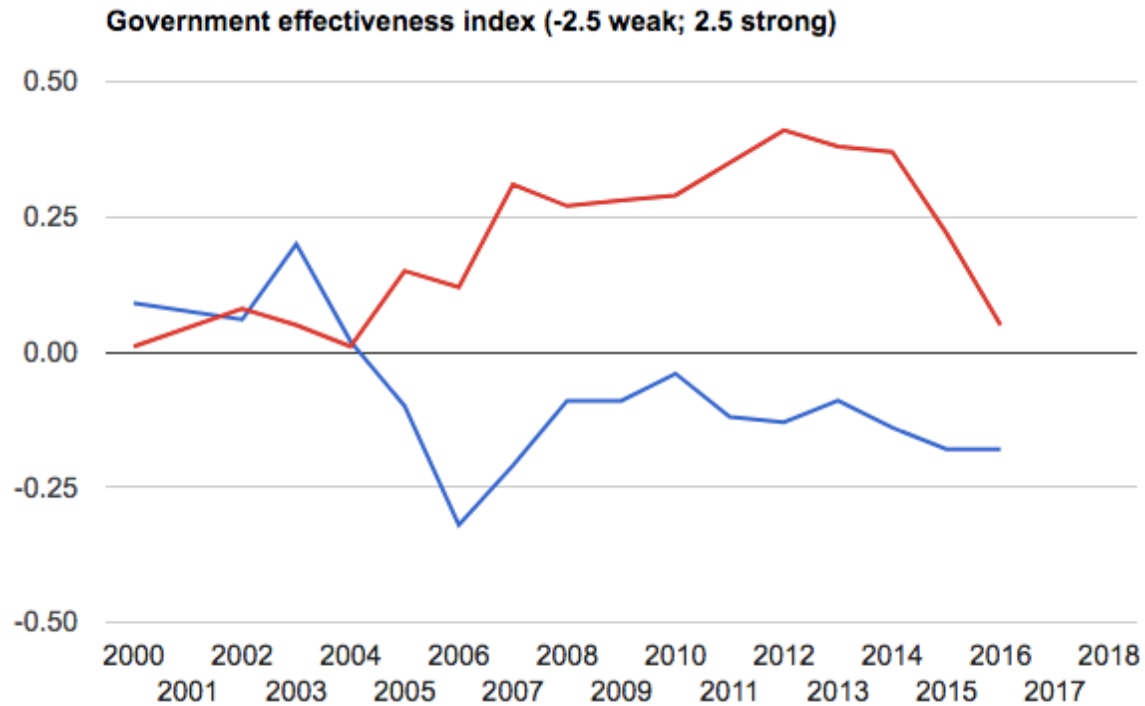
III. Structure and Characteristics of the Civil Service

