

Institutional modernization of the governments in Venezuela: the role of the School of Government in the State of Zulia (1990-2000)

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Abstract: The purpose of the article was to analyze the role played by the School of Government as a reform device for the State capacity increment of the Zulia provincial government during period 1990-2000. A methodological strategy consisting in the documentary analysis of both the reform projects of this government and the academic program of the School was used. This analysis was also complemented with free-speech and semi-structured interviews made to some employees of the school. It was observed that the actions of this learning center in order to generate State capacity increment depended, to a great extent, on the actions of former governors on mandate. They established the institutional adjustment that was considered necessary to advance in the efforts to obtain, mainly by training courses, a socio-cultural transformation of the government civil employees. According to this result, it is demonstrated that for this case, the administrative modernization, regardless of its direction and aims, depends largely on minimum agreements reached among the actors involved in the transformation process. This fact implies recognition of politics in the task of institutional change of the State.

Key words: School of Government, State reforms, State capacity increment, training courses, administrative culture.

Resumen: El objetivo del trabajo fue analizar el papel jugado por la Escuela de Gobierno como dispositivo de reforma en la construcción de capacidad institucional de la gobernación del estado Zulia, durante el periodo 1990-2000. Mediante una estrategia metodológica que consistió en el análisis documental de los proyectos de reforma de dicha gobernación y de la programación académica de la escuela, complementado con la realización de entrevistas libres y semiestructuradas a funcionarios de esa agencia, se logró apreciar que las acciones de dicho centro de formación en pro de generar capacidad institucional, dependió en gran medida de los gobernadores de turno, quienes se dieron a la tarea de establecer el arreglo institucional que consideraron necesario, para avanzar en los esfuerzos por lograr una transformación sociocultural de los funcionarios de la gobernación, a través, principalmente, de la capacitación. En este sentido, se evidencia a partir de este caso de estudio, cómo la modernización administrativa, indistintamente de su orientación y fines, depende en gran medida de acuerdos mínimos entre los actores involucrados en el proceso de transformación, lo cual implica un reconocimiento de la política en las tareas de cambio institucional del Estado.

Palabras clave: Escuela de Gobierno, reforma del Estado, capacidad institucional, capacitación, cultura administrativa.

Introduction¹

State's managerial reform, promoted in the last two decades by the multilateral funding organisms, centers of thought and Latin American governments, has implied the decentralization of public management toward the States and municipalities, based on the recognition that these spaces are more propitious to develop the revitalized model of capital accumulation founded on the market. In views of providing the conditions for said accumulation, Venezuela started a modernization process of its governments as from the last decade of the XX century, in the framework of the agreements on technical and financial assistance which the Republic with the international banks.

Among one of the reform components of said technical assistance, distinguishable is the prescription of arranging in the governments systems of strategic direction as a fundamental step for the institutional modernization of the structure of superior direction, comprised by the Office of the Governor and the main Secretariats which compose the Executive Block. In the specific case of the Government of the State of Zulia², during the 1990's decade some autonomous agencies were created in order to respond said task, among them one finds the Zuliano Institute of Political, Economic and Social Studies (*Instituto Zuliano de Estudios Políticos, Económicos y Sociales*, IZEPEs), considered, from the start, by the by-then governor who decreed its creation as the School of Government of Zulia (Álvarez, 1992).

¹ The author acknowledges the support from the Fondo Nacional de Ciencia, Tecnología e Innovación de Venezuela (FONACIT) to develop this research in the framework of the Program of Formation of Talent. Subvention number: 2001000295. Likewise, it is noteworthy the valuable comments by an anonymous referee, which contributed to improve the final version of the document; however, the errors and omissions that can appear are solely responsibility of the author.

² Said State is the main oil producer of the country, located in the occidental end of Venezuela with a territorial organization of 21 municipalities and whose capital is the City of Maracaibo. Said State, given its territorial extension, demographic size (3,200,000 inhabitants) and economic activity, is considered on its own a region in the geo-political and territorial structure of the country (National Institute of Statistics; *Instituto Nacional de Estadística*, 2005).

In the middle of the need to find some bases which allow making a clearer reading on the modernizing phenomenon of the Venezuelan governments, in the framework of the transformation experienced by the State in views of generating the ideal conditions to expand the economy of the market, this work is oriented to analyze the creation and role played by the School of Government of Zulia in the modernization process of said government in the period 1990-2000. As an initial supposition it is stated that the School of Government, as a device of reform, contributed to the development of some institutional capacities of the Government of the State of Zulia (GEZ), partially due to the establishment of some institutional arrangements which granted IZEPES a role as transforming agent of the functionary's administrative culture; which has caused that the very same—as organism of modernization—has taken up and promoted ever since its foundation in an institutional framework based on efficiency.

In this sense, calibrating the role played by this agency in the genesis of a new institutionalism which fosters the efficacy of GEZ management, becomes an important aspect to be clarified within the complex phenomenon which represents the modernization of the governments in Venezuela, where the objective is not to be placed on the simple obviousness of recognizing training as a transforming instrument, but also identifying said school as a space of centrality; which in a socio-cultural manner spreads the managerial values proper to the private sphere and acts as a symbolical reference of that new bureaucratic praxis which surpasses the deontology of public function.

The work is structured into four large sections, being the first an examination on the functioning of the Venezuelan governments before the decentralization process, as well as an analysis of the challenges which later had to be faced ever since the beginning of the process. In the second place, a theoretical reflection on the new international design which must orient the design of the State reforms directed to privilege the logic of the market is established. As a third section, some political-order factors which have boosted the administrative modernization of GEZ are analyzed from the neo-institutionalism perspective, distinguishing the creation of certain autonomous or semi-autonomous agencies, among them the School of

Government of Zulia. While in the fourth section the academic orientations of said school are described based on the decisive influence the changes in government had, product of the different conception of the reform which each governor had in their mandate.

The governments in Venezuela before 1990: old administrative structures facing new political and economic conditions

In the framework of the political-administrative decentralization the country has witnessed as from 1989, the governments' agenda of public policies has been reconfigured from the increment of responsibilities, which has implied the transference of competences —exclusive or shared— from the Central Power toward these units of sub-national government. This has brought the subject of these units' low management capacity to efficiently assume the new tasks from the decentralizing process up, which has been occurring on a stage of cutting down the State's financial resources, which compromises the providence of local public services.

Less than two decades ago, governments were simple extensions of Central Power, with no greater degree of political and financial autonomy, which worked as mere administrative instances of the National Executive to manage issues such as education, health, culture, security, public works and urban infrastructures in each of the States in the framework of a paradoxical centralized federalism³, which was consolidated with the beginning of democracy in 1958. During this time governments, similarly to the rest of the Venezuelan public apparatus, experienced a bureaucratic growth, functional for the scheme of centric-State social organization (Cavarozzi, 1993), proper to the model of importations' substitution which plead for an expansion of demand via the increment of public employment.

