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THREE RATIONALITIES IN DEVELOPMENT DECISIONS

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ABSTRACT

Development performance is, in most cases, disappointing. Numerous obstacles, domestic and international, impede success. This paper argues that, in addition to these, bad development decision-making contributes to failure. The Author analyzes how three distinct rationalities, or basic approaches to logic, converge in decision-making arenas. These are technological, political, and ethical rationality. Each has a distinctive goal and a peculiar animating spirit or basic procedure. Problems arise because each rationality approaches the other two in reductionist fashion, seeking to impose its view of goals and procedures on the decision-making process. The result is technically sound decisions which are politically unfeasible or morally unacceptable or, in other cases, ethically sound choices which are technically inefficient or politically impossible, or again, politically sound decisions which sin on ethical or technical grounds.

After analyzing the three rationalities, the Author illustrates their workings in three concrete sectors of contemporary Brazilian development strategy: a dam construction project in the impoverished Northeast region, a new approach to municipal government in greater São Paulo, and an ambitious program of incentives aimed at diversifying agricultural production in the Northeast. The conclusion reached is that a new model of mutually respectful—and not reductionist—dialogue among the three rationalities is needed in arenas of developmental decision-making.

SUMARIO

As realizações, em materia de desenvolvimento, são quase sempre decepcionantes. Existem um sem número de obstáculos que impedem o êxito. O argumento do presente artigo é que, além dêstes obstáculos, as más decisões contribuem para o fracasso. O autor analisa como três racionalidades distintas, ou seja, três padrões de lógica, convergem para o campo da tomada de decisão. São elas: a racionalidade tecnológica, política, e ética. Cada uma tem um objetivo particular e um espírito animador ou um procedimento próprio. Problemas surgem porque cada racionalidade aborda as outras duas de maneira reducionista; isto é, cada racionalidade tenta impôr sua visão dos objetivos e seu espírito, no proceso de decisão. O resultado, então, é uma decisão que, se é bôa no plano técnico, é falha, política ou eticamente falando; se aceitável moralmente, é deficiente na dimensão política ou técnica; ou, finalmente, se politicamente válida, é falha do lado técnico ou ético.

Após analisar as três racionalidades, o autor ilustra sua operação em três setores concretos da atual estrategia brasileira de desenvolvimento. Os setores abordados são: a construção da represa do rio São Francisco em Itaparica, a experiência de governo municipal em Diadema, no grande São Paulo, e o programa de novos incentivos ligados ao Projeto Nordeste e destinado a diversificar a agricultura naquela região. A conclusão a qual chega o autor é que um novo modelo de diálogo interrelacionado, e não reducionista, é necesário para que as três racionalidades produzam bôas decisões no setor de desenvolvimento.

THREE RATIONALITIES IN DEVELOPMENT DECISIONS

Success or failure in development is measured in spheres of action. It is not elegant simplicity in development policies nor technical virtuosity in program designs which produces results, but effective action in concrete domains of problem-solving. In these practical realms multiple obstacles block implementation, some lying outside national boundaries and others operating domestically.[1] Because development actions are themselves traceable to prior decisions, however, sound decisions are also vital to successful development. In their absence, development performance will be distorted.

This essay analyzes the dynamics at work in arenas of developmental decision-making. Its central argument states that most poor decisions are traceable to avoidable conflicts among three rationalities competing in these arenas.

A few preliminary definitions are in order. What, precisely, is an arena of decision-making? This term does not refer to a physical place, although concrete decisions are always made by specific actors occupying a determinate space and place. An arena of decision-making is the intellectual locus or field where choices are made. It is a domain of assumptions, procedures, modes of reasoning, processes of classification and judgment which result in preferences by which one selects one among many possible courses of action. The question here is: what modes of thinking animate, or inform, the actors who make

vital decisions about development?

Three distinct logics or rationalities vie for supremacy. These rationalities are personified to highlight what Max Weber called pure or "ideal" types. Each rationality is described in its naked or pure state, as it were, although in real life the types blend in varied ways. So as to isolate the peculiar quality of each rationality, it is useful to analyze separately the goals and basic procedures dominating in each. After this isolated profile is drawn, the main inter-relationships among the three rationalities can then be illustrated.

Rationality signifies any mode of thinking, any universe of cognitive assumptions and methodological procedures, or any body of criteria for establishing truth or validity. Indeed, numerous rationalities are discernible, each expressing the peculiar preferences of some culture, professional specialty, or varying conception of tasks to be accomplished. Development decisions are taken by three kinds of actors: technical specialists (agronomists, economists, engineers, financial experts, industrial planners, etc.), politicians (elected or imposed, or bureaucratic players acting as agents of political power-holders), and persons pressing some special or general interest. These interests may range from purely private, commercial, or financial interests to the advocacy of lofty normative goals benefiting the entire human race. The three rationalities just evoked correspond, in a rough way, to these three classes of actors. Hence, one may speak of technological,

political, or ethical rationality as though these were embodied in persons and themselves made decisions.

A. <u>Technological rationality</u>. Technological rationality rests on the epistemological foundations of modern science; its proper mission is to apply scientific knowledge to solving problems or asserting control, whether over nature, social institutions, technology itself or people. Its <u>goal</u> is forthright: to get something done, to accomplish some concrete task like building a dam, clearing a forest, extracting ore from a mine, or boosting the output of a crop. Its animating procedure or dominant spirit is to treat everything but the goal <u>instrumentally</u>, <u>i.e.</u>, as an aid or obstacle to reaching the targeted goal. Aids will be harnessed to the task and obstacles eliminated. Technological rationality displays a <u>hard</u> logic guided by a calculus of efficiency in the assessment of time or the utility of any object. It matters little for the technician whether obstacles faced are material, institutional, or human. Dam engineers who find a hill in their way will dynamite it. If the impediment is bureaucratic red-tape, they will try to crush it, ignore it, or appeal to power to circumvent it. If some organized human group, such as a squatters' association, mounts resistance, the technician's instincts will dictate, not negotiation or compromise, but the elimination of the opposition as quickly as possible.