Overview

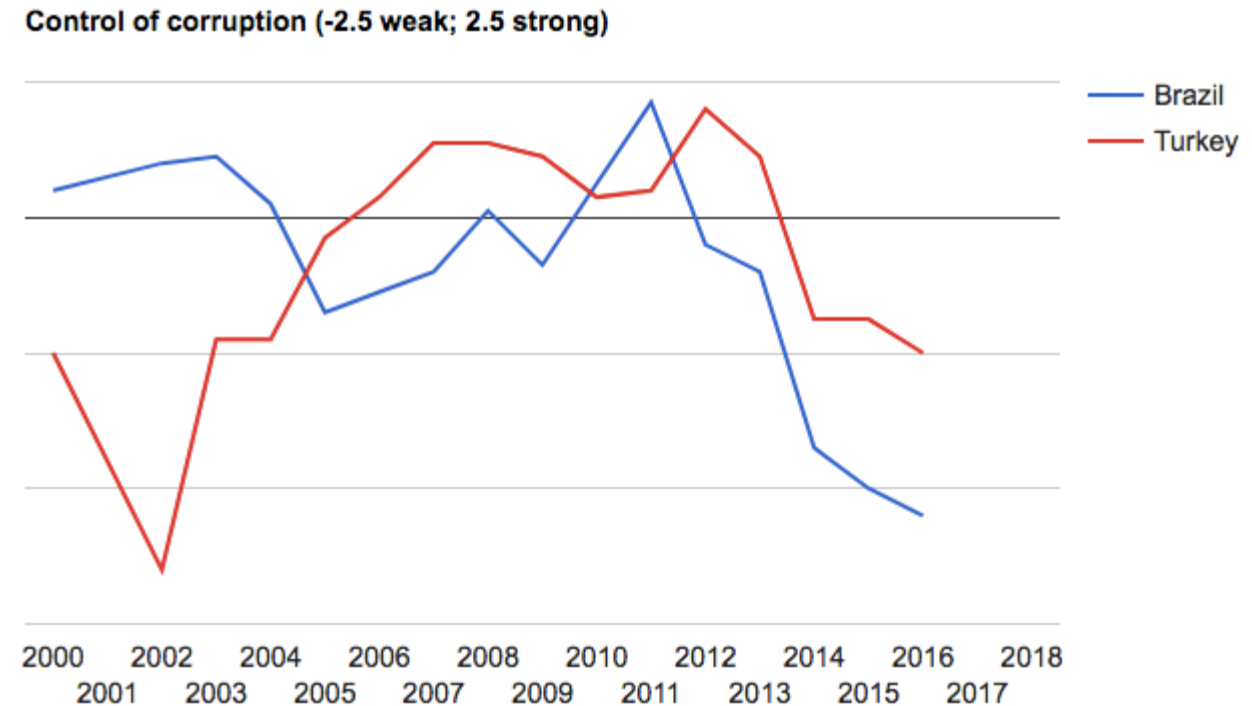
	Brazil	Turkey
No. of Civil Servants *	633,003 (PEP, Feb 2018)	2,449,538 (SPP, Sept 2017)
% of workforce (2013)	12	13 [OECD average: 19%]
Central HRM Body	Human Resources Secretariat (Ministry of Planning, Budgeting and Management)	State Personnel Presidency (Ministry of Finance)
Recruitment system	Mainly career based	Mainly career based
Legal Framework	Permanent staff employed under Single Juridical Regime (Federal Law 8112) & the Consolidation of Labor Laws. Fixed term contracts gov'd by Law 8745/93.	Law 657 divides employees in 3 categories: Public Servants Contract Employees Workers

A. Government effectiveness & efficiency

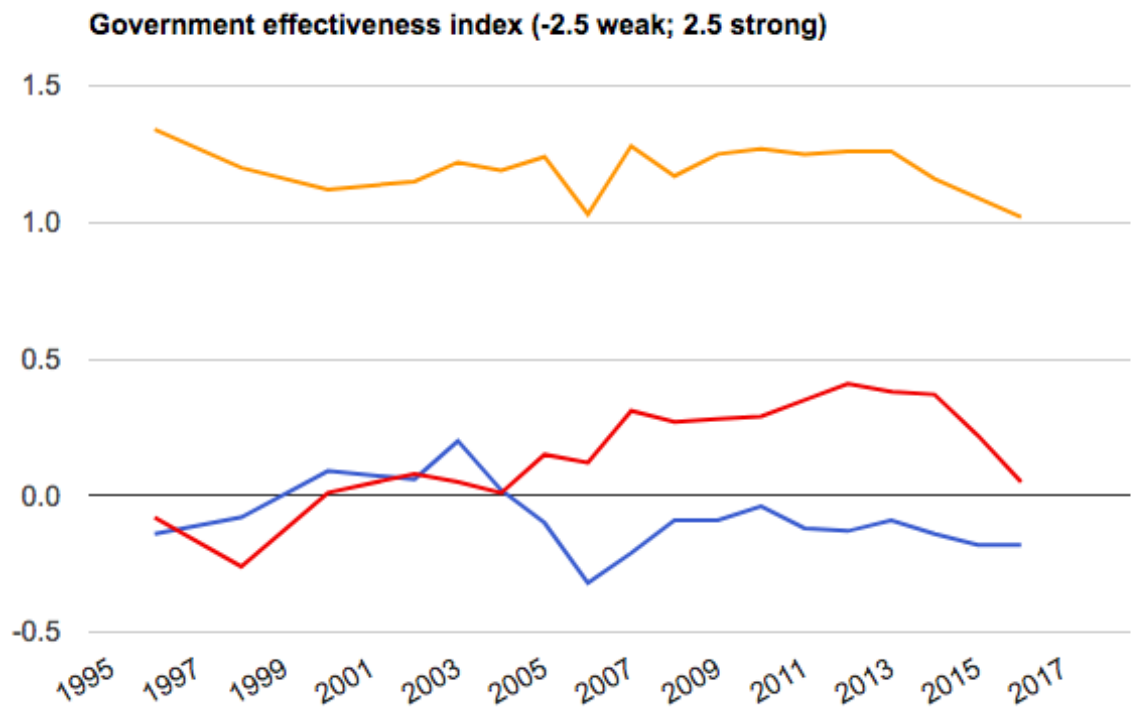
- Perceptions of inefficiency, lack of accountability and systemic corruption key to reform attempts in Brazil and Turkey.
- Longer and deeper push towards managerialism in Turkey than Brazil.
- In Turkey →
 - EU and IMF-backed reforms aimed at making public service more efficient, less costly, more flexible.
 - Dramatic deterioration on all fronts since mid-2010s.
- In Brazil →
 - Deterioration in government effectiveness, efficiency between 2003 & 2014 parallel to growing size and role of the public sector (IADB).
 - Perception of increased corruption (across public sector) but also...
 - Enhanced framework for transparency and accountability