In clear agreement with this, one found the traditional political parties' need, Democratic Action (*Acción Democrática*) and COPEI, generate and maintain in all of the country popular support that enabled them to permanently control the State, which was only accessed from central level.

³ Somehow it is a countersense to refer to federalism as centralized, for as Sánchez (1995: 18) points out “theoretically Federal States must be decentralized by nature”.

This boosted the growth of said governmental structures in the States from the impetuous clientelism of such political organizations, which, as a par excellence formula to seat their legitimacy as a political intermediation actor, made the citizens—as they were bound to this practice—be demobilized as fundamental actor of the democratic system.

Based on this dynamics, the governments gradually acquired a level of complexity in terms of their structure and administration, where they, from the depleting of the internal economy model and the fiscal deterioration of the State in the 1980's decade started to make the high levels of inefficiency and the tight seizure of the scarce resources from interests' groups evident, turning said government instances into inoperative organizations and insensible to assist the population's growing demands.

The already erratic character the regional governments became unbearable before the programs of adjustment started in the country in 1989, being harmonious with them the beginning of a decentralization process, which at first sought to oxygen a political system in evident decay, given the deterioration of the main parties as articulating agents of the diverse actors of society, where the diminishing recognition and interest had already begun to hypothecate the governability of the democratic regime.

The decentralizing toil that has accompanied the process of transformation of the State tending to re-dimension its acting to minimum levels, proper to the neoliberal wave which characterized the initial adjustment programs, has encountered as a remora to achieve the efficient management of the public apparatus that has been left as a "remainder" after the first reforms (Martínez, 2002), some governments which, as administrative units, present the same bureaucratic dynamics of clientelism that has characterized the Central State; this turns out to be counteractive to develop the economic conditions necessary for the market model.

Under the market scheme, the development of territorial enclaves to produce goods and services has more competitive advantages at the level of the sub-national spaces, a reason why the institutional requirements of reform at the economic and political levels for the functioning of the market become conspicuous in the States and municipalities, being one of the most important the administrative transformation of their governments.

Linked to the imperative need to have a public apparatus at the level of regions that allows the development of market, the fact that the administrative decentralization in Venezuela has taken place altogether with a political decentralization, where now the governors and alcaldes are elected through popular vote, causes these new governors to rationally provide their respective governments with legitimacy by performance, as one of the ways to achieve reelection of the sufficient national resonance which makes them plausible options to be presidential candidates.

The greater complexity that as bureaucratic apparatuses governments acquire from the transference of competences, product of decentralization has been one of the reasons which have justified the recent administrative studies on these organizations (Mascareño, 1996; Ochoa, 2003). Their meso-governmental character in the political-administrative fabric which makes up the Federal States makes them instances of government with a certain level of authority which covers poly-municipal geographic spaces,⁴ so the reach of their administrative deeds impacts on a number of actors who live in the local sphere.

The growing challenges stated by an economy based on limitless territorial production factors has forced a greater specialization of the State, where a complete severance between the level that formulates policies and that which executes them is necessary. Responsibilities' distribution between central and sub-national governments depends on a tremendous differentiation as for State's institutions, which must face, respectively, the challenges stated by the globalization-enclave dialectic of the economic and political activities.

The new institutional architecture of the governments

As we have seen, several are the factors of the institutional kind that have pushed a transformation in the administrative structures of the sub-national

⁴ In respect to the territorial-political organization of the spheres of government in Venezuela, the Executive has three levels, the first: the Presidency of the Republic and Ministries; the second: Governments (*Gobernaciones*) and their respective Secretariats; and the third: the Alcaldías and their different Directions.

governments in Venezuela. Nonetheless, even if it is true that the territorial decentralization of power and the administration of the State toward the provinces and municipalities supposes a change in the traditional hierarchical schemes of action, upon the public affairs of the old and recent governmental offices responsible for the local sphere, it is also clearly observed that the main reasons upon which the changes are based are of economic character, which gives us an account of the new institutional design they create, with all the specificities of each case.

In terms of reform, an institutional design can be understood, following the statements by North (1993), as a scheme that outlines the set of formal and informal regulations that must be generated and be established in a determinate space —macro- or micro- social— in order to promote development and evolution of some organizations which based on said regulations can obtain profitable results in the activities they perform. Well now, the character of management and the usefulness derived from it will be functional or dysfunctional for society, depending on the general orientation which prevails on it.

It is not necessary to deeply enquire on the recent history of Latin America in the economic and political levels to verify how the orientation of socially reorganize our nations around the market has gained territory, a phenomenon that at worldwide level, in a rather speculative manner, was considered “the end of history” (Fukuyama, 1994). The development of this orientation on these latitudes found a place in a debt crisis, which became the fundamental argument to carry out a series of initial programs of reform, destined to correct, at first, the grave macro-economic imbalances. Nevertheless, these measures “which were often adopted because of reasons of convenience in the sort term, ended up becoming a new political approach in the long term” (Thorp, 1998: 216).

In this conversion toward a long-term strategy two generations of reform of the State have been identified; the former oriented to the rationalization of the fiscal resources, with a quite conjunctural character, whereas the latter has been referred to the transformation of the State’s institutional structure, and has a longer execution character. In the case of decentralization, even if it is located as a policy of the first generation of reforms, this was due to that fact that at first it was conceived under a

restricted vision which considered placing into lower levels the functions of the State as a formula to reduce the burdens of a central apparatus, characterized by an enormous fiscal deficit.

Beyond this perspective, and leaving the criterion of temporariness aside, which also associates decentralization as proper to the first set of reforms, since it appeared in the 1980's, lately it has been recognized "to place it as an integrant part of the second generation, as it is considered part of the objective of administrative and institutional capacity" (Souza and Moreira, 1999: 2), which as from the 1990's begins to be considered as a priority within the meaning of what to reform the State is, specially at its intermediate and lower levels of government.

From simple fiscal and macro-economic equilibrium reasons, which pushed to a reduction of the State apparatus, credit international agencies changed to the recognition of the State as "fundamental for the process of economic development, however not as a direct agent of growth but as an associate, catalyzing element and booster of that process" (World Bank, 1997:1). Before the rediscovery of the State institutions as basic for the task of development, the new stated reforms emphasize "the importance of the *State capacity building* and *institution building* and the adoption of practices heading to *governance* (Souza and Moreira, 1999: 2).

