State, managerial training and the Brazilian graduate programs in administration: the PNTE case

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This article aims to understand how the Brazilian government articulated the National executive’s Training Program (PNTE) in Brazil in the 1970s. The text discusses the importance of PNTE as a governmental effort to disseminate postgraduate studies in administration in the country. Besides offering graduate education, the program had an important role in the dissemination of management in Brazil. The focus of the FGV EAESP case is justified by the fact that it was pointed out by the Brazilian Federal Government as the leading school for the program, having participated in its design and coordinated its implementation. The data was produced using documentary analysis and semi-structured interviews. The text reflects on the use of documents and memory for historical research in administration and, consequently, to record the influence of the PNTE school agreement between the years of 1972 and 1976. Finally, this discussion tackles the difficulties caused by the reformulations promoted by the PNTE in the structure and courses of FGV EAESP, in addition to relating them to the Brazilian historical context of the time.

Keywords: Administration education; Americanism; education policies; history and administration.

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[Translated version] Note: All quotes in English translated by this article’s translator.
1. INTRODUCTION

Higher education in business management has developed in Brazil since the 1950s. The first two higher education courses were created in 1952 at the Escola Brasileira de Administração Pública (Brazilian School of Public Administration, now EBAPE) at Fundação Getulio Vargas (FGV) in Rio de Janeiro, and at the University of Minas Gerais (now Federal University of Minas Gerais, UFMG) and focused on teaching public management (Alcadipani and Bertero, 2014; Barros and Carrieri, 2013). Subsequently, other business management courses were established. One of them at the Escola de Administração de Empresas de São Paulo (School of Business Administration of São Paulo, FGV EAESP), and another at UFMG (Barros, 2014). Finally, in 1959, new management schools were established at the Federal University of Rio Grande do Sul (UFRGS) and the Federal University of Bahia (UFBA), interested in public and business administration (Barros and Carrieri, 2013; Fischer, Waiandt and Fonseca, 2011; Machado, 1966).

Higher education in management was influenced by American missions in the country (Barros, Alcadipani and Bertero, 2018; Cooke and Alcadipani, 2015; Alcadipani and Bertero, 2014, 2012). However, it was also influenced by initiatives sponsored by the Brazilian government, such as the creation of the Instituto Superior de Estudos Brasileiros (Advanced Institute of Brazilian Studies, Isb) (Wanderley, 2016), and programs such as the PNTE.

Several studies have highlighted the preponderance of Americanism as an interpretive key to understanding the development of management in Brazil. This interpretation highlights the importance of US support to the creation of the FGV, UFRGS and UFBA courses (Cooke and Alcadipani, 2015; Barros, 2014; Barros and Carrieri, 2013). In different ways, US support through initiatives such as “Point IV” or the “Alliance for Progress” has contributed to the design of management courses in the country. In the case of EBAPE and FGV EAESP, this support came in the form of academic training in the USA but also through various investments, such as those allocated in the infrastructure of the schools (Cooke and Alcadipani, 2015).

The US has played a crucial role in exporting a specific understanding of management. However, developments in Brazilian undergraduate courses have also been influenced by specific characteristics. This includes the demands of the Brazilian government (Fischer, 1984) and the various initiatives aimed at advancing the training of managers in the country. PNTE was an example of those initiatives aimed at expanding education management in Brazil. In the 1970s, there were several undergraduate courses in business administration in Brazil (for a non-exhaustive list, see Machado, 1966). The country was going through the so-called “Brazilian Miracle” period, and the demand for trained managers grew as companies became more complex. New necessities emerged in the scope of government management. We see the decline of courses focused on the specificity of public management and the hegemony of business management (Fischer, 1984; Coelho and Nicolini, 2013).

In the 1950s and the 1960s there were few undergraduate courses in management and no courses for graduates. Among these, the initiatives of FGV EAESP, which mimicked the American MBAs, stand out. The training of new academics was carried out abroad, or in other areas of knowledge. New academics usually did not have master’s or doctoral courses. In general, training was carried out through specialization courses. Therefore, in 1973, the National Executive Training Program (PNTE) was created to fill this gap and foster academic training and technical training of managers.
The program perceived the training of academics as a fundamental element for the expansion of undergraduate courses and the consequent improvement of the qualifications of Brazilian managers and administrators.

Funded by the federal government, the PNTE was relevant for the establishment of the first graduate programs in management at FGV EAESP, the School of Economic Sciences (Face) of UFMG, and in the Graduate School of Business (Coppead), linked to the Federal University of Rio de Janeiro (UFRJ). The Fundação João Pinheiro (FJP) of Minas Gerais was also contemplated, but only for courses of technical level.¹ When considering only graduate courses between 1973 and 1975, about 21.5 million Brazilian Cruzeiros were spent (according to documentation prepared by Finep).² To illustrate, if the figure were updated according to the IGP-DI (general price index) using the calculator available on the Central Bank of Brazil website (2018), the value would currently amount to about 87 million BRL. Compared with the percentage of total GDP at that time, the program had an investment equivalent to 0.03 percent, which illustrates the government effort in relation to the program.