B. <u>Political rationality</u>. The logic obeyed by politicians differs from that of technicians, both in its goals and in its animating procedures. Notwithstanding political rationality's

rhetoric about its commitment to concrete accomplishments, its
true goal is the survival of certain institutions or rules of
the game, and the maintenance of one's power position in those
institutions. To illustrate, we may consider a politician
elected on the platform promise of constructing 20,000 new
low-cost housing units. If, however, while trying to implement
the promise, that politician encounters serious opposition,
financial obstacles, or adverse publicity, the project will be
dropped. What truly matters is NOT building the houses but
preserving the politician's influence and power. Accordingly,
political actors will compromise, negotiate, accommodate, or
engage in what former President Lyndon Johnson called
"horse-trading" or what I prefer to designate as "navigation."
Politicians navigate between opposite shores: their spirit is
soft, not hard like that of technological problem-solvers.

 C. Ethical rationality. A third form of logic or
rationality may, for want of a better name, be called ethical or
humane. It emphasizes value norms as goals. Ethical rationality
is concerned with creating, nurturing, or defending certain
values taken as worthy for their own sakes -- values like
freedom, justice, the inviolability of persons, the "right" of
each to a livelihood, dignity, truth, peace, community,
friendship, or love. Unlike the two other forms described
earlier, ethical rationality takes as its goal the promotion of
values, not the performance of concrete tasks or the
preservation of institutions or power positions. This rational-
ity is called "ethical" or "humane" because it thrives on moral

judgments about what is good and bad, right and wrong, just and unjust.

Ethical rationality draws its inspiration from two distinct sources. The first is a meaning or belief system, some religion, philosophy, world view, symbolic code, or cultural universe of norms. The second source is the world of daily experience as lived by people lacking power, status, or special expertise. They spontaneously cry out for respect, recognition, and acceptance as beings of worth irrespective of their serviceability to other causes. What the Spanish language calls the _vivencia_ or lived experience of ordinary people convinces them that asserting their dignity as persons is a more important goal than "getting things done" or preserving someone's status in a power hierarchy or ladder of privilege. For human or ethical rationality, it is more important to _be_, and to be well, than to do or to be well thought of. Its central stress on values for their own sake reveals what its procedural spirit is. It is a spirit which relativizes the goals of other rationalities and treats these instrumentally. Building a road or staying in power is judged to be good or bad according to whether it contributes to little people's gaining freedom, being respected or treated justly. Ethical logic is inherently judgmental and, like other rationalities, it enters arenas of decision with specific goals and its peculiar animating spirit.

Now that the three rationalities have been described, their mode of interaction in decision-making arenas will be examined.

Interactions of the Three Rationalities

When they meet in common arenas of decision-making, the three rationalities impinge upon one another, not in a mode of horizontal mutuality but at cross-purposes and in a vertical pattern. Each rationality tends to approach the others in triumphal, reductionistic fashion. Technological logic seeks to impose its vision of goals and animating procedure upon the entire decisional process. Political and ethical rationality behave likewise: each tries to get the other two "partners" to accept its own favored ground rules of dialogue.

This conflict makes for bad decisions. If technical rationality holds sway, decisions easily prove to be neither politically feasible nor ethically worthy. Conversely, the triumph of political logic without due regard for the other two rationalities may result in decisions which are catastrophic in technical terms or repugnant in moral terms. The point here is that good decisions need to display many qualities, none of which can emerge from a unilateral application of a single logic entering decisional arenas.

Triumphant reductionism likewise prevails in two other domains of multi-dimensional discourse, namely, the world of religious ecumenism and that of academic inter-disciplinarity. In most cases EITHER there is mere juxtaposition or aggregation of diverse viewpoints, or one epistemology tries to assert itself and win assent from others. In all three spheres, however -- development decision-making, ecumenical discourse, and interdisciplinary study -- authentic dialogue calls for a

new model of mutuality. [2]

    True mutuality rests on the conviction that any knowledge
is partial and risks mistaking itself for the whole.[3]
Indeed, the very partiality of any knowledge imposes upon its
practitioner the duty to look at the common reality from other
sets of cognitive spectacles. The assumption should not be
made, for example, that one's peculiar intellectual discipline
has the most "correct" grasp on the reality studied, but merely
that it approaches that reality from one amongst many valid
cognitive vantage points. Other vantage points, therefore, are
not to be assimilated to it in purely extrinsic fashion.
Rather, one must get inside their peculiar spirit in the effort
to grasp the reality known from within the dynamics of each
viewpoint. The proper stance is active respect for the other
view allied to modesty regarding the limitations attendant upon
one's own preferred vision, and a willingness to reinterpret
one's own disciplinary reading of reality in the new light
obtained from alternative readings. Such a posture is the
antithesis of triumphalism or reductionism; it promotes active
examination of the epistemological assumptions, procedural
preferences, and criteria for norm-setting which place their
stamp on all disciplinary exercises or special rationalities.