The construction and reconstruction of governmental capacities, oriented to the generation of efficiency and effectiveness of the State apparatus, undergoes the development of a new State model, which is also the case of the regional and municipal governments, its design is stated in terms of the so-called paradigm of the New Public Management: a) autonomy in management to provide infrastructure and services; b) privatization and third-making of such service; c) boosting of competence administered by local authorities; optimization of administrative processes and development of human resource of governmental dependencies; and e) society's regulation and control of provision (Dunleavy and Hood, 1995; Barzelay, 1998).

The fact that economic globalization has its activities expressed at the level of the local (Borja, 1998; Castells, 1998; Prats, 2000a), causes not only the redesign of the National States, which indeed were weakened by the adjustment and restructuring programs, but also that the administrative

apparatuses of those units of government are the ones summoned to transit along a road of reforms which become a new sort of measures that left behind a short-term approach and now are oriented as part of the new institutional design the public apparatus must have on the stage of a market-organized society.

The new conditions of the economy demand from such governmental institutions an institutional capacity, which, in most of the cases, is scarce or inexistent, as the previous socio-economic model did not require it in an urgent manner. It is imposed thus, the task of constructing said capacity as part of the conditionalities the financial assistance from funding international organisms impose, leading the governments to create devices of reform which help the reach of said purpose. Ever since, said modernizer devices, such as it is the case of the School of Government of Zulia begin to acquire importance within the administrative reform of the State, which nowadays is influenced to a large extent by the neo-institutionalist perspective (Borja, 1998; Castells, 1998; Prats, 2000a).

Institutional arrangements and the role of the school in the reform of GEZ

Given the new conditions the decentralization boosted in the social sphere of the country by the early 1990's, in the specific case of GEZ, measures tending to transform the old institutional scaffolding consolidated around the government's centralist organizational scheme were set off. In said process of reform, the construction and reconstruction of governmental capacities oriented toward the generation of efficiency and effectiveness of the State apparatus supposed, at first, the development of a great effort in tasks of career personnel formation for this government.

The fact that the functionary's training became one of the main components of the initial GEZ modernization project amply surpassed the traditional vision of administrative change, limited to mere formal transformations in the structure of government, and deepened into the formation of a new administration culture, based on the efficiency of management. The project of change headed for the modification of the administrative routines proper to the populist bureaucratic model (Ochoa *et al.*, 1996), yet supported on the training factor.

In this sense, the School of Government as part of modernization, such as it will be further seen, has been part of a sort of orientation of reform which prevailed, product of the approach developed by Carlos Matus,⁵ who was the principal assessor of the original project. In the light of more recent theoretical perspectives (Bresser, 1999) it is clear that the starting point of modernization was to concentrate the actions of change in the “strategic nucleus” of GEZ, in order to do so it was necessary to develop structures that guaranteed an assignative efficiency of administration (Prats, 1998), from configuring a culture of management in the functionaries which offered reliability and security in the administrative actions and steps they performed.

It is worth mentioning that even if the modernization process of GEZ has had among its results the privatization of many of the activities which with decentralization changed to be in its competence (Córdova, 1998; Ochoa, 2001), a feature also important is that the very government reserved for itself the so-called “functions of superior order” or “activities exclusive to the State”, where the guarantee of the assignative efficiency would depend on the development of the technical knowledge which levered the decision making at political level, a reason which justified the creation of IZEPES, as a School of Government device to contribute in the generation of institutional capacity.

The thesis on which public administrations, either national or local, must be devoted to the construction of institutional capacity is promoted by the very international funding organisms, which understand as such condition the capacity the State must have to secure a scheme of regulations to support the efficient functioning of the markets (World Bank, 1997). In this sense, the reform of the State is oriented to a change in its institutionalism, where it represents the set of formal and informal regulations which determine the administrative praxis prevailing in the public apparatus.

⁵ Deceased Chilean economist graduated from Harvard. He worked as the Minister of Economy in the period of Salvador Allende. He was PNUD advisor in several countries, among them Venezuela, where he created the ALTADIR Foundation.

In the so-called institutional reform, it is proposed that the State should be detached from that bureaucratic and populist behavior which was in unison with the economic model of importing substitution, and adapt in these days of the market economy an institutional scheme in agreement with said model, which includes the establishment of a new arrangement or contract between the basic actors who compose the public apparatus, where commitment is toward the development of a set of routines that provide efficiency to management.

On its own, the Latin American Center of Administration for Development (*Centro Latinoamericano de Administración para el Desarrollo, CLAD*) also makes its stance on the need to generate institutional capacity, by means of putting into practice a “Managerial Reform”, which is founded on a critical revisionism of the so-called first-generation reforms. Claiming the political dimension, a great absence in these first reforms, it recognizes that nowadays State management must be “understood as the capacity of the State to concrete in reality, in an efficient and effective manner, the decisions made at political level” (CLAD, 1998). Nonetheless, said recognition of the political is inscribed within that tendency afterwards Washington Consensus (Stiglitz, 1998), which pursues to construct legitimacy to the neoliberal reforms.

More than subordinating the State’s institutional capacity to the logic of market, one has to state that said capacity of the State apparatus under an alternative vision, where this faculty is recognized as the authority that in public policy issues must coin and consolidate the State to establish, by means of the subordination,⁶ the spheres: a) of its exclusive actuation; b) those which require a strategic cohesion with the enterprising sector; and c) those which can be assigned to other sectors of society which are organized under semi-private schemes or public with non-profit character; which, nonetheless, must be subject to controls and regulations from the democratically designed authorities.

⁶ The principle of subordination in the assignation function for production and provision of public goods is regulated by the identification of which society sector —State, private, non-governmental— is able to achieve an effective, non-regressive adequacy between offer and demand (Finot, 2001). This has been translated in the famous phrase: “As much market as possible, as much State as necessary” (*Tanto mercado como sea posible, tanto Estado como sea necesario*).

Despite the distance there can be between the two definitions on what the State's institutional capacity represents, something indeed common to both is that said capacity implies a change from the exhausted clientelar model of public administration, due to its dysfunctional character, both for the development of market and of a solid apparatus state that can counteract failures and externalities of the former. This occurs, as Prats (2000b) states, since there is an adequate theory of the institutional change, which allows identifying how said capacity is constructed or strengthened, an issue that has been the object of fiery debate from the suppositions of different theoretical trends in the spheres of economy and, paradoxically, of enterprises' administration.

Based on the neo-conservative diagnosis, which characterizes public administration as the spaces seized by politicians and functionaries' particular interests, where clientelism and corruption damage the efficient and effective achievement of the general objectives, the neo-classical rationalist theory states that the problem lays on the structure of incentives that perpetuates said situation, which immobilizes the State to fulfill the assigned tasks in this time of commercial interchange at worldwide scale.