In this paper, the PNTE is analyzed on the grounds of its impacts on the design of the FGV EAESP graduate programs. The school was chosen as the preferred partner of the federal government for the creation, implementation, and diffusion of such programs.

To understand the PNTE as a model, it is important to look at the environment of business education in the country from at least two complementary perspectives. First, the Cold War and the conscious action by the US to disseminate the values of capitalism. Secondly, developmentalism, which in its multiple ideological perspectives was important to justify the creation of a program that would form administrators and management academics. The PNTE, included in the First National Development Plan (PND) (Brazil, 1971), envisaged the dissemination of managerial knowledge as a strategy to promote a certain type of economic development, linked to the US influence. The contribution of the PNTE was important for graduate courses in management in Brazil, although it has been scarcely discussed in the history on the subject. The PNTE was the starting point for stricto sensu graduate programs that later acquired regional and national importance.

The PNTE was an effort by the Brazilian government to disseminate the training of management academics. More academics would lead to the formation of additional professional managers in the Brazilian higher education system. At the same time, it reiterated the hegemonic position of company management in relation to public management, which marked the development of the field (Coelho and Nicolini, 2013). Management is a set of practices and knowledge forms that emerge and consolidate in a specific context and carry values that shape them (see, for instance, Kelley, Mills and Cooke, 2009; Landau, 2006). It is linked to the ideological context (Covre, 1991; Kelley, Mills and Cooke, 2009). Management is also formed from the everyday practices of practitioners (Barros et al., 2011). Therefore, the development of courses dealing with management and public administration cannot be detached from the context in which they were established.

This paper is divided as follow. First, the method used in the research is presented along with the ideas about the use of documents and memory. Sequentially the PNTE is explained within its historical

¹ Basic documents on the national business training program — MPCG, RAP 4/73, p. 98.
context. We then present the analysis of teaching and research activities in the field of management at FGV EAESP before and during the implementation of the PNTE project in the school. In the final section, we make considerations about the contribution of this paper to the area of organization studies and management. We highlight the relevance of understanding the role occupied by the Brazilian government in the establishment of the graduate education in management, although this has been achieved with the support of a private entity.

2. METHOD AND OBJECT

The use of history in management literature has been consolidated particularly since the beginning of this century (Rowlinson, 2013; Weatherbee, 2012; Üsdikem and Kieser, 2004; Clark and Rowlinson, 2004; Kieser, 1994; Lawrence, 1984). The subfield is already consolidated in Brazil and internationally (Alcadipani and Bertero, 2012; Costa, Barros and Martins, 2010; Vizeu, 2010). During the meeting of the National Association of Graduate Courses and Research in Management (Enanpad), the discussion was established as a specific sub-theme of the fields of public administration in 2009, teaching and research in 2010, and organization studies in 2011.

This work relied on historical methods and a dialog with historiography to analyze the PNTE while seeking to understand and situate it historically. This paper examines the impacts caused by government action in partnership with a private entity in order to establish graduate studies in management in Brazil. When the PNTE was implemented, the dissemination of administrative techniques was perceived as a critical element for an underdeveloped country to reach the ideal parameters of organization and management, that is, according to the managerial models of developed countries. At the same time, the implementation of a graduate system was seen as a strategic element for the country's development in all areas, including management. While writing about the trajectory of the PNTE agreement in FGV EAESP in the 1970s, it was possible to identify the debates held on the subject and the difficulties faced during that period.

We reiterate that history is explained from the perspectives of the present. Although the object derives from the past, the historical text is inserted in the disputes that dominate the present. In the words of Gramsci (2002:37), “writing history means making history of the present.” This view, based on historiography and considering the multiple complexities related to the very nature of the past and of history, can contribute to the field of organization studies (Weatherbee, 2012).

The most common use of history in management and organization studies follows a logic that assumes the existence of an external past subject to be discovered. In it, “truth is found through the correspondence of common references between the ‘facts’ and the past, in which past and history are synonyms” (Weatherbee, 2012:205). Therefore, the belief in the existence of a past reality, from which the past can be objectified and brought back, is presupposed. Such a position is understood by Gramsci (2002) as part of the “fetishized” history.

The discussions around the New History, allowed the broadening and deepening of scientific history and the expansion of the field and methods of historiography (Le Goff, 1990). Additionally, memory consolidated itself as a source for historical analysis throughout the twentieth century. Since it is especially accessed from the reports of individuals, memory is defined by Le Goff (1990:423) as “the property of retaining certain information.” Like documents, memory is a social construction (Pollak,
1989), allowing us to reflect on the idea that no dialog about the past and the present is neutral, as it expresses a system of attributions of values (Costa and Saraiva, 2011).