    My argument states that there exists a logic peculiar to
three categories of decision-making actors, and that in most
cases the demands of their respective rationalities lead to
unfruitful conflict or unwise, uni-dimensional abdication, both
of which generate poor decisions. The dynamics of this

interaction are best illustrated in concrete instances where identifiable actors, the subjects of decisions, share a common problem whose essence they perceive differentially, however, and whose elements they judge variously in accord with the three rationalities just described. Three illustrative cases drawn from contemporary Brazil are now outlined.

I.   FIRST CASE: THE ITAPARICA DAM[4]

1. Background. The Brazilian government pursues a policy of building many large hydro-electric dams to generate electricity on a vast scale. Recently constructed dams include Itaipu, the world's largest facility with a capacity of 12.6 million kilowatts, and Tucurui with over 7 million kilowatts. In addition to these spectacular works, which have attracted worldwide attention, a vast network of dams is planned on the São Francisco River which courses through much of the dry and impoverished Northeastern states of Bahia and Pernambuco. Some dams, Paulo Afonso, Sobradinho, and Moxoto, have already been completed, whereas several others are projected for the near future. The Itaparica dam presently under construction is the site of an interesting new pattern of negotiations amongst actors who represent the three rationalities discussed above.

The decision to build a dam is obviously a political one, albeit the selection of a specific site and scale are largely dictated by technical considerations. One by-product of these decisions is the need to relocate people living where a future reservoir will arise. At Itaparica, 23,000 people must be

resettled; these represent 17% of the total population of the eight "municipios" or counties affected by the dam's construction. In past resettlement cases, poor residents had no voice in negotiating the terms of their relocation and the criteria of indemnization for their goods and property. Serious disaffection on these counts, especially at Moxoto (1975) and Sobradinho (1979), has propelled agricultural workers' unions to organize and mobilize the populace of Itaparica. Their objective is to win acceptance of the residents as negotiating partners along with the technical organizations and political agencies which hitherto retained a monopoly of decision-making. In earlier instances residents were not informed of flooding schedules, had no say in setting levels of monetary compensation, and no choice of relocation sites. At Itaparica today, however, the population to be resettled is actively negotiating with governmental and technical agencies the specific details of all these questions. Thanks to their mobilization at the grass-roots, and their participation in diagnostic discussions at micro levels of influence where they are affected, non-elite people have conquered a mandate for a new macro decision-making role. More importantly, their participation has empowered them to function in a macro arena of decision in novel fashion.

Itaparica is one decision-making arena where the three rationalities meet in visible fashion.

2. The Actors. CHESF (Companhia Hidro-Eletrica do São Francisco) a subsidiary of Eletrobras, is a government utility

company. CHESF stands for technical rationality, the Mayors'
Association for the political variant, and the Syndicate of
Agricultural Workers for the ethical, or humane logic. What are
the major goals and procedural spirit of each?

CHESF wants to build a dam on schedule, to get electricity
flowing. It is impatient with having to engage in complex and,
at times, seemingly intractable negotiations with multiple
social actors. Its technicians argue that the relocated
populace should not be resettled near the borders of the future
reservoir where, they claim, the soil is infertile and could
only yield acceptable crops if irrigation were adopted. The
Workers' Syndicate, on the other hand, professing to speak for
the 23,000 poor residents, declares that it wants its people to
live by the lake's edge. To which CHESF retorts that were they
to do so, economic costs would be prohibitive because irrigation
and new technological inputs (insecticides, pesticides, and
fertilizers) would be required. In cultural terms, however, or
in accord with its "humane" rationality, the populace considers
itself to be amphibious. Accordingly, it desires to live near
the water with one foot in water, as it were, and another on
land. Its _vivencia_ and cultural goals conflict with the
economic objectives, conceived in purely technical terms, of
CHESF. That agency claims it seeks the cheapest and most
"rational" solution, which consists in relocating people where
their traditional agricultural practices may still be employed.
CHESF's notion of cost-effectiveness treats the site preference
of residents as an externality in its rational calculus, not

as an internality to be weighed in assessing total costs and benefits.

The Mayors' Association, in turn, comprised of eight elected municipal officers, is primarily interested in NOT losing voters or taxpayers once the reservoir is created and resettlement made. Accordingly, the Mayors favor relocation schemes of residents within their municipal boundaries. Theirs is the conventional or traditional political calculus. Yet, notwithstanding its procedural preferences, CHESF finds itself reluctantly obliged to negotiate both with the Municipal Association and the Syndicate. CHESF criticizes both entities for introducing too many "extraneous" considerations into bargaining: it would prefer to treat everything as a technical issue, not as a political one or as a contentious ethical question of justice.

Not surprisingly, the three actors entertain conflicting perceptions of the others. The Municipal Association, for example, views itself as very moderate and constructive in providing a forum where all parties can meet and compromise. The Syndicate, for its part, distrusts both CHESF and the Mayors' group and sees compromise -- at least premature compromise -- as the pathway to sure failure to obtain a fair deal for the displaced population. Its historical memories of broken promises in Moxoto and Sobradinho justify, in its eyes, its present inflexibility in issuing demands to CHESF. The Syndicate has organized large popular protest meetings, issued ultimata, and publicly denounced its "partners" in the