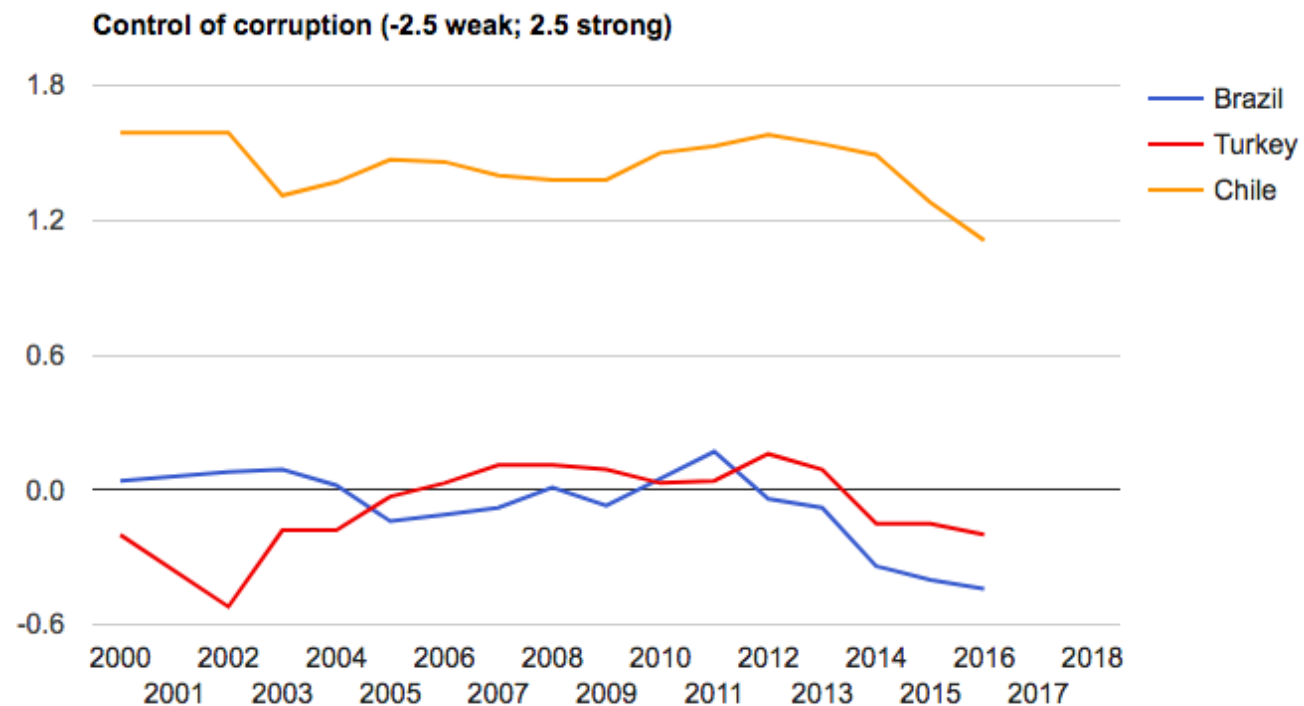
The index of Government Effectiveness captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies. (Source: World Bank)