Documents, in turn, endorse a version of what must be preserved to become history. Its use benefits from a critical look at the pieces of information crisscrossed in the analysis of the documents. Whenever possible, these can also be enriched or compared with the view of the actors involved in the analyzed processes, to bring other perspectives on the events. There is no such a thing as a fully objective document. What transforms a document into a monument is its use by the powers that be (Le Goff, 2003:536). Thus, the critique of a document is a necessary step in the construction of the historical narrative.

There are various ways to work with historical documents. For Sá-Silva and collaborators (2009), depending on the position adopted, the research can resort to documents. Written document analysis follows a ritual of questions on the part of the researcher to locate a given document at the time when it was produced. When questioning, for instance, who produced the document, as well as where, in what form, and for what purpose, knowledge is established by the set of techniques that permeate documentary analysis. Thus, working with documents is a process that depends on the research objective. The objectives determine the best type of analysis, although the theoretical matrix is also frame for the researcher. Additionally, it is necessary to collate several core and complementary documents, produced by people, institutions and in diverse situations.

When working with documents, it is also important to consider an analysis of where the historical sources are found and stored (Barros, 2014). Few works in management and organization studies have addressed the importance of archives in the construction of documents. Although this use has become more widespread with the consolidation of the subfield of history and organization studies, historiographic works based on document research are still scarce.

Archives are a source of historical knowledge. From the interaction with these spaces, it is possible to elaborate questions about what has been preserved and what has been forgotten (Stoler, 2010). Archives are spaces of reflection that can store data, but they also allow inquiries about their formation. These tools operate together to think about the construction of the memory of the analyzed programs. Although PNTE was relatively short, it is part of the genesis of the graduate studies in management in Brazil, bearing, therefore, historical importance.

The PNTE was a milestone for the Brazilian graduate studies in management. PNTE allowed Brazilian academics and international researchers to study and exchange experiences on management in international institutions. As this study relates the program to the development of higher education courses in management and understands the design of these elements for public administration, it joins other works who have discussed the formation of this field in the country (Alcadipani and Bertero, 2012; Barros and Carriero, 2013; Coelho and Nicolini, 2013). After selecting the project as the research object and delimiting the time frame, the first analysis of the documents related to the program was performed. From their reading, we understood that the centrality of FGV EAESP in the design, establishment, and development of the PNTE allows reflecting on the program by studying the specific case of the agreement signed with the school. We sought to gather the documents corresponding to these topics in the archives of FGV EAESP, collecting information about the period. To those were added the public documents of interest found in the searches conducted on the internet.
Having concluded the selection, after a brief reading, interviews were conducted with the leading professors at the time, so as to contrast with the knowledge interpreted through the documents and seek suggestions for the collection of new data for the research.

We then focused on the documentation on the minutes of the Departmental Council meeting in the 1970s. These minutes were used from that moment onwards as the primary sources of research, in addition to the documents produced on the program by the government. The reading, which had until then been conducted in a floating and generalized way, began to be performed from categories of analysis, gathering the data in categories delimited for the structuring of the work: the career plans of the EAESP academics in the period, details on the creation of the master’s and doctorate courses in the institution, and the problems and the development of the PNTE in the school.

Hence, the research was based on two data sources: those derived from documents collected in relevant organizations and vehicles, as well as information obtained from interviews with key actors of FGV EAESP and/or experts in the processes that allowed the consolidation of the graduate programs and even the PNTE itself. From April to August 2015, nine people were interviewed, and their speeches were transcribed. They are referred to in this paper as “Interviewee 1,” “Interviewee 2,” and so on. The interviews totaled nine hours and were fundamental not only for the formation of the memory on the subject but mainly because the respondents helped in the search for documents on the PNTE performance at EAESP.

3. THE PNTE AND THE BRAZILIAN CONTEXT

The first PND (National Development Plan) implemented in 1971 under the government of the dictator Emílio Garrastazu Médici aimed at guiding investments. The I PND focused in infrastructure, and in boosting economic growth, mainly aiming at remodeling of Brazilian institutions and industrial production (Matos, 2002). The PNTE was inserted in the context of that plan, which envisaged the creation of new stricto sensu graduate courses and the establishment and dissemination of new managerial techniques (Salles Filho, 2002). According to Law No. 5,727 of November 4, 1971, paragraph IV (Brazil, 1971, emphasis added), the first PND to be put into force between 1972 and 1974 would carry out the following measures:

1) Selection of the direct and indirect management bodies to be restructured as a priority. The concentration of efforts will aim at the proper functioning of existing bodies and the merger of those who duplicate tasks, preventing the creation of new ones.

2) Adoption of modern methods of management and control, particularly in governmental enterprises, with the institutionalization of advisory services for decision-making, cost analysis, assembly of information systems, and financial planning.