negotiating arena. It treats them, in short, as adversaries.
In turn, both CHESF and the Mayors' group accuse the Syndicate
of rendering agreements with individual settlers more difficult
by insisting on a collective accord rather than "ad hoc"
agreements with each settler. The Mayors further accuse the
union of politicizing its role unduly, of going beyond its
legitimate mandate to defend class interests and playing
political hardball by calling for land reform. The reference
here is to the union's demand for title to land at the future
relocation site to compensate for lands not juridically "owned"
at the present river bed by poor tenant farmers, share-croppers
and agricultural workers. CHESF claims that it cannot
expropriate land at new sites because it possesses authority
only to expropriate on grounds of "public utility" and not of
"social interest." This legal distinction is clearcut: public
utility is some public use -- a thoroughfare, a dam reservoir, a
public building. "Social interest" means that the requirements
of justice or economic efficiency justify expropriating land to
be given to private individuals or corporations for their use.
CHESF's argument is technically correct, although other
government agencies -- notably INCRA (Instituto Nacional para
Colonização e Reforma Agraria) or some of the state government
agencies -- do possess that jurisdictional power. To the
Workers' Syndicate, land reform is an issue of fundamental
justice and economic rights of the downtrodden. To the other
actors it is a consideration extraneous to the resettlement
problem. It is manifestly extraneous to purely technical or

political logic. CHESF keeps insisting that decisions should be reached on the basis of what is, technically speaking (and as it defines the matter), more rational. The Mayors' group contends that the basic criterion ought to be what is politically most feasible or satisfactory. And the Syndicate argues that what is most just for the poor affected populace -- as it interprets the demands of justice -- ought to be the presiding yardstick. All parties agree that some blend of efficiency, political feasibility, and normative acceptability must be reached. Yet each insists in assigning priority to its own view of the desired weighting. Hence the difficulty of negotiations.

Nonetheless, some progress toward achieving a fuller, and better balanced, blend of the three rationalities is now being made. The Syndicate has engaged the services of an agronomist and economist and, armed with their expert advice, has found new grounds for discussion with CHESF. The latter agency, in turn, together with its hierarchical superior, the Ministry of Mines and Energy, has accepted a text drafted by the Syndicate as the basis for negotiating criteria governing relocation and compensation. This draft expresses demands reflecting the Syndicate's normative view of what is just. Thus new rules of mutuality are in gestation in vital negotiating and decisional arenas. These emerging patterns of mutuality serve as a counter-force to disparities of bargaining power among the actors engaged. Thanks to its technical expertise, material resources, and support from the highest reaches of the government apparatus, CHESF wields power disproportionate to

that held by the Mayor's group and Syndicate. The Mayors' group counters its relative inferiority, however, through alliances with nationally influential political parties and bureaucratic supporters in upper echelons of federal agencies, including CHESF's own parent Ministry of Mines and Energy. The residents, who were totally powerless in the earlier relocation negotiations at Moxoto and Sobradinho, have gained new strength through collective organization in the Syndicate. Horizontal mobilization at the level of micro activity has won them entry into the macro arena of decisions about relocation terms and criteria of compensation, domains hitherto reserved solely for technical and political decision-makers. This constitutes, for them, a vertical move upwards. Through their newly-won participation in this macro arena, the representatives of ethical rationality are expanding and deepening the limited rationalities of the other actors. Conversely, they are themselves being forced to come to terms with technical, juridical, and economic constraints they had earlier neglected. Such education in the technological and political reality principles is altering the formulations they themselves make of their demands.

II. SECOND CASE: DIADEMA, AN EXPERIMENT IN MUNICIPAL GOVERNMENT[5]

A second sectoral case illustrating how the three rationalities meet in a common arena of decision-making is the experiment in municipal government now being conducted in

Diadema, São Paulo state.

    1. <u>The Arena</u>. Diadema, one of thirty-seven "municipios" which make up Greater São Paulo, is an industrial city of 24 square kilometers with a population of 320,000. One-third of its residents live in slums ("favelas") and another third in sub-standard housing. Most Diadema residents are factory workers employed in the neighboring municipios of São Bernardo and Santo Andre which, together with São Caetano, constitute greater São Paulo's "industrial triangle." Diadema's administrative autonomy dates back to 1960 when it was separated from the São Bernardo municipio, of which it formed a district. Its "human needs profile" is revealed in a few telling statistics: infant mortality per 1000 live births (1981) was 92.7 as contrasted with 50 for São Bernardo and 32.1 for São Caetano. Diadema's overall mortality per 1000 population (in 1980) stood at 7.67, as compared with 6.95 for the state at large and with 6.91 for greater São Paulo. Unemployment and illiteracy are high; so is the index of people living without such basic amenities as sewers and running water.

    The 1982 municipal elections held in Diadema brought the PT (Partido dos Trabalhadores) to power thanks to widespread grass-roots mobilization campaigns and the support of labor unions, church-run basic community groups, and neighborhood associations. This victory marked the first time that the PT had conquered the seat of governmental power at any level, an important consideration given the party's ideological posture. The PT is pledged to creating a new socialist economic and

political order in Brazil, this on the foundation of a
non-elitist ideology of participation of the masses in decisions
and of their empowerment. Indeed, in Diadema the PT campaigned
on a platform of government by, and not merely for, the people.
Its two objectives upon assuming power in Diadema were to
establish a qualitatively new mode of local governance and to
serve as a beacon to the nation at large demonstrating the
viability of political governance by the working classes. Quite
naturally, therefore, the spotlight of the entire nation, at a
time of evolution towards redemocratization, was focused upon
the Diadema experience. It is no exaggeration to call Diadema
both an experience and an experiment, a veritable laboratory of
alternative governance around values of participation, social
justice, non-elitism, and the subordination of commercial
imperatives to social needs.