The index for Control of Corruption captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as capture of the state by elites and private interests. (Source: World Bank)



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Category	Brazil rank (out of 137)/trend	Turkey rank (out of 137)/trend
Country rank (overall)	80 / ↑	55 / ↓
Institutions (overall)	109	71
Public trust in politicians	137	70
Diversion of public funds	134	38
Irregular payments & bribes	107	53
Favouritism in govt decisions	112	82
Efficiency in govt spending	<u>133</u>	<u>38</u> (2016-17)
Transparency of govt decisions	127	42

Performance of public institutions (WEF 2017 – 2018 Report)

Brazil	Turkey
1. Tax rates	1. Inadequately educated workforce
2. Corruption (13.6%)	2. Access to financing
3. Tax regulations	3. Inefficient govt bureaucracy (10.5%)
4. Inefficient govt bureaucracy (11.9%)	4. Political instability
5. Political instability	5. Tax rates
	...14. Corruption (2.7%)

Obstacles to doing business (WEF Executive Opinion Survey 2016)

B. Merit & Professionalism

	Brazil	Turkey
Recruitment process	<p>Formal competitions in each category. Some posts open to external appointment (~25% of DAS appointments since 1988). Quota for blacks and disabled persons.</p>	<p>Centralized written exam (+oral interview) Some posts open to external appointment. (3% quota for disabled persons)</p>
Promotion / Advancement	<p>Advancement automatic based on years in service. Promotion based on performance, years in service, educational qualifications.</p>	<p>Advancement automatic based on years in service. Promotion based on performance assessment (high importance), years in service, educational qualifications.</p>

- Turkey and Brazil almost identical in “Weberianness scale” for period 1970 – 1990 (Evans and Rauch 1999).
- Post-1988 Brazil arguably the **most meritocratic civil service** in Latin America (IADB).
- Continued patrimonialism (distribution of strategic posts for political support) is a result of fragmented political party system.
- In Turkey: Emphasis on meritocracy in EU reforms (but, always inferior to efficiency for Erdogan government).
- Significant deterioration since 2010s as part of political power struggles.
- Politicisation of public administration a “serious concern”.
 - Poorly regulated, non-transparent oral interviews to bypass the centrally-organised exams in recruitment and promotion.
 - Investigations into systematic cheating in 2010 Public Personnel Selection Exam.
 - Dismissal of nearly 170,000 civil servants after 2016 coup attempt.

	Brazil	Turkey
Civil Service Professionalism	32	57
Civil Service Impartiality	46	49

out of 159

Quality of Government Institute - Expert Survey (2015)

C. Rights & Benefits

1. Wage calculation

Brazil	Turkey
<i>Compartmentalized</i> collective bargaining; Fixed remuneration system with pay levels (management categories, judiciary, certain police officers, diplomats, auditors)	<i>Centralized</i> collective bargaining w/ multiple factors determining base salary + bonuses. No performance-related pay.

- In Brazil, federal public officials earn 67% more than private sector employees in similar roles (highest difference in 53 countries surveyed; World Bank 2017)
- 54% of civil servants among the wealthiest 20%, and 77% among the wealthiest 40%.
- Significant pay gap between core careers and general civil service, between careers, and different seniority levels (“*pockets of privilege*”).

	Brazil (PEP, 2017)	Turkey (SPP, 2017)	
Highest Salary	R\$ 29,133.55 (Nível Superior)	TL 10,852.40 [R\$ 7,190]	<i>1 BRL = 1.51 TL Sept 17, 2018</i>
Lowest Salary	R\$ 1.467,49 (Nível Auxiliar)	TL 2,829.84 [R\$ 1,874]	
Wages % of GDP (World Bank Dataset 2015)	4-5 (federal gov) 13.1% (total)	7-8	<i>US: 9% Chile: 6.4%</i>
GDP per capita [PPP]	USD 10,888 [USD 14,103]	USD 14,933 [USD 25, 129]	<i>World Bank 2017</i>

2. Industrial Relations

	Brazil	Turkey	
Staff can Unionize / Strike	Yes / Yes	Yes / No	
Trade union density (general workforce)	19% (2012)	8% (2016)	OECD: 17%
Collective bargaining cover	60%	63%	
Civil Service Unionisation	55%	64%	

- In Turkey: 38% decline in unionisation between 2001 and 2011.
- But → 149% increase in public sector unionisation.
 - Almost entirely due to massive increase in a single government-dependent union
 - Membership in “Memur-Sen” grew by 2129% between 2002 and 2016.