3) Increased professionalization of business administration and constant training of executives to update them in the scope of technological processes and management techniques.

Although we acknowledge the importance of naming the subjects of the accounts, keeping the respondents’ anonymity was the way found for them to speak more freely.
Therefore, they were included in the project administered by the Ministry of Planning and General Coordination (MPCG), which was headed back then by João Paulo dos Reis Velloso. As stated in the activities report of the Research and Projects Financier (Finep), the ministry agency responsible for the PNTE, the program was developed in line with the results of two years of research on the training of managers and administrators in Brazil. The actions focused on the training of executives, especially in courses for undergraduates, as well as direct and indirect investment in higher education institutions, aiming to create an “infrastructure” for the training of qualified staff. According to Bertero (2006), in the scope of the funding for the development of teaching and research at the federal level, Finep should be mentioned for the efforts undertaken, including the PNTE itself, with a view to installing academic programs in Brazil. Like the First National Development Plan, the PNTE focused on specific areas in the country, particularly the states of São Paulo, Rio de Janeiro, and Minas Gerais.

The PNTE was developed at a moment when the military government was carrying out efforts for the development and consolidation of graduate programs in Brazil. This effort to establish a graduate system was aligned with the idea of building a modern country, following the logic of the “Brazil as a superpower” outlined by the military (Saviani, 2008). The opinion by Newton Sucupira (Document CFE No. 977/1965) on graduate education in Brazil points to its American inspiration:

> Since our experience in graduate education is still incipient, we will inevitably have to resort to foreign models to create our own system. The important thing is that the model should not be a mere copy but only serve as a guide instead. In view of what was suggested to us by the ministerial notice, we will take as the object of analysis the American graduate system which, as proven by long experience, has served as an inspiration to other countries.

However, according to Saviani (2008), the Brazilian graduate system established itself as a hybrid of the US and European models. The author recalls that most academics in Brazil had been trained in the European academia, unlike most academics at FGV EAESP.

As can be seen in the minutes of the 131st Ordinary Session of the EAESP Board of Directors of December 7, 1973, the PNTE would work in the areas of undergraduate and graduate studies. Additionally, the PNTE aimed at the improvement of managers and executives. The training of managers and business leaders was regarded as “one of the most priority and profitable investments.” The program “would stimulate projects aimed at providing managers and executives who already participate in business life with knowledge about the new horizons made possible by modern management techniques.” Particularly in the graduate area, the program fostered master’s courses in business administration for the training of professionals and academics in the area. To this end, examples from American university courses were mentioned, such as those of Stanford (quantitative methods), Harvard (decision-making policy) and Wharton (corporate finance), in addition to some courses offered by European schools.

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5 Basic documents on the national business training program — MPCG, RAP 4/73, p. 98.
Based on these goals, in June 1973 an agreement was signed between the federal government and Fundação Getulio Vargas for the cooperation of the PNTE activities at EAESP. According to Ordinance No. 36 by the Professional Master’s in Management for Competitiveness (MPGC):

The Chairman of the Board of Directors is authorized to sign an agreement with the Research and Projects Financier (Finep), in order to regulate the collaboration with that entity in providing the necessary resources for the Executive Secretariat operations.

Particularly in São Paulo, the PNTE provided funds for consolidating graduate education at FGV EAESP. Additionally, the program financed the school's overall operation. Affonso Cavalcanti de Albuquerque Arantes, the PNTE coordinator, emphasized that the objective of the agreement between the federal government and the FGV school was to enable the creation of a full-time master's degree course. The masters course aimed to train academics, researchers, and managers who met the guidelines of the national graduate system envisaged in the PND. It is interesting to note that the Center for Graduate Studies in Administration (CPGA) of UFMG sought EAESP to request support in 1971, that is, two years before the establishment of the PNTE (Andrade, 2005). This movement indicates that although the PNTE initiative was developed by the Ministry of Planning, the demand for that type of effort already existed. In this case, the UFMG program became dependent on the support of EAESP but gained autonomy as new formally trained academics began working at the institution.

The PNTE ended as an independent project one year before the creation of the National Association of Graduate Studies and Research in Management (Anpad) in 1976, although it continued to exist under the leadership of Cebræe until at least the end of the decade. The Program contributed indirectly to the establishment of the association, which has since played an essential role in the institutionalization of graduate studies in Brazil. From the statement by Cunha (1988), it is possible to affirm that all programs that were supported by the PNTE were present at the first seminar to evaluate the Brazilian graduate education in management.