It is worth noting that the PT was launching its new model
of municipal rule in a state itself governed by a member of
another party (PMDB) in opposition to the military government
holding the reins of national office, this at a time and in a
city where industrial labor unions were publicly challenging the
federal military government on several fronts -- the legality of
strikes, mass demonstrations against economic austerity
policies, and censorship of public gatherings for political
reasons. Moreover, the PT's national leader Luis Inacio da
Silva (alias Lula) had often been singled out by the government
as an enemy of the regime and imprisoned on several occasions.
In short, the conjunctural settings of the experiment conspired

to make Diadema at once unusually important and exceptionally difficult.

2. The Actors. The principal actors in the unfolding drama of Diadema are the mayor, Gilson Menezes, who incarnates political rationality; the municipal PT directorate, embodying ethical rationality; and the planning team of the mayor's administration, defending the claims of technical rationality.

Diadema's PT directorate accuses Mayor Menezes of betraying party ideals of non-elite participation and reverting to old political practices of cronyism, favoritism, and populism. They charge him with following a purely political rationality, to the neglect of ethical considerations. Menezes replies that the directorate is too purist and unrealistic. To run a city government within a national context where the "rules of the game" were established by the old-style politics, he argues, one must make compromises simply to get things done and to serve the people. To require ideal purity, he adds, is to condemn oneself to impotence. For its part, the urban planning team which, after a bitter dispute, was dismissed by the mayor, taxes him with callously neglecting technical exigencies as he carried out urban projects. To illustrate, he rushed a health clinic construction scheme through to completion without due regard for quality of materials and professional competence in building contractors, thereby violating the demands of technological rationality. To this Menezes retorts that the urban planners failed to understand the political imperatives which forced him to act as he did. Basically, Menezes wanted to

inaugurate the clinic on the anniversary of the founding of
Diadema as an autonomous "municipio."

The foregoing account reveals Gilson Menezes as the
prototypical exponent of political rationality, Diadema's PT
directorate of the ethical kind, and the urban planning team of
techological logic. Nevertheless, considerable overlap exists.
The urban planning team, in particular, claims to embody ethical
as well as technological rationality when it summons the mayor
to its standards of responsibility. To this the mayor replies
that he is practicing true ethical rationality when he insists
on the criterion of political feasibility. Without invoking the
axiom by name, it is evident that he is pleading the ancient
moral principle of "Nemo ad impossible tenetur" - "No one is
bound to do what is impossible." Menezes likewise insists that,
inasmuch as the exercise of the political art is also a certain
technique, in behaving as he does he is also observing proper
technological rationality. Analogously, the directorate
contends that it is being faithful to political logic when it
summons the municipal government to keep its promise to
electors, namely, to incorporate them as substantive actors in
the administration's decision-making. The PT Directorate
situates its reasoning in an arena much larger than the sole
municipality of Diadema. It points out that, as a pioneer and
pilot experience, the PT administration in Diadema must give the
nation at large an example of a qualitatively new kind of
relationship between governor and governed. This example is for
all Brazilians to see precisely at the moment when the PT is

trying to help redemocratize Brazilian society along a model of
democracy radically different from earlier forms. That old
model failed because it manipulated the administered populace in
accord with the demands of bureaucratic realism, and delivered
services on the basis of a calculus of electoral advantages to
the governors. Diadema's PT directorate seeks to reverse this
process, and implant a genuine consultation process in which the
administered truly make choices and co-govern with their elected
officials.

Notwithstanding this overlap of rationalities, each actor
incarnates in a special fashion one of the three rationalities
which enter into conflict as the three actors enter
decision-making arenas. The distinctiveness of each rationality
and the conflict are seen with particular clarity in a dispute
between the mayor and the urban planning team. This team is
comprised of architects and urban planners coming from outside
the immediate boundaries of Diadema itself, although living in
nearby São Paulo. The team's services were offered to Menezes
at his request by the regional directorate of the PT party
shortly after the mayor's election. These urban technicians
were idealistic party members motivated by ethical rationality
to place their professional skills at the service of an
altruistic enterprise. All three actors shared the ethical
ideals of the PT and were committed to giving flesh-and-blood
reality to these ideals in the concrete procedures of governance
they would institute in Diadema. Consequently, the planning
team, true to its ideal of non-elite participation, selected

programs and projects only after engaging in wide consultations with interested slum dwellers. To these, it added its own professional judgments about design, timing, and quality control over materials and workmanship. Thus when the mayor made several decisions which violated both their ethical and technical judgments, they resigned (in effect, so as to avoid being fired).

At this writing the urban team is appealing its case to the party's higher instances, demanding not reinstatement but vindication of its interpretation of what the dispute with the mayor means ethically and politically. At those same higher instances, viz., the regional and national party directorates, the mayor is likewise seeking to vindicate himself on the grounds that his decisions were not technologically irresponsible, but sound on all three counts: ethical, political, and technical.

In summary, a politician is accused of being too political by the ethical and technical stewards of their common ideals. He refutes the accusations by claiming that both his ethical and technical partners are insufficiently attentive to the demands of politics. Each of the three actors, pursuing its primary rationality, applies it in highly reductionist fashion: the actors reduce the demands of decision-making to their dominant logic.