The insuperable that the circumstance of the institutional inertia the States suffers from has been considered, due to the predating activity of the profit seekers has worked to justify an indiscriminate reduction of the State apparatus; whereas some other less radical stances, starting from "observing the organizations as a chain of low-trust relationships between a main actor and the secondary agents" (Dunleavy and Hood, 1995: 105), determine that the transformation possibility is in function of settling the network of contracts capable to adequate the incentives and the restrictions with the results.

If we start from considering that the development of the State's institutional capacity is related to a large extent with the establishment of formal and informal agreements, oriented by a structure of incentives and restrictions that fixes the actions of the actors toward the reform of the State fabric, a theoretical perspective which provides us with a greater explanatory level on the institutional agreements to construct such capacity if the theory of the principal-agent, which pleads for the need of introducing

adequate incentives into those conditions where the authority of relation that is instituted —by means of implicit or explicit agreements— between two actors, implies the delegation of part of that authority of an actor toward the other in order to achieve the objectives stated by the former.⁷

Said theory, originally stated as a response to face the coordination problems that the separation of property and control states in the relation established by actionists and manager of the large enterprises (Jesen and Meckling, 1976), has also been applied to the sphere of public sector to assist the difficulties of political control on bureaucracy and propose reforms for an efficient functioning of the State administration (Bendor, 1988; Calvert *et al.*, 1989; Aucoin, 1992; World Bank, 1997). In this sense, the theory of the principal-agent has been reinterpreted from the view of the New Institutional Economy (North, 1993), assuming that the politician, as principal, and the functionary, as agent, can adopt determinate predictable behaviors from reducing the problems of information asymmetry on the base of an agreement or contract, previously settled, of formal or informal nature (Melo, 1996; Pzeworski, 1998; Shepherd, 1999), which is known as institutional arrangement.

Based on the cost-benefit rational axiom, the principal-agent theory starts from the premise that in any organizational stage the agents (managers or bureaucrats) tend to orient their actions in function of their individual benefit rather than that of the organization and that of the principal (actionists and politicians); which makes the cooperation among them in order to reach general benefits difficult. Such attitude of the former before the latter has its origin in the fact that even if the agent must fulfill the assigned task, they will always try to obtain personal advantage from the prerogatives that suppose the delegation of some authority in order to complete that which has been ordered by the principal.

⁷ Jensen and Meckling (1976: 5) define this relation between actors as an *agency relation*, characterized by being a “contract in agreement with one or several people (the principal(s)) hire(s) another (the agent) to perform some service on their behalf which implies the delegation of some authority to the agent in order to make decisions. Nevertheless, if both parts in the relation seek to maximize their usefulness, there are good reasons to believe that the agent will not always act in the best manner for the principal.

With the aim to reduce said tendency to pursuit individual benefit, in any organizational structure —public or private— it is indispensable to establish principal-agent chains of relations under certain institutional arrangements, understood as a “set of rules that allows, through political negotiation, the actors to carry out their interchanges (economical and political). These rules generate the incentives for the main social groups to establish basic agreements” (Ayala, 2001: 210), oriented toward the acquisition of collective benefits. The establishment of a relation of agency under an institutional arrangement that procures a clear incentive-and-restriction scheme would reduce the proliferation of egotist behaviors in the actors, and would increase the space to cooperate to the achievement of some benefits which would not be of exclusive nature.

So as to configure the necessary institutional arrangements, in any delimited State's environment, agency chain relations can be identified, where the fundamental problem is to guarantee an agreement that enable the politicians, amidst the discretion and flexibility which the functionaries who delegate functions have, to have a respectful and accomplishing attitude for the rules emanated from the authority, which comes from the legislative commitments settled in the political arena, and do not lean toward the search for personal benefits, something that will make the organization's purposes fail.

Improving public administration is a political technical issue which is demand from the people, in their electors' condition, to the leaders; however, this has been at the time delegated to the managers and public functionaries by the elected politicians in their conditions of leaders of the different State's administrative units. This principal-agent relations' chains, not subject to the classical politics-administration dichotomy,⁸ allows seeing ones'

⁸ Characterizing public administration under an agency relation supposes to recognize the multivalent property the actors can assume considering the political nature of the network of contracts, something implicit in the management of public affairs also called common good. Thus, we have, on the one side that the citizen in their condition of elector delegates in their representatives (politicians) their attribution of principal so that the latter acts as rector of bureaucracy; nonetheless, this same citizen is also an agent as it is subject to obligations —fiscal, military service— before the State. On the other side, the bureaucracy that assumes the character

responsibilities before the others' as principals and agents, where in the case of the politicians before citizens information deliverance becomes the institutional mechanism which must redefine the incentives and restrictions' scheme of the agency relation that exists between them.

In the case of functionaries before politicians, the reforms based on the flexibility of administration under the binomial of greater level of management autonomy and evaluation by results, supposes as primary objective to rearticulate the relations between politicians and functionaries from a model of incentives and restrictions in accordance with that new model, which minimizes the uncertainty of the former in relation to the actuation of the latter, who now are vested with more discretion. Governors' political will is not enough as a requisite to carry out the changes and reorient the management of public organisms toward efficiency. Even though, undoubtedly, it is a necessary condition, it has been recognized as non-sufficient (Torre, 1998), given the existence of intra-bureaucratic factors, among which one finds the reluctant attitude of some —now with higher autonomy power— to accept the reform, due to the benefits granted by the traditional administrative state, reason why they defend it and concealedly fight for its persistence.

In this sense, beyond the factors of institutional change —market reforms conditioned by international organisms, political decentralization, increment of civil demands— which have objectively forced GEZ administrative modernization; a crucial aspect in the development of institutional capacity during the reforms set off between 1990 and 2000 in this government, was linked to assist something that within the principal-agent theory is called the problem of the agency.⁹ During this period the quality of the institutional arrangements was determinant, understood in terms of the incentives and restrictions in established order to summon a

of agent before the politicians, frequently adopts, because of the nature of decisions they make and the actions they exercise, a main role, similar to, as for prerogatives, to those of the very politicians.

⁹ It is the conflict of objectives generated between the principal and the agent as the severance between property and the control of the organization, which makes the latter —as a rational subject— pursuit their own interests disregarding those sought by the former.

consensus on the orientation of the reform, preserve the durability of the commitments between politicians and functionaries toward such changes and, in a very special manner, agree on the role IZEPES must play as a modernizer device. As we will next read, in those years the very GEZ and other actors involved in its modernization process created certain institutional arrangements for the reform, which allowed in an intermittent manner the establishment of modernizing coalitions, where IZEPES, by means of the development, resuming or strengthening of its training programs, was in determinate moments a key factor to transform the functionaries' administrative culture; nonetheless, said arrangements were eventually weakened by the changes of government, thus IZEPES lost its articulation as a modernizer device and was left as a training center that made its existence legitimate in function of responding the reformist vision the government in turn had.