4. THE EAESP COURSE UNTIL THE PNTE

The PNTE was established as part of a set of initiatives aimed at accelerating Brazil’s economic development, within the model adopted by the military government. At that historic moment, nationalism confronted and at times conformed to US influence. That clash contributed to shaping national institutions. Meanwhile, the country was undergoing the forced “modernization” of its institutions, with changes being forcibly promoted by the dictatorial government. The dictatorship, among other things, promoted reforms in higher education in 1968, and in the graduate system. It established an American inspired regulation (Cunha, 1988).

Interviewee 1 cited a document that influenced the characterization of graduate studies in Brazil at the time studied. The Document No. 977/1965, approved on December 3, 1965, by the Minister of Education and Culture, was also known as the “Newton Sucupira Opinion” (Alves and Oliveira, 2014). The text, considered a landmark of these initiatives for the specialization courses in the country, defined and regulated graduate education in the country. Initially, the distinction between stricto
sensu and lato sensu graduate courses was outlined, highlighting the importance of the first level for the expansion of research in the country. The example given in the existing stricto sensu graduate text was the American, with the following justification: “Since our experience in graduate education is still incipient, we will inevitably have to resort to foreign models to create our own system” (Almeida Junior et al., 1965).

Then, the characteristics of the master’s and doctorate courses to be respected by the higher education institutions in the country were defined and fixed. In order to characterize these courses in their fundamental aspects, parameters were determined, within which the structuring of the courses could undergo some variations depending on the peculiarities of each sector of knowledge and the characteristics of the institutions. Graduate courses should be approved by the Federal Council of Education so that their diplomas were registered with the Ministry of Education and could produce legal effects.

According to Interviewee 2, the first attempt to establish a graduate course at FGV EAESP dates back to the 1950s, but the first more articulated effort began in 1963 with the creation of the Graduate Course (CPG):

[The course] began with day and night class schedules, inspired by the American MBAs and adapted the American MBAs because there was also a night course there. It lasted four years there, whereas mine lasted three. It lasted for four to five years there. The classes were only in the morning. That was in 1964, 1965. At the end of 1965, I created the first master’s course in Brazil […] From 1966 onwards, it was approved in the congregation of December 1965, that is, FGV EAESP had a master’s degree in business administration. For you to do the master’s degree, you had to complete the CPG courses and then apply for the master’s degree, do three more special subjects, and present a dissertation; then you would become a master. […] But you see, it was a course with the logic of American MBAs, that is, adapted to Brazil, but it was a professional MBA. That word didn’t exist here at the time, but I had this very clear to me [regarding] the professional master’s degree. No one thinks of doing an MBA to become a academic; they do an MBA to become businessmen. […] I absolutely refused to turn my CPG into a master’s degree course. But I suffered a defeat. […] right at the beginning of 1972, the new graduate coordinator took office, and the graduate course was changed entirely. From that year onwards, the master’s course became strictly academic.

Many EAESP academics were trained in the USA. This made the school more susceptible to the influence from the US. It was also more prepared for that graduate teaching model. This is true even though the Master’s in Business Administration (MBA) as a professional master’s degree was weakened by regulation at the time. The effects on the course coordinated by Professor Bresser-Pereira point to that. The course had been thought of in the format of the MBA courses offered in the USA. According to Luiz Carlos Bresser-Pereira, in a report prepared in 1972 on the divisions of graduate courses, the then CPG had had a successful academic experience before the modifications. However, it was excessively heterogeneous in its aims, in its faculty, and in its student body. The data and reports prove that the course had had a successful model so far. Since it was created in 1963 (with two previous experiences in 1958 and 1960), the CPG had undergone minor improvements,
a more significant one in 1966 when the title of master was created, and another in 1970, when the courses were divided into courses of specialization and complementation of the master’s degree. The decision to split the CPG allowed creating a master’s degree separate from the specialization course, with the following characteristics.

**BOX 1  FIRST MASTER’S COURSE PROPOSAL AT EAESP**

- Basic knowledge in administration acquired, in principle, from the undergraduate course or the compulsory subjects
- Few students (25 per class at most)
- It will feature the best professors, whenever possible; Ph.D.
- It aimed at high-level training, with a great deal of intellectual orientation and capacity for elaboration, not only professionals but also professors and researchers
- Each student will have complete academic or individual orientation
- Full-time schedule design
- It allowed for a wide selection of classes for applicants, with the approval of the supervisor

Source: Letter from Bresser-Pereira (1972). Adapted by the authors.

Although FGV EAESP counted on the support of the Ford Foundation to carry out various activities in its first years (Cooke and Alcadipani, 2015; Alcadipani and Bertero, 2012), in the 1970s, the school was facing difficulties with its cash flows. At the same time, the maintenance of the teaching staff in the face of competition from companies that sought to count on these professionals worsened the situation. In this sense, it is possible to glimpse the importance of the PNTE to EAESP, in addition to the support to the graduate studies: in a meeting held in August 1974, the PNTE allocated 155,000 Brazilian Cruzeiros for the current semester, of which 100,000 would be applied in research and in the school’s master’s course.