III. THIRD CASE: AGRICULTURAL INCENTIVES IN NORTHEAST BRAZIL[6]

   1. The issue. In Brazil's impoverished Northeast

quasi-feudal structures still dominate rural life. The main
beneficiaries of these vestigial, but still powerful, structures
are large landowners engaged in sugar-cane growing and alcohol
distillation, and their political allies in nine state
governments. Since the 1930s the federal government has
subsidized the region's sugar growers through an assorted
package of benefits including price supports, credit facilities,
tax exemptions, guaranteed export quotas, technical assistance,
and publicly funded infrastructure. These material incentives
have helped maintain sugar growers as a hegemonic class in their
society. In recent years, additional generous incentives have
been given to those who install alcohol distilleries to
transform sugar and other crops into fuel. Varying according to
regions, these subsidies have at times amounted to 90% of
capital installation costs. Virtually no new or autonomous
distilleries have been established in the Northeast, where the
preference has been to expand sugar mill installations and annex
alcohol distillation units to them as auxiliary activities. Not
coincidentally, it is in the large domains owned by the sugar
growers that the greatest mass poverty is also found. Landless
agricultural workers, tenant farmers, and sharecroppers suffer
chronically from degradingly low living standards, deep economic
insecurity, vulnerability to exploitation of multiple kinds, and
political powerlessness.

The Brazilian government is presently engaged in a
large-scale effort to abolish mass poverty, restructure social
classes, and reform power arenas in the region through the

Projeto Nordeste. The ultimate aim of this project is to create
a new rural middle class of economically secure and productive
growers of basic foodstuffs. This it seeks to do by promoting
diversified patterns of economic production, with a view to
supplying essential food to the region's cities and, in the
process, to empower many of the rural poor who are presently
marginalized and exploited. The main instrument relied upon by
the Projeto Nordeste to reach these goals is a package of
material incentives tendered to small and medium-sized producers
in order to entice them into diversified production for local
food markets. Yet these new governmental incentives may well
work at cross-purposes with the older incentives to sugar
growers and alcohol producers. On the one hand, the
continuance of large material incentives to upper-class
sugar-industrialists reinforces their privileged socio-political
position. On the other hand, new incentive packages offered by
the Projeto Nordeste ought to result in diluting or diminishing,
at least relatively, the social power of the present ruling
class.

Projeto Nordeste, like the Itaparica dam and Diadema
experiment in municipal government, constitutes still another
decision-making arena wherein the three rationalities meet and
conflict.

2. The arena. The three rationalities meet in a dispute
over which precise criterion of eligibility the Projeto Nordeste
will adopt for the material incentives (specifically, subsidized
credit) it will offer. Although the three rationalities overlap

considerably in this arena of choice, certain clearly identifiable actors embody a dominant rationality and try to influence basic decisions in accord with their preferred dictates.

3. The actors. Technological rationality is embodied in the project planners of development institutions -- the World Bank, the Interamerican Development Bank (IDB), Brazil's Planning Ministry (SEPLAN), and the Northeast Regional Development Agency (SUDENE). Their language is that of economists, financial experts, and problem-solvers; their aim is to produce new crops in certain quantities, generate X number of jobs, elicit a Y rate of growth in the Northeast's agricultural output, and to stimulate technological modernization in a domain of activity now characterized by backwardness, disorganization, and marginality. For them the basic issue is to render Northeastern agriculture more efficient, productive, and profitable in ways which meet the region's food-supply needs.

Their overt justification for the project is strictly technical: the endeavor is to benefit the region and the national economy thanks to rational interventions in one particular sector of production.

Political rationality resides in the sugar-cane growers, who are not primarily interested in diversifying agricultural production, or achieving greater security of foods supplied to the Northeast region, but rather in preserving their own social privilege and political influence. Identical priorities likewise guide the thinking of state governments, the

landowners' long-standing political allies. Although state
governments are not necessarily opposed to the Projeto Nordeste,
they have a vested interest in controlling it so that major
power shifts do not occur and end up vesting power in "alien"
hands: those of the federal government (specifically, SEPLAN),
or new social classes (a new middle class of independent
agricultural producers). Obviously the project's planners
likewise entertain their own political calculus: their aim is
to relieve dramatic social tensions in the Northeast without
provoking revolution or radically disturbing present social
class alignments.

Brazil's social critics, especially Church groups and labor
organizations, serve as vectors of ethical or humane
rationality. Their central concern is for normative values such
as social justice, the economic rights of exploited populations,
and equitable land-tenancy structures. Accordingly, they view
the Projeto Nordeste in the light of its possible contribution
to these causes, and only secondarily as an economic program
whose merit resides in solving particular problems. These
groups, notably the Church's Pastoral Commission on Land (CPT)
and the National Confederation of Agricultural Workers (CONTAG),
have adopted overtly normative positions on the larger issues of
national development strategy. It is these positions which
shape their particular stance on the Projeto Nordeste. Church
organizations and rural labor unions advocate land reform in
Brazil because without it, they say, no basic justice can exist
in rural areas. They judge the Projeto Nordeste on its

coefficient of social justice, that is, on its potential for contributing to progress toward land reform, and not primarily on the basis of the project's economic merits or political desirability. Nevertheless, the advocates of ethical rationality are also political actors: indeed their constellation of normative values constitutes their political program.

4. The Project Itself. The project's main goal is, within a period of 15 years, to restructure agriculture in Brazil's Northeast through programs of incentives offered to small producers and to those who will undertake social activities aimed at improving health, education, and sanitation in small rural communities. Two million rural families are targeted, over three 5-year spans beginning with the 1984-89 period, as direct beneficiaries of incentive packages held out to small producers. Total projected expenditures are U.S. $12 billion, much of which is to be granted to Brazil's federal government by international agencies (the World Bank, the Interamerican Development Bank, and the International Fund for Agricultural Development, and others.) Projeto Nordeste relies on a wide battery of policy instruments to achieve its objectives: tax exemptions, credit facilities, price supports, and other material incentives. The government will also resort to the regularization of land titles under the extant land 1964 reform legislation, technical assistance, and public investment in facilities ranging from irrigation systems to health clinics. Debates among champions of the three rationalities

focus on two major questions: land titles and credit
eligibility.

