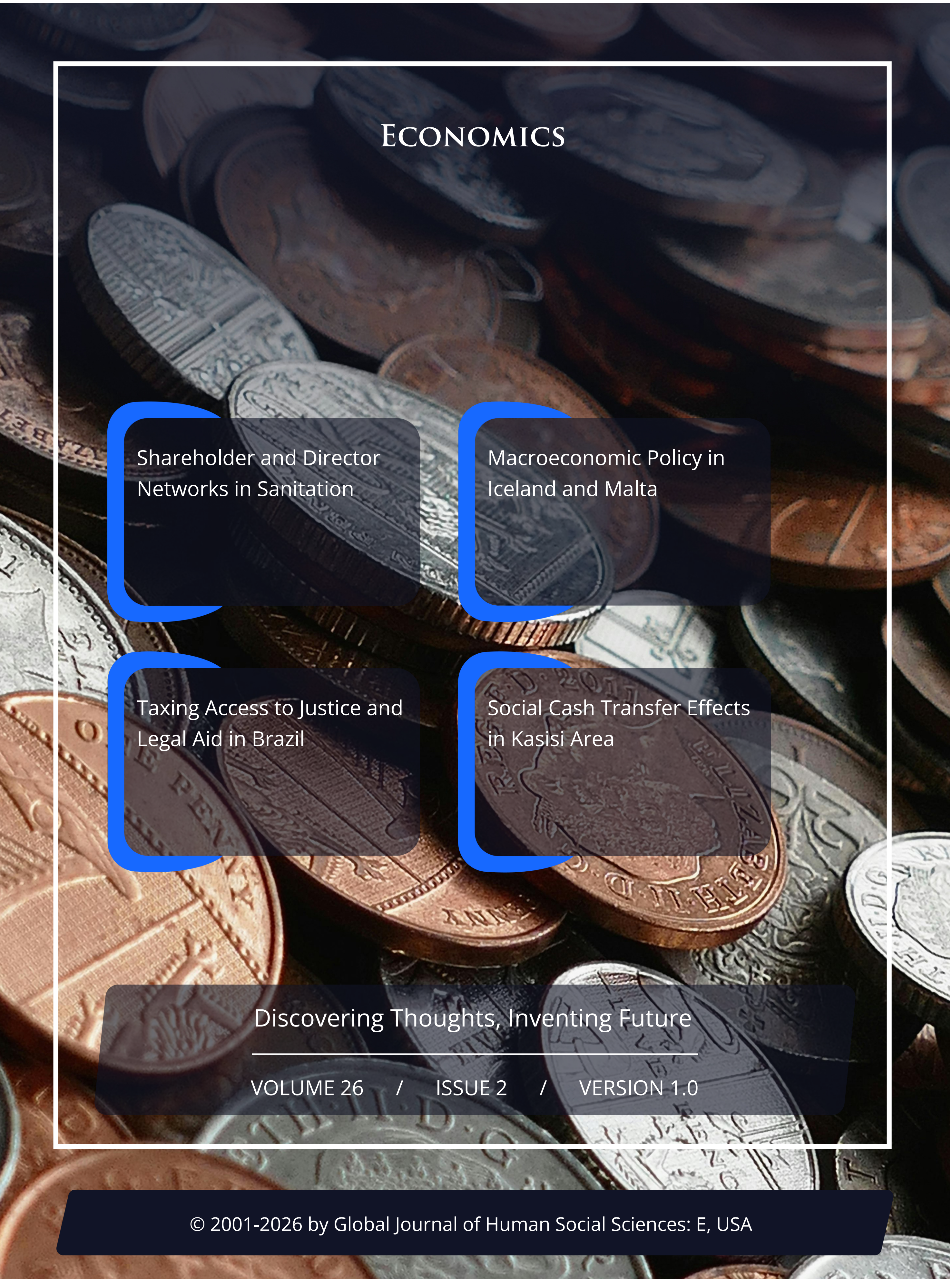
Global Journal
OF HUMAN SOCIAL SCIENCES: E

Online ISSN: 2249-460X
Print ISSN: 0975-587X
DOI: 10.17406/GJHSS



Economics

Shareholder and Director Networks in Sanitation

Macroeconomic Policy in Iceland and Malta

Taxing Access to Justice and Legal Aid in Brazil

Social Cash Transfer Effects in Kasisi Area

Discovering Thoughts, Inventing Future

VOLUME 26 / ISSUE 2 / VERSION 1.0

Global Journal of Human-Social Science

Section E - Economics

Volume 26 2026 **Issue E2**

Global Journal of Human-Social Science

ISSN (Online): 2249-460X • ISSN (Print): 0975-587X

Open Access Policy

All articles published in Global Journal of Human-Social Science are open access articles published under the Global Journals Open Access Publishing Agreement, which permits unrestricted use, distribution, and reproduction in any medium, provided the original