Government changes and turns in the academic orientation of the School

From the proposal of change toward a system of strategic management of GEZ, under the mandate of Oswaldo Álvarez Paz¹⁰ (1990-1994) the creation of the School of Government represented the institutionalization of a functionary-training process, under the so-called Government Sciences and Techniques¹¹, which, despite being temperate and to a certain extent having taken a different orientation in the mandate of the governor Lolita Aniyar (1994-1996), such process was re-launched and increased its strength when Francisco Arias Cárdenas¹² became governor (1996-2000). The glad

¹⁰ Leader of social-Christian orientation and unreserved supporter of the market economic model.

¹¹ Among the set of the governmental sciences and techniques are distinguishable: strategic planning, the study of actors, management of operations, the construction of agendas and the systems of petition and deliverance of information.

¹² Retired lieutenant colonel who started his political career as independent figure after being exonerated from uprising charges because of his actions in the coup attempt in 1992 against the president Carlos Andrés Pérez. He led the Government from 1996 to 2000, year when he resigned in order to compete for the presidency against Hugo Chávez.

acceptance of the reformist theses by Carlos Matus from the first of these governors and later to a greater extent the third of them, contributed to diffuse a theoretical perspective which almost reached a doctrinaire character within the formation in the School of Government, during their respective mandates.

The beginnings of the School of Government: a managerial conception (1999-1994)

In the beginning of the mandate of Álvarez Paz the “implementation of programs of training and formation of human resources and managerial and administrative levels [...] [and the] [...] reorganization for all the offices ascribed to the Government of the Zulia State, including the Superior Direction and the six (6) secretariats” was prescribed at unison (CONZUPLAN, 1990: 54). In this sense, the results in mid 1992 were expressed as “the granting of 705 certificates: 400 in Human Resources, 285 in Managerial Development and 20 in Legal Right” (Álvarez, 1992: 43); whereas in relation to reorganization, “modernizer actions inside the System of Administrative Management have been carried out (Budget, Accountancy, Purchases and Supplies, General Services, Documentation, Archive and Auditorship), as well as structural changes of the different Government Secretariats” (Álvarez, 1992: 42).

The automation of many administrative processes was one of the achievements of GEZ during the validity of GAAD¹³ project, specifically in reference to the improvement of the financial management of the government. In this respect, equipment was acquired and computing

¹³ GEZ started its participation in 1990, altogether with 11 governments, in the development of the first specifically directed to the reform of these governmental dependencies, called Management of Governments: support, updating and dynamics (GAAD) — VEN 90/018, which was known as the UN Development Programme (*Programa de Naciones Unidas para Desarrollo, PNUD*) and the Office of Coordination and National Planning (*Oficina de Coordinación y Planificación Nacional, CORDIPLAN*). In 1989, the very PNUD had put forward altogether with the Presidential Commission for the Reform of the State (*Comisión Presidencial para la Reforma del Estado, COPRE*) the project VEN/89/501, which had as an objective to develop the managerial capacities of the State, in order to promote decentralization, working as a previous stage to the beginning of an unseen stage of reform projects focused on the State governments.

programs were developed in agreement with a computing company, “specialized personnel was hired, most of them professionals, and the user support section was created, whose staff is in charge of training the users of the system” (Pardi and Guzmán, 1992: 119). Given the resources the State had then due to the direct management of some services, it was logical to expect the Secretariat of Administration would be other of the areas subject to be modernized.

At the level of the training of functionaries, the work carried out altogether by CONZUPLAN¹⁴ and COPRE-Zulia at the early 1990 was fundamental to settle the base of the institutionalization of said function, by means of the posterior creation of the School of Government. The initial efforts of these two offices were focused on providing infrastructure and technical and docent personnel to train the staff at GEZ middle levels. The void which by then presented this government in respect to its functionaries’ formation, yet it demanded to be filled in the framework of GAAD project and the agreement signed with the Latin American Institute of Social Researches (*Instituto Latinoamericano de Investigaciones Sociales, ILDIS*), was at first fulfilled by these organisms, which had the task to be participants in the foundation and consolidation of IZEPES.

Under the parameters of situational strategic planning, the actions were oriented toward the reform of the system of superior direction, where one of the foreseen devices was the School of Government, which was concreted in 1991 with the creation of the Zuliano Institute of Political, Economic and Social Studies (*Instituto Zuliano de Estudios Políticos, Económicos y Sociales, IZEPES*), office ascribed to the Chamber of the Governor which would be in charge of the development of the training of the functionaries appointed to fulfill strategic roles in the modernization project, initially started with the support from ILDIS and the UN Development Programme.

The creation of a School of Government with regional character that secured the reform programs of its own or those conditioned by the

¹⁴ One of the initial tasks in GAAD project was the renewal and strengthening given in 1990 to the Zuliano Council of Planning and Coordination (*Consejo Zuliano de Planificación y Coordinación, CONZUPLAN*), instance of the regional government created in 1964.

international organism which GEZ started ever since, was in the country a milestone before what thus far the National School of Administration and Public Treasury (*Escuela Nacional de Administración y Hacienda Pública*) had been, of centralized nature and supported on the French model emulated in almost all of the Latin American countries, from the boom of the so-called administrative reform (Pacheco, 2001) and with special emphasis on the fiscal and tributary areas. Such as it was stated, the new School of Government device was ascribed to a more specific administrative level, as the training of regional-government functionaries in strategic management was which became meaningful only after the decentralization that the reforms of market brought along.

Even if IZEPES was formally conceived as an autonomous agency, its ascription to the very Chamber of the Governor established from the start a clear agency relation between the same mandatarly and the institute's Directive Board, to the point that many of the initial instructions in the framework of its foundation came —via CONZUPLAN and COPRE-ZULIA— from the regional Executive, which following the lineaments from PNUD and ILDIS had, at the same time, an agency relation with these international organisms, instituted from the agreements of technical and financial cooperation that said government was subscribed to. Hence, the reformist coalition under the government of Álvarez Paz was composed by the following chain of principal-agent relations: PNUD/ILDIS-GEZ, GEZ-CONZUPLAN/COPRE-Zulia and CONZUPLAN/COPRE-Zulia-IZEPES.