a. Land titles. The champions of political rationality --
large landowners and their state governmental allies -- are
pressuring the federal government and the participating
international agencies to exempt, de facto if not de jure, the
so-called zona da mata or humid and fertile coastal zone from
inclusion in the project's sphere of operation. Their intent is
evident: to avoid issuing a challenge to sugar and alcohol
industrialists who fear the creation of an economically
independent rural middle class in their region. They want the
Projeto Nordeste to be implemented in the Northeast's other
regions, the agreste (semi-arid areas) and the sertão (dry
hinterland). Privileged classes in the zona da mata fear the
economic empowerment of serf-like agricultural workers in their
zone. Their pressure to have the "problem-solving" technical
program applied in other zones is defended on the grounds that
rational chances for the project's success are highest in the
other zones. Church and labor groups, in turn, declare that the
Projeto Nordeste ought to be applied everywhere in the Northeast
region, including the zona da mata. Their reasoning rests on
the conviction that, in this humid zone more than in others, the
demands of social justice and equity are the most pressing. It
is precisely this urgency which, in their view, makes effective
land reform mandatory. Within the sugar/alcohol zone, however,
almost no one owns land except the large property-holders.
Consequently, in order to carry out Projecto Nordeste's mandate

to diversify production and to assist small producers to grow
food, it would first be necessary to transfer title to many
subsistence farmers who do not presently own land. In the
agreste and sertão, on the other hand, large numbers of poor
small and medium-sized property holders already exist. Thus
political rationality strains itself in the effort to interpret
the project as a mere technical exercise for achieving certain
purely economic goals. Ethical rationality, in contrast, places
a premium on the normative goals mentioned earlier. Technical
rationality, represented by the funding and sponsoring agencies,
for its part, finds itself in a middle position. Indeed, each
of the two main protagonists, political and ethical rationality,
would like to prove that technical reason is unequivocally on
its side. Consequently, program technicians are courted by the
other actors and urged to promulgate their interpretation of the
project's technical recommendations in the manner the contending
sides themselves favor. This is the case in the domain of land
titles; it is also true in the arena of credit eligibiity.

     b. _Credit eligibility_. Traditionally, credit facilities
have been available only to those who owned land and who could
prove ownership by an undisputed and regularized title. On the
vital issue of credit eligibility champions of political
rationality plead the traditional rule, _viz_., that only duly
certified land owners are eligible for credit from _Projeto
Nordeste_. But, as noted earlier, in the humid zone there exist
virtually no land-owners except members of the class of
sugar growers, whereas in the _agreste_ and _sertão_, many small

proprietors can be found alongside large landowners mainly

engaged in extensive cattle ranching. In these latter two

zones, the strategy of the large owners is to fight the battle

over the amount of credit available to proprietors. They press

the view that credits dispensed should be in sums commensurate

with the extent of property owned. Such a calculus, based

explicitly on political rationality, is directly challenged by

defenders of ethical rationality, who argue that credit ought to

be available to many who presently do not own land but who, if

given credit, could acquire land and engage in the small-scale

diversified production of foodstuffs. For the proponents of

ethical rationality, it is the ability and the readiness to work

the land in a manner compatible with Projeto Nordeste's

objectives which ought to serve as the basic criterion of credit

eligibility.

In this dispute, as in the earlier ones regarding the zone

of implementation, technological rationality stands in the

middle. On purely technical (i.e., economic grounds) the only

consideration that matters is that credits effectively reach

small and medium-sized producers who will in fact grow food,

regardless of whether these already own land or not.

Nevertheless, it is those who do not yet own land, or own very

little, who most need the credits and have the greatest vested

interest in growing precisely the kinds of crops intended by the

project's planners. Not surprisingly, therefore, technicians

find themselves to be pawns in a kind of tug-of-war with

landowners and state governments, on one hand, trying to rally

them to their own interpretation of credit eligibility criteria while, on the other, rural labor unions and church groups plead that technical criteria be defined in accord with their normative view of equity's demands in the matter.

At this writing, the tug-of-war is still going on: precise technical criteria of credit eligibility have not been finally decided. As in all similar cases, only a political struggle will determine which weight will be assigned to each rationality in the decisional arena. I say "as in all similar cases" because the conflictual workings of the three rationalities described here image their more general workings in most domains of development decision-making. Even the broad choices of a development strategy all nations face constitute arenas for such disputes among tenants of the three rationalities.[7]

CONCLUSION

New modes of dialogue among advocates of the three rationalities in decision-making arenas are needed because the present conflictual and reductionistic mode produces poor decisions. This mode was illustrated by personifying three pure types of rationality as they confront one another in concrete problem-solving domains. There are, nevertheless, several necessary caveats to this use of Weberian ideal types.

Ideal types fail to capture interactions which take place among the three rationalities before these enter common arenas of decision-making. Indeed the adepts of political rationality are often deeply influenced by technological rationality and, in

the process, relegate their own "pure" political rationality to
the background of their logical procedures. Similarly, devotees
of ethical rationality may tailor their normative claims to the
requirements of political feasibility prior to entering arenas
of decision. Even technocrats may dilute the force of their
technological reasoning in the light of moral values to which
they adhere qua human beings if not qua technical experts.

In the last two decades political leaders in Brazil, the
site of all three case studies detailed in these pages, have
often rallied uncritically to technocratic reasoning. In the
process they have abdicated the normal spirit and dynamism of
their political rationality.

Champions of ethical reasoning usually contend that they
possess technical reasons, as well as moral grounds, for
advocating what is normatively "right." They rest their case
for virtue on the claim that their prescribed course of action
is efficient as well as just.