3. Retirement and Pension

	Brazil	Turkey
Retirement Age	After 35(m); 30(w) years of insurance contribution or after 65 with 15 years of contribution (Gov plan: 65 yrs min age; 25 yrs min contribution)	Pre-2008 entry: 60 (m); 58 (w) Post-2008 entry: 60-65 (m); 58-65 (w) (or 25 years of min. insurance contribution)
Pension benefits	Civil servants receive at least the minimum wage. Most receive full salary in retirement.	Pensions indexed to CPI, means-tested. Civil servants receive approx. 50-70% of salary in retirement.

OECD ave. for min. cont.: 26 years

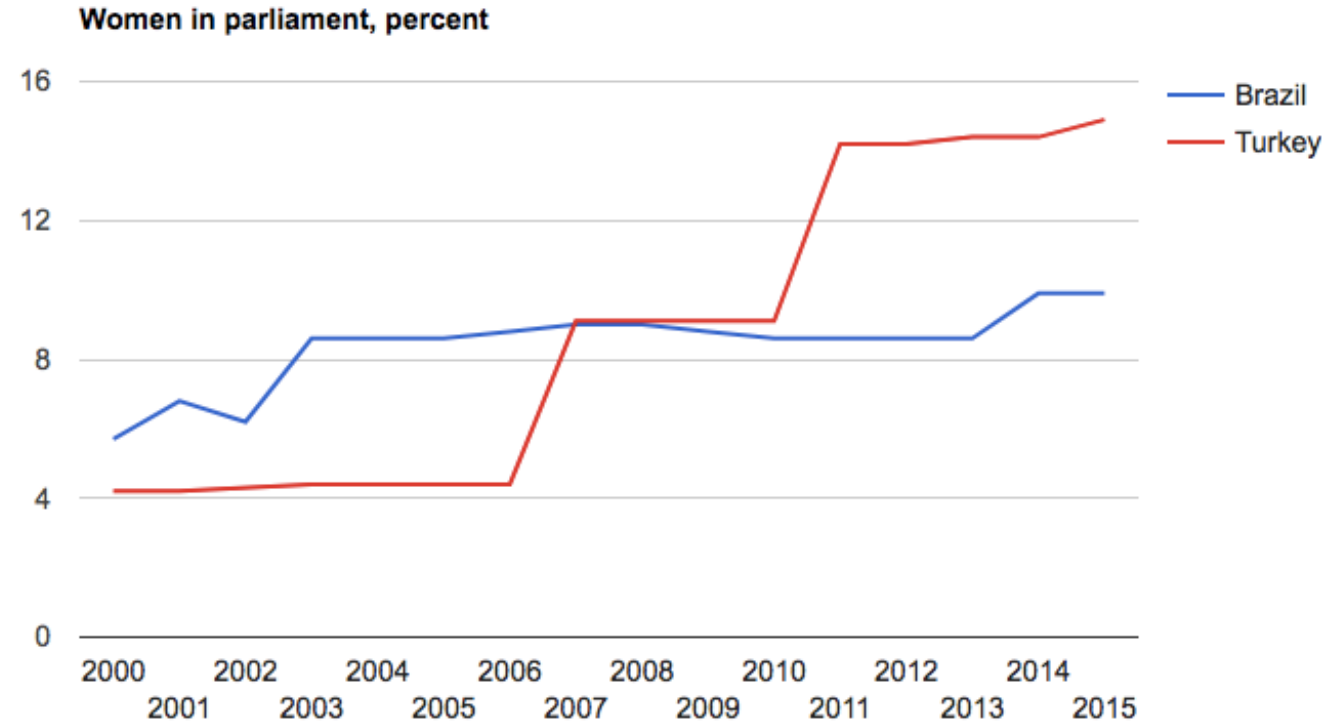
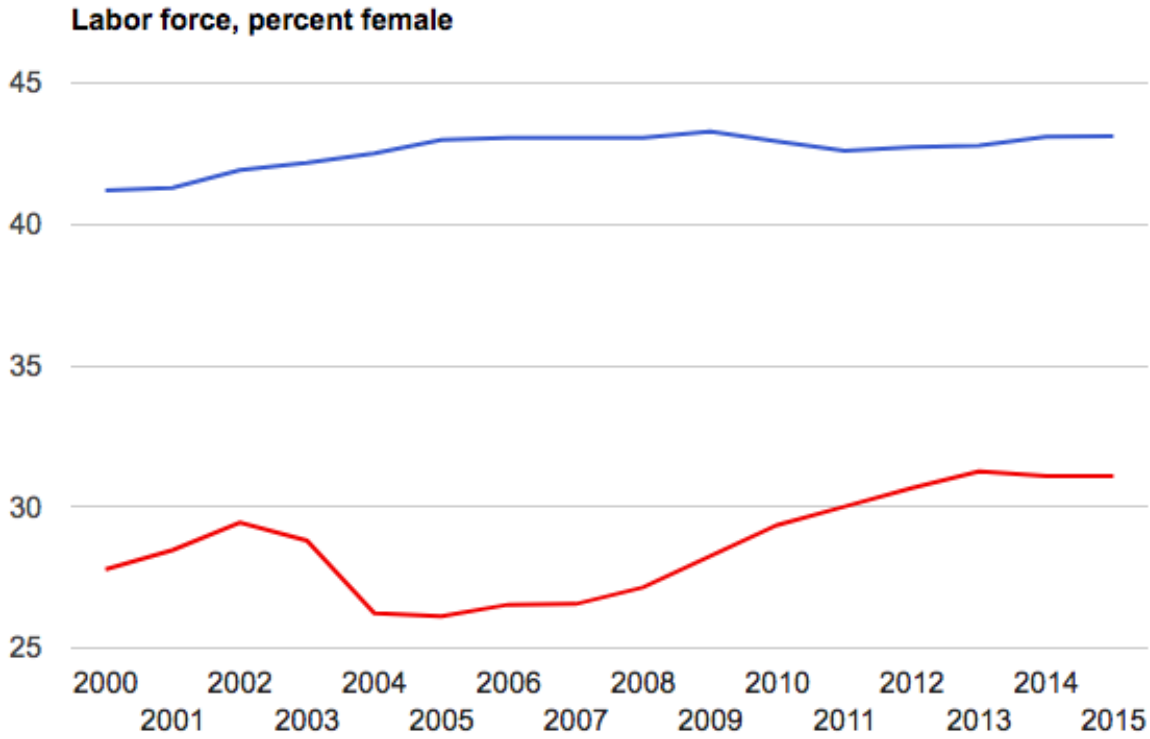
D. Demographic Representation