In the principal-agent relation, composed by PNUD and ILDIS as principals and GEZ as agent, the institutional agent was regulated by the incentives which represented for the governor and his executive council the economic and technologic resources, which would become an improvement in the facilities of some central offices, as well as their computational equipment. Within this agreement, it was expected that PNUD and ILDIS would supervise the reform process of the system of superior direction of GEZ and would maintain a sustained control of the results the technicians, governor and secretary executives provide, since the rules were set by an Agreement of International Cooperation which conditioned the expenditures and technical assistance in return of the fulfillment of the

objectives established in the chronogram of reforms, imposed by said international organisms.

Given the imperatives of the reform imposed by PNUD and ILDIS, GEZ redefined its principal-agent relations with CONZUPLAN and COPRE-Zulia, respectively. Beyond their traditional role as planning organisms, the governor granted them extraordinary resources to coordinate the training component considered in GAAD project, this meant a double incentive for these agencies: material and symbolic. The former in terms of provision of personnel, furniture and salary improvements; the latter in terms of the importance of the task assigned, which enabled them to recover their self-esteem as institutions of great technical value in the government, after years of being scarcely considered or sub-utilized by previous governors.

As a part of such training component, CONZUPLAN and COPRE ZULIA would have the task as principals to orient the recently created IZEPES, which would take an agent role in terms of administrative manager of some training programs, which were beforehand configured by PNUD and ILDIS in the light of the philosophy of the so-called strategic management, an orientation subjacent in the positions by some who was one of the main technical assessors of the Mission: Carlos Matus (1992), an expert who summarizes the problems of the government's high direction as the absence of technical criteria at the moment of making decisions, an inconvenience that he supposes for its overcoming, among other things, the formation of the governor.

Back then, part of the incentives that motivated IZEPES to fulfill its task in the reforming coalition was on the benefits it received as administrative technology and personnel transference, from PNUD, ILDIS, COPRE-Zulia and CONZUPLAN, respectively. Let us not forget, on the other side that the scheme of administrative autonomy granted to IZEPES allowed it to fix in time a structure of salaries for their functionaries well above the general average of GEZ offices, this exception in the mid term make this agency a techno-bureaucratic enclave, integrated by highly-qualified personnel guided by an efficiency-based administrative culture.

As a result of its relation with CONZUPLAN and COPRE-Zulia, IZEPES acquired institutionalism to the point that by the end of the government of Álvarez Paz had begun the development of its very training

programs, yet in complete agreement with the theses of strategic management, which had left an impression along the time the international organisms' technical assistance lasted. However, that new academic planning responded not to a reform project as such, but to satisfy the interests of certain actors, in this case those of the assessors linked to IZEPES, who after concluding the work of GAAD project saw a business opportunity, being necessary lobby work that preserved the governor's conviction on the need for training, thus its financing.¹⁵

Once they were free from ties to some agreement with international organisms of technical assistance, which besides represented the obtaining of economic resources for GEZ, the principal-agent relations established so as to face and preserve along time the institutional reform started to weaken, being generated as an agency problem a rivalry between the dependencies which had been involved in the project because of the competence in obtaining financial resources before the very Chamber of the Governor, this with the purpose that each of them were particularly strengthened as institution. In the ISEPEZ specific case, one of the factors that contributed to the development of that behavior oriented to the search of their own interests lays upon its nature of autonomous organism, attribution that paradoxically it has always reaffirmed despite its heavy dependency, mainly in financial terms, on the Chamber of the Governor; this variable has a significant weight on the academic orientation change of this School with the government change in 1994.

The consolidation of the School: a formation centered on the social (1994-1996)

With the change of government in the year 1994, expressed as the arrival to government of the candidate from the Movement to Socialism, Lolita Aniyar de Castro, an "alternative project of administrative reform of the

¹⁵ Jensen and Meckling (1976) pointed out the importance of the influence that has certain groups of interest within the relation of agency, especially because of the links that are established with the actor who works as an agent in said relation. On occasion, the groups of interest can be determinant in the creation of a problem of agency making the agent be more cooperative in the search for these groups' objectives if said cooperation enabled the agent to maximize their own benefits.

government of the State of Zulia” was begun (Fuenmayor and Ochoa, 2003: 199); it was rather oriented to the development of social and communal management. This alternative management orientation established by the governess Aniyar limited its contacts with the multilaterals, being only interested in those projects of social nature. In this direction, with the support from the Fund of Social Investment (*Fondo de Inversión Social, FONVIS*), which since 1993 exercised a loan (No. 658/OC/VE) from the Inter-American Development Bank (IADB), some training initiatives on social investment projects’ formulation and evaluation were carried out. Likewise, at sectorial level, the federal entity was incorporated into the Health Project (*Proyecto Salud*), coordinated by the Ministry of Health with funds from IADB and the World Bank (Mascareño, 2000).

Other social reform projects, carried out during Lolita Aniyar’s mandate, are specifically located in education, such as the case of the “Active School” project, and similarly in the familial and social reinsertion area by means of the “Republic of the Youths” project (*República de los Muchachos*), which consisted in integral assistance for street children and youths. Special attention was also given to the need for a change on the structure of values of the Zulia collectivity, which had presented serious problem of self-esteem that prevent the fundamental quantitative leap to advance toward the region’s productive and social transformation (IZEPES, 1995a). In this sense, a significant number of organizations from civil society was supported through the Committee of Humane Solidarity of the Foundation of the Child (*Comité de Solidaridad Humana de la Fundación del Niño*) and through the Regional Organism of Communal Development (*Organismo Regional de Desarrollo Comunitario, ORDEC*) training them in leadership and self-esteem, project formulation and communal management.

The financing for most of these reforming actions basically come via the constitutional situated and the Intergovernmental Fund for Decentralization (*Fondo Intergubernamental para la Descentralización, FIDES*), in such manner that the principal-agent relation was established between said Fund and GEZ would have as a figure of contract, this is to say, as regulation scheme the modality of financing by project, a strategy proper the by-then newfangled focalized social policy, which established as a main

resource-managing figure the so-called Investment Funds (Franco, 1996). In this case FONVIS and FIDES would be those in charge of funding, prior approval of the social projects presented by GEZ, and later of conditioning the expenditures and assigning the resources based on the fulfillment of certain technical criteria during the project's execution and the achievement of determinate objectives in some of the intermediate stages of it.

Under this logic, the actions to be executed and the objective to be fulfilled in the projects presented by GEZ to FIDES or FONVIS would suppose an acquired commitment from GEZ, as an agent before said funds which as principals grant them resources expecting some reforms to be done; a purpose which is finally among the fundamental reasons why these financing organisms are created, linked to a chain of principal-agent relations with the Ministry of Treasury, and this on its own with the Multilateral Bank, either IABD or the World Bank.