Notwithstanding such overlaps, it is nonetheless true that
decision-makers usually enter arenas of policy choice as
champions of one dominant rationality. Therefore, only through
horizontally reciprocal dialogue with representatives of other
rationalities can they overcome their powerful reductionist
bias.

Although a new model of dialogue among the three
rationalities is urgently needed, no prior model exists. New
models will have to be created, or rather "fought out," in
political arenas. Accordingly, many decisional arenas which

heretofore constituted safe "game preserves" for the exercise of technological or political rationality will now be "invaded" by proponents of ethical rationality. And conversely, ethical logic itself will have to forge a new critical sense of limits in common arenas where other, adversarial, rationalities must be respectfully heard.[8]

The participation of non-elites lacking technical expertise or political power in decisions serves as the principal vehicle for relativizing the claims each rationality makes as it operates in its customary, triumphalist fashion. It is through participation that ethical rationality penetrates the defenses of each of the other two rationalities. Participation likewise generates new patterns of interaction joining ethics to technical and political rationality. In the process, ethical rationality, no less than the other logics, is itself transformed.

This exploration of conflict among three rationalities suggests a vast cultural agenda having revolutionary implications. How can expert decision-makers re-socialize themselves to view it as normal that their expertise be so greatly relativized? And how will politicians be converted to redefining their "art of the possible" in the light of rapidly expanding technical boundaries of possibility, on the one hand, and rapidly deepening normative boundaries of moral acceptability, on the other? Mutual receptivity to other rationalities will have to be worked out in the praxis of converging actors in many spheres. The difficult problem is how

to have each rationality truly assert itself while
simultaneously respecting the other two.

Itaparica, Diadema, and <u>Projeto Nordeste</u> merely constitute
laboratories -- and in Third World countries their number is
legion! -- of such innovative <u>praxis</u>.[9]

Ultimately, the issue is how technology can discourse with
politics and ethics. Can the logic of efficiency meet the logic
of power, and the logic of virtue in a holy alliance that
produces genuine development? This new discourse of the three
rationalities matters because development matters. And it is
the nature of the discourse among the three rationalities which
will give shape to development's most vital decisions.

END

NOTES

1   On this see Denis Goulet, "Obstacles to World
    Development: An Ethical Reflection," World Development,
    Volume 11, No. 7, (1983) pp. 609-624.

2   The requirements of cross-cultural, cross-disciplinary, and
    cross-religious dialogue are examined critically by
    Raimundo Panikkar in numerous works. See his The
    Intra-Religious Dialogue, New York: Paulist Press, 1978;
    The Unknown Christ of Hinduism, Maryknoll, NY: revised and
    enlarged edition, 1981; and "Panikkar at Santa Barbara,"
    special issue of Cross Currents, Volume XXIX, No. 2,
    (Summer 1979).

3   Cf. Denis Goulet, "In Defense of Cultural Rights:
    Technology, Tradition and Conflicting Models of
    Rationality," Human Rights Quarterly, 3(4):1-18, 1981.

4   Sources for this account are interviews conducted by the
    author in June-August of 1983 and 1984 with representatives
    of CHESF, the Polo Sindical, Church groups, residents to be
    resettled, and government officials. I have also relied on
    newsletters, internal memoranda, and working documents
    prepared by the interested parties. For an introduction to
    problems discussed here see Projeto Sobradinho: Avaliação
    Socio-Economica da Relocalização Populacional, Recife:
    Fundação Joaquim Nabuco, 1983; and Henrique Oswaldo
    Monteiro de Barros, "A Dimensão Social dos Impactos da
    Construção do Reservatorio do Sobradinho," in Trabalhos
    Para Discussão, No. 15, Recife: Fundação Joaquim Nabuco,
    May 1984.

5   Sources are interviews with government officials
    (June-August, 1983 and 1984), scholars, PT representatives,
    technicians, and residents, along with voluminous informal
    documents produced by the municipal government and the PT
    party. For an introduction to these issues readers are
    referred to the bi-monthly newsletter published by the
    Diadema mayor's office entitled Informativo Municipal and
    to the PT party document, PT - Diadema, Pela Construção do
    Partido dos Trabalhadores, April, 1984.

6   Information based on interviews with officials from SEPLAN,
    IDB, SUDENE, Church and agricultural labor goups, sugar
    growers, consultants, and scholars studying agriculture in
    Brazil's Northeast (June-August, 1983 and 1984). Basic
    data may be found in Projeto Nordeste, Concepcão Basica,
    Recife: SUDENE, April, 1984. Cf. also two works by Manuel
    Correia de Andrade, Nordeste: A Reforma Agraria Ainda e
    Necessaria?, Recife: Editora Guararapes, 1981; and As
    Alternativas do Nordeste, Recife: Editora Universitaria,
    1983.

7   These broader arenas are analyzed in Denis Goulet, <u>Mexico:
Development Strategies for the Future</u>, Notre Dame, IN:
University of Notre Dame Press, 1983.

8   The notion that ethics as a "means of the means" needs to
inform itself by a respectful dialogue with political and
technological logic is argued in Denis Goulet, "Beyond
Moralism: Ethical Strategies in Global Development," in
Thomas M. McFadden, ed., <u>Theology Confronts a Changing
World</u>, West Mystic, CN: Twenty-Third Publications, 1977,
pp. 12-39.

9   For examples, see Denis Goulet, "Development as Liberation:
Policy Lessons from Case Studies," <u>World Development</u>, 7/6
(June 1979), pp. 555-566.