The combination of more transparent rules for graduate studies, together with the MPCG’s view that the training of management academics was a strategic asset for the excellent performance of the country’s companies officially justified the funding of the PNTE via Finep and, later, via Cebrae. Through a PNTE grant, it was possible, by determination of Professor Arantes, coordinator of the PNTE, to provide resources amounting to about US$ 10,000, which led to the acquisition of various equipment. Interviewee 7 recalls the funds granted to FGV EAESP by the PNTE:

[The funding] was a very important thing here at the school at that time, I’m not sure whether it was in 72 or 73. But it was a very important thing because the funds paid a very important bonus for the academics, I have the impression that it practically doubled the salary of those academics. That is, you had a salary, and since you belonged to that category, you had your salary practically doubled. And there was a very big competition, the number of vacancies was very limited, and I remember there being a very big competition over who the chosen teachers would be.
Along these lines, Interviewee 5 stated that:

It was a volume of resources, by any criterion, important from the point of view of the school, to support the graduate course; they were resources for research, intended for the remuneration of teachers involved in the project to end [short pause] and it was a really important program while it lasted. […] I think that if the PNTE didn’t exist, both we and Copead, and […] [Minas Gerais], the graduate course would not have advanced as it did, you would have at least a delay, at least a delay, things could… But later, it would only happen, I think this support allowed the institutions to do that together and it was important to the three institutions.

Therefore, we notice a movement aiming at the improvement of graduate education in Brazil. Investments, both foreign and domestic, were part of this chain for higher education in the country. Next, we present the main guidelines of the PNTE in EAESP and, consequently, the main difficulties resulting from this process.

5. THE PERFORMANCE OF THE PNTE AGREEMENT AT EAESP

The PNTE was negotiated directly with the MPCG in the wake of the approval of the new stricto sensu graduate regime by the Ministry of Education. The minutes of the meeting held on June 29, 1973, recorded that, according to the Minister of Planning: “EAESP stands as the leading school” of the National Executive Training Program. Its implementation was welcomed, as FGV EAESP faced a crisis on several fronts, which made it difficult to keep the school operating.

Among its objectives, the proposal aimed to make the master’s program more rigorous since the selection process. Although the money did not come initialed, much of it was spent on the master’s program, salaries, research, and to foster academic publication. The rigor of the master’s degree course allowed the implementation of the full-schedule regime for academics. It also served to broaden the rigor of the entrance exams and established rules to track academic performance.

The resources placed at the disposal of the school amounted to 4 million Brazilian Cruzeiros for 1973 alone, more than 5 million Cruzeiros in 1974, and 6 million in 1975 (according to the minutes of the EAESP Board of Directors, of June 29, 1973). Those resources were allocated in the libraries and contributed to the research and scholarship funds, and the remuneration of monograph supervisors. A significant amount was spent on salary supplementation, and they began to devote full-time effort to FGV EAESP. However, access to resources had to be regulated, which led to disputes over distinct pay models.

This is the most significant agreement ever signed by the school and marks the transition from the part-time master’s degree that had been carried out until then to a full-time one, as required by law, whose entrance exams will be more rigorous, and which will have fewer students per class. [Minutes of the meeting of June 29, 1973]

The PNTE allowed the experience of a group of Brazilian academics who were utterly dedicated to teaching and research. This has always been a difficulty for Brazilian higher education institutions,
especially at the time, when full time contract for academics practically did not exist. FGV EAESP had 18 academics enrolled in the agreement with the PNTE. Most were professionals working in the market, less likely to engage in research activities (minutes of the meeting of the EAESP Board of Directors, April 26, 1974). Those academics received significantly better wages to leave other activities and dedicate exclusively to the school. The PNTE allowed greater involvement with research, even if this required changes in the behavior of instructors, who often had little experience in conducting it.

The diagnosis of academic inexperience was aggravated by problems related to the implementation of the PNTE at FGV EAESP: the available resources, although relevant, were insufficient for the creation of a full-time faculty, as was ideal for the training of academics. The proposal elaborated by professor Eduardo M. Suplicy on the remuneration system of the EAESP faculty was presented, seeking to achieve greater equity between the remuneration of the full-time instructors linked to the PNTE and that of those who did not participate in the program. According to the proposal, the wage gap between academics linked and not linked to the PNTE would be as follows.