Financing through these funds, oriented in that moment more to the social, offered the by-then governess the opportunity to group a reform team that expressed her political left orientation, which combined with her background as university professor supposed a great deal of interests in the formation of GEZ functionaries in the management of social projects, an objective that IZEPES, in its condition of School of Government, would be in charge of fulfilling. In this sense, even if the School continued training the functionaries on the area of strategic planning, capital importance was placed on human development and social management training (IZEPES, 1995b). In order to do so IZEPES had the support of the University of Zulia, as well as COPRE-Zulia and FUNDAUTOESTIMA, institutions which altogether with the aforementioned ORDEC and the Committee of Humane Solidarity, would add up said reform coalition.

More than the addition of new actors to the institutional reform process already started in the period of Álvarez Paz, in Aniyar's government there were displacements and substitutions of some sectors that in the former's mandate had had a significant weight in the actions of reform. Such is the case of CONZUPLAN and ILDIS, which were replaced by ORDEC, the Committee of Humane Solidarity and the University of Zulia, organizations

which would have a prominent role in IZEPES' consolidation as formation center, mainly the last one, which enabled certain degree of technology and administrative knowledge transference by means of the incorporation of this university's professors into IZEPES directive and training tasks.

The redefinition of the institutional arrangement wherein this actors appeared, implied that one of the main incentives —resources from GEZ, partly obtained from Investment Funds— were mostly given to a greater or lesser degree, via actives and/or contracts to these organizations, with the consequent reduction for those agencies which had formerly taken part in the first projects of reform. Such zero-addition relation, even if deactivated the neoliberal orientation in these agencies and in the interest groups linked to them, decreased collective capacity in GEZ as institution to perform its transformation in this period, hence making the reforming task into an issue exclusive to a reduced group of offices which were benefitted from the actions, but at the time, contributed to the weakening of the interest from others in the new changes; the other offices saw in these changes a diminution of the incentives which the previous government had granted them so that they were actively involved.

This situation was a common factor of the government of Francisco Arias Cárdenas, where the new arrangement would go on in an inverse manner to the interests of the actors who in Aniyar's period were protagonists, a phenomenon from which IZEPES escaped because of its particular dependence from the Chamber of the Governor, would lead it to adjust as a formation agency to the academic orientation that encouraged Arias from the incorporation of GEZ in 1996 to the reforming plans which the Program of Local Social Investment (*Programa de Inversión Social Local*, PROINSOL) brought along, financed by IADB (PNUD, 2000), moment when the institutional take off of IZEPES as School of Government begins.

Boom as formation center: the techno-political vision (1996-2000)

The arrival of Arias Cárdenas to the first regional magistracy represented the restart of the neoliberal-nature reforms that were restrained by his antecessor and which had begun in the period of Álvarez Paz. At the level of administrative transformation, the Comisionaduría of Modernization of

GEZ was created as a first step to achieve access to the funds of PROINSOL Program, which included a component of reform for the institutional strengthening (PNUD, 2000). In order to do so, a reform team integrated by said Comisionaduría, CONZUPLAN and IZEPES was appointed; it oriented the actions toward the conceptual design of modernization project for GEZ, whose central objective was: “to broaden the institutional capacity of the government and improve the quality, efficacy and transparency of the management of the Government of the State of Zulia, so as to fulfill its essential functions” (Colmenares and Obregón, 1996).

The reform of the system of superior direction was retaken, which had fallen into a sort of “hibernation” during the previous government (Obregón and Carucci, 2000), this phenomenon despite having minutely affected IZEPES, since Lolita Aniyar recognized this agency’s importance, allowed it to appear before the by-then new stage of reform as the only device of said direction system that remained active ever since it was created and in spite of the governmental changes had been able to reach its consolidation. Paradoxically, its direct dependence from the Chamber of the Governor, although being conceived as an autonomous agency, was one of the main guarantees that enabled it to resist in that agitated back and forth movement of reforms and counter-reforms that characterized the periods of Álvarez Paz and Aniyar in GEZ forefront. In the government of Arias Cárdenas, despite the avatars experienced in many of the stages of conceptual preparation of the reform projects in views of accessing multilateral financing, one of the advancements of the creation of the Unit of Technopolitical Support, ascribed to the Chamber of the Governor and the Office of Situational Analysis in CONZUPLAN. With the setting of these two devices, the recommendations by Matus (1997) were literally retaken, who seeing the governments fail in leadership, suggests that the governor, besides being instructed on government sciences and techniques, must have a formal advice system that supports them on discriminating and analyzing problems, as well as on the search of viable and effective solutions.

Above the discontinuity the alternative orientation the government of Aniyar de Castro gave it the GEZ reform, the prevalence of the ideas by

Matus in large part of the trajectory of the administrative modernization of said government along most of the 1990's decade, forces to recognize him as one of the main organic intellectuals of such modernizing process, with ascendance on the governors such as Arias Cárdenas, who stated that "as public manager follower of the theory in sciences and technique of government by the professor Carlos Matus, I understand the strength and validity of the statement of reform of the State which we assume in the Government of Zulia State" (Arias, 2000).

The revitalization of the theses by Matus, expressed in the toil of the by-then governor to reform the system of superior direction, meant for IZEPES —as the only device standing in that moment— its opportunity to be positioned before the other actors as an agency of indispensable importance in the reforming tasks, given its broad expertise in the topic. In his sense, within the initial institutional agreement, IZEPES as GEZ agent, was exclusively in charge of the formation task of the personnel who would integrate the newly created devices: Comisionaduría of Modernization, Unit of Techno-political Support and the Office of Situational Analysis. The degree of consolidation reached by IZEPES as the School of Government in only five years allowed it to institutionally detach of almost all its former sponsors, making some of them, as it was CONZUPLAN case, comply with the training criteria that began to be dictated by IZEPES.

This change of institutional stance and correlation of forces between the different agencies associated with the reform, represented for GEZ —in its condition of principal— a differenced treatment of the incentives in its relation with each of these dependencies. Even if one of them which was largely benefitted along the period of government was the Comisionaduría of Modernization, IZEPES was granted with a larger budget, which linked to the considerable increment of it in the following years and the assignation of extraordinary resources from the Secretariat of Administration of GEZ in the same fiscal exercise, allowed this School make a series of internal measures effective, some of them were pending tasks from the times of Álvarez Paz, such as the case of a scholarship holders' program to access regional public administration, which tried to set the bases for the development of a merit system in personnel

management.