Gender Balance

Women in Public Service	Brazil	Turkey
% in public service	59.29	33.8
% in senior management	21.8 (DAS-6) 41.1 (DAS-5 & 6)	7.98

Source: OECD (2015 data)

4. Gender Balance



Source: World Bank

IV. Conclusion

- A patchwork of patrimonial, traditional bureaucratic and managerial characteristics in both.
- Brazil more successful at institutionalising merit & professionalism, but problems persist in efficiency and effectiveness, “pockets of privilege” and inequality.
- Turkey more successful at creating relatively flexible, efficient, result-oriented public service ... at the expense of civil servant rights & benefits, meritocracy.
- Promoting efficiency (NPM) & meritocracy (Weberian) mutually exclusive?
- Deterioration of meritocracy, state capture by special interests and crises of democracy linked to excessive focus on managerial goals?

“A large part of the impetus for the reinvention of government has come from developed countries with mature democracies, and hence the existence of strong and established democratic institutions and processes has been taken for granted. [...] Because the debate mainly focuses on efficiency, on the reduction of the cost of governance, and more generally on whittling down the all-embracing role of the government, not enough attention has been paid to strengthening democracy – in fact the debate might have contributed to the **weakening of democratic processes and especially democratic accountability.**” – Gowher Rizvi

Thank you!