### BOX 2

**COMPARISON BETWEEN INSTRUCTORS PARTICIPATING IN THE PNTE AND NONPARTICIPANTS**

<table>
<thead>
<tr>
<th>Participant Academic</th>
<th>Nonparticipant Academic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjunct Professor Level B</td>
<td>Adjunct Professor Level B</td>
</tr>
<tr>
<td>Cr$ 11,661.54 (Total)</td>
<td>Cr$ 8,400.00 (Total)</td>
</tr>
<tr>
<td>40-Hour workweek (day schedule) at EAESP</td>
<td>35-Hour workweek at EAESP</td>
</tr>
<tr>
<td>Teach at least one course per semester; at the master’s level, a minimum of three courses per semester</td>
<td>Produce teaching material every two months</td>
</tr>
<tr>
<td>Conduct research</td>
<td>Work on a CPP-funded research project</td>
</tr>
<tr>
<td>Supervise up to 10 students</td>
<td>-</td>
</tr>
</tbody>
</table>

*Source:* Elaborated by the authors, based on the proposal of Professor Eduardo Suplicy in a letter dated May 20, 1974.

As argued by Professor Suplicy in a letter of May 20, 1974, the PNTE, although provisional, introduced the wage gap between the participating and non-participating teachers. Faced with this fact (a 25.4% gap), the professor proposed the reorganization of salaries. At that time, the instructors who were not linked to the PNTE were excluded from the program, not for lack of merit, but for lack of vacancies. The proposal put forward was for all instructors to be rewarded equally. According to Professor Suplicy, the problem became even more severe in view of the high inflation of 31% in São Paulo in the previous years, before the institution’s salary adjustment by 15%, which increased the pressure for the program to contemplate all the academics.
The presentation of the proposal emphasized the conflict over how the academics in the institution would be paid. On the one hand, there was the idea of pay-per-task. On the other, the full-time dedication pay system, which was defended by Professor Arantes, coordinator of the PNTE, among others. It is interesting to point out the existence of a letter from the Executive Secretary of the PNTE stating that full and exclusive linkage was requested from the participants. In addition to the theme of pay equity, the proposal also aimed to stimulate the presence of professors at FGV EAESP. On the other hand, control over them should take place more attentively, as indicated in the minute of January 28, 1974: “all activities carried out by academics linked to the PNTE should be reported to the Principal’s Office through the Head of Department.”

However, the agreement did not require the adoption of a work regime. Therefore, there was the alternative of paying teachers per task, even though the sole act of teaching was regarded as a “somewhat poor” task, according to the school’s principal himself. It is important to mention that in the same document (Minutes of the 74th Meeting of the Departmental Council, on May 25, 1974) it is described that the EAESP undergraduate school should be prioritized in the face of other courses, such as the doctoral course. At the end of the session, Professor Arantes, as the PNTE coordinator, was asked to produce a document regulating additional tasks and possible levels of remuneration.

According to some teachers, the system of full-time dedication was unfair, as it would create privileges and only be effective if there were enough funds so that all instructors who desired and deserved to participate could do so. In a letter dated June 27, 1974, sent to the acting principal, Professor Carlos Osmar Bertero, Professor Bresser-Pereira, then head of the Economics Department of EAESP, describes the final, unanimous approval of the proposal according to which the full-time dedication and fixed payment system should be replaced by the pay-per-task one. The latter system, then defined as a substitute, would be characterized by the regime by which the courses taught, the research, the teaching material, the student supervision, among other aspects, would be paid according to the demand for activities within the school, and was approved without any discordant vote or reservation, given the conviction of all those present at the meeting, as described in the minutes.

It is also understood from the professor’s statements in the same document, the difficulty of the instructors participating in the project with suggestions and opinions. As Bresser-Pereira describes:

I now thought that the CD [Departmental Council] was to be summoned to discuss and implement this proposal (on the new PNTE payment format), then I received the letter mentioned above, which would have been the result of a personal decision of the Professor Carlos Malferrari. I don’t agree with that decision. I’m also not willing to discuss the problems related to the PNTE on the CD anymore since our decisions are not considered. [Letter from Bresser-Pereira, 1974:2]

As for the master’s course, according to the letter sent to the school principal on May 22, 1974, the full-time regime was not being fulfilled. In another letter (May 24, 1974), Professor Arantes suggested solutions to the PNTE budgetary problems: the EAESP instructors would only dedicate full-time efforts to the PNTE if their teaching activities were protected in at least two Master of Administration Course (CMA). In this way, it was necessary to make the participants of the program bear the bulk of the teaching load for this course.

Another problem was the disparity in the number of humanistic and technical areas. The academics linked to the technical areas were professionally and pragmatically oriented. At the same time, the
more specialized they were in the areas valued by companies, the more they were able to demand higher wages. On the other hand, humanities instructors were more research-oriented and tended to devote more time to the school. In other words, the intellectual production at the school was more significant in the humanities areas than in the technical areas of management based on the American model. Some academics saw the situation as a fault to be corrected since the school had proposed to have intense contact with the business sector since its foundation. To solve this disparity, as it happened in American schools, it was proposed a work regime according to which “the academic either produces [research] or has to leave the school” (the so-called “publish or perish”). That is, a period of seven years would be determined for the production of a certain number of papers and books (Minutes of Meeting of the Departmental Council of April 26, 1974).