By means of an incentive scheme, based on the direct transference of financial resources from the Secretariat of Administration of GEZ toward the Comisionaduría of Modernization and IZEPES, the chain of principal-agent relations took into account different characteristics in this new stage of reforms, being the most important relations those established between the Chamber of the Governor- Secretariat of Administration, Chamber of the Governor/Secretariat of Administration- Comisionaduría of Modernization and Chamber of the Government/ Secretariat of Administration/ Comisionaduría of Modernization- IZEPES. Rigorously, IZEPES, despite its notable degree of consolidation as reform agency, still preserved a character of agent, indeed, only before entities such as the Comisionaduría, the Secretariat of Administration and the Chamber of the Governor, moving to other such as CONZUPLAN and COPRE-Zulia in some of the opportunities to become agents of IZEPES.

Under this scheme of principal-agents relations, the reform's central team, headed by the Comisionaduría of Modernization¹⁶, carried out in 1999 those components linked to the automation of some administrative processes and with the laboring reconversion of the worker personnel of certain GEZ¹⁷ offices, elements which were part of a large process of modernization called "Government Project: the Government of Zulia before its future", where the institute of Superior Studies on Administration (*Instituto de Estudios Superiores de Administración, IESA*) was involved, a center of thinking seated in Caracas, yet as from the opening of an office in Maracaibo, started the

¹⁶ The members who composed this team were: the chief of the techno-political processing unit, the regional coordinator of the PNUD-FONVIS projects, the executive director of IZEPES, the Chief of the Office of Situational Analysis, a representative of COPRE-Zulia, the Secretary of Administration, the director of CONZUPLAN, the private secretary of the Governor, the director of the Human Resources of the Government and the its juridical consultant (Antúnez, 2003).

¹⁷ In Offices of smaller size, as it was the case of some foundations and autonomous institutions of GEZ, a program of voluntary retirement of the personnel in charge of the supportive functions (secretary, messengers, maintenance and janitors) was set, workers who were organized in microenterprises which were hired by these and other dependencies.

development of a prospective analysis known as Zulia Project: Third Millennium. Beyond the multilateral projects, in the State a modernizing coalition appeared, in which organizations from several sectors of the regional collectivity participated, being thus broadened the reform's objectives.

As an initiative of the very governor Arias Cárdenas and his reform's central team, there was a meeting of international experts in prospective, who altogether with GEZ's modernizing team, ILDIS and IESA's advisers, worked in the preparation of said long-term project, which did not only assisted the government's transformation, but also presented proposals directed to the development of the whole community. Therefore, "in the (State of) Zulia, the Project Ven 96/009 was inserted in a broader program of the Government's modernization, in such manner that it became a very important support in the unfolding of the line of Institutional Strengthening of the general plan of modernization" (Obregón, 2000: 24).

In views of providing the reform with more institutional space, the Comisionaduría for Modernization was converted in 2000 into a foundation with greater autonomy level, even if it was still ascribed to the Chamber of the Governor. As from that moment, the actions were stated in terms of being involved in the different GEZ agencies by means of making modernizing leader teams, which were to be integrated by functionaries of those very offices, who would be responsible for the transformation of their respective organisms, carrying out monitoring tasks and supporting the sustainability of the actions performed by the Foundation's personnel and their external advisers (Rincón, 2002).

Despite the reelection of Francisco Arias Cárdenas in 1998, he starts to run a campaign for the presidency for the 2000 elections. His severance from the charge in order to compete for the first national magistracy facilitated the victory of Manuel Rosales that same year in the regional elections. Rosales' accession, from the traditional Democratic Action Party (*Partido Acción Democrática*), but now as an independent figure, has led to a weakening of GEZ modernizing project, being dismantled almost all of the reform devices which had been created since the vote-elected governors' era began.

Conclusions

The institutional reforms of the State, which have as a direction to transform the public organizations' formal grammar and routines, state the need to take into account the political dimension that must support the change process as such. Thus, we have that in the case of administrative modernization it is irrelevant how much its implementation is decreed, it is necessary to establish basic agreements between the involved actors so as to effectively achieve its advancement. Regardless the reform's orientation, nowadays it is recognized that it is fundamental to foster a basic consensus if the State is to be reformed, indifferently from the level of government.

The administrative reforms carried out in many Venezuelan governments for longer than a decade have used, to a great extent, the institutional framework provided by the set of laws created to boost the decentralization process, which as a generalized phenomenon in Latin America seeks to create favorable conditions for the market-centered model of capital accumulation, given the orientation imposed by the multilateral organisms, which subtracts the democratizing potential that can really be achieved by said process of political power distribution and economic management in the sub-national governments.

In views of fostering an administrative scheme in accordance with those new realities, as from 1991 in the Government of Zulia a process of modernization was started, based on an institutional agreement advised by PNUD and ILDIS, which justified the appearance of a center of formation and research on the development of a new generation of public functionaries, highly qualified in managerial issues. Hence, IZEPES is born, which, located in a dynamic chain of principal-agent relations, achieved becoming the School of Government of the State and acquire a boom, firstly as an institute with a clear tendency to human development and social management in the governments of Lolita Aniyar de Castro, and later, in the period of Arias it was reoriented toward its original purpose: being a device of reform in the transformation of the governments' administrative culture.

In the framework of a series of projects to transform the institutions which were developed along a decade IZEPES had an important role in the

training of a large contingent of the government's functionaries. By means of the establishment of technical cooperation agreements with both national and international organisms, the institute became the receptor of managerial trends which were amalgamated in the diverse courses designed for the formation of the directive and operational levels of the different offices which compose the regional executive.

In the ten years analyzed, the different values promoted by the School, such as efficiency, meritocracy and technical competence, had their ups and downs as the modernization's vectors in function of how such values were conceived by those leading the reform's central team. At their own time, the maintenance of each one of the different orientations changed: managerial, social and techno-political, both inside IZEPES and its training tasks of other offices of the government, it was possible because of the support from the governor in charge. The most emblematic case was that of the mandate of Arias Cárdenas, who on several opportunities was part of the group of functionaries who were trained in the school (Antúnez, 2003). His insistence on GEZ modernization caused that, months before his departure, the Foundation for the Modernization of Public Administration was created.

Nonetheless, the change of government in 2000, with the arrival of Manuel Rosales implied the substitution of the personnel in charge of the change actions, causing the halt of large part of the reform, which has limited the development of a new institutionalism based on efficiency. The inertial state of GEZ institutional reform in the last lustrum has become a weakening of the instances that at first were created as key devices to boost modernization, a phenomenon interesting on its own, which must be the objective of an in-depth analysis; nevertheless, an effort in that direction escapes this work's purposes.

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Sent to dictum: May 9th, 2006

Resent: September 15th, 2006

Resent: February 9th, 2007

Resent: October 1st, 2007

Approval: December 3rd, 2007