This environment, which quickly became close to the modern idea of academia and the demand for scientific production by the faculty of the programs, stimulated the idea of creating a doctoral course. Although master’s courses were a priority in the PNTE investments, the same program made it possible to establish the conditions for the establishment of a doctoral course in the institution. Such course allowed new academics to be trained at FGV EAESP. The school became a training center for academics from other educational institutions. The course was approved as being in the second semester of 1976, with eight Ph.D. students selected among 30 candidates. Both stricto sensu courses were integrated, and the doctoral course did not require major transformations as the master’s degree had. The doctoral program was adapted to the organizational structures that were already being delineated by the master’s program. However, it is evident, especially in the implementation of the doctoral course, the idea of a sense of mission and pioneering of the school in the historical context of the time.

The former principal, Professor Carlos Osmar Bertero stated that the launch of the doctoral course was an old expectation of FGV EAESP, of the Brazilian academia, and of many of those who already held a master’s degree from that institution. Although the creation of the doctoral program in management is beyond the scope of this research, it is important to emphasize that it can be regarded as a consequence of the PNTE and the investments made in FGV EAESP. This reinforces even further the idea that the program played an important role in the establishment of a Brazilian graduate programs in management.

6. FINAL REMARKS

This paper contributes to understanding the role of the federal government in the expansion of graduate education in the 1970s when analyzing its direct performance through Finep and the implementation of the PNTE. In addition, when examining the case of EAESP, it was possible to relate the design of the PNTE public program to the training of executives for the establishment of higher education in management in Brazil. In the broader context, analyzing an agreement that included three other educational institutions allowed us to understand the government’s willingness to act as an aid to institutions at that time, as a reflection of the mindset of that moment. That is, as the effect of a government policy targeted at a specific organization from the conditions contextualized to the corresponding historical period. For this reason, the PNTE was decisive in establishing the first master’s programs and the first doctoral program in Brazil.

During the PNTE term at FGV EAESP, the difficulties faced in the process of reforming graduate courses were evident, particularly those concerning the faculty dedication and their respective
remunerations for the work carried out in the institution. We identified disparities in funding and even in the level of interest in certain research areas at the school. In those situations, the institution sought to draw inspiration from US experiences so as to find solutions. Significant changes were observed in the EAESP academic teaching, based on the PNTE performance in the institution, corresponding to the requirements of the agreement to encourage research in Brazil and solving previous problems mentioned by the instructors involved in the school’s former graduate course, the CPG.

This paper analyzed the effects of the first years of the PNTE at FGV EAESP due to the place that the school sought to occupy in the development of the field of institutionalized managerial knowledge in Brazil. However, the management model adopted with reference to international experiences influenced the other teaching institutions and even the public management model itself. In addition to the national context involving the need for educational investments, it is possible to assume that the US model, although of a hybrid nature as defended by Alcadipani and Bertero (2012), has maintained its influence in the operation of the agreement. However, even if by financing the courses the PNTE contributed to the diffusion of the US matrix that was in force at FGV EAESP, it also contributed to train academics and, consequently, to nationally located thinking. Along these lines, Americanism was not the only factor for the development of higher education institutions; the national context was also paramount for its accomplishment.

We notice that when studying the development of programs aimed at the qualification of professionals for management and decision-making, there is not only a mere concern with the formation of a ruling elite for this level in the public administration (Wanderley, 2016). There is also an incentive from the own developmentalist strategy typical of the Brazilian government in the twentieth century to model public management according to the western standard in force at a given time. The PNTE proposed to influence the public area according to these management parameters and, consequently, it unfolds as a public effort for the training of these managers.

Thus, highlight the importance of the relationship between governments, public and private institutions to improve studies on the history of public administration and management teaching and how they affect the design the institutional structures in Brazil. More than understanding how the PNTE was formalized in the Brazilian government in the past, it is possible to understand its activities as public activities for the formation of managerial knowledge aimed at higher education and even at research levels to establish master’s and doctoral courses in the area. Indirectly, the discussion points out that the socioeconomic context of the mid-twentieth century in Brazil cannot be understood without an adequate understanding of the government’s performance as a mediator of interests and centralizer of decisions. This is imposed on the researcher who wants to understand the country, without necessarily minimizing the importance of the international situation and the US performance in Brazil.

Finally, the research on the agreement with FGV EAESP may encourage the research about other institutions that participated in the same program, including public teaching institutions. The guiding parameters considered for the establishment of graduate courses financed by the PNTE point to two of the most important federal universities in the country, UFMG, and UFRJ, and to one of the leading training centers for public managers, the FJP. They also point to the preponderance of the three largest states of the Brazilian Southeast in the design of such policy, although it is now known that it led to actions in other parts of the country. This shows that the concentration of graduate programs in administration in this region reflects an initial decision of the federal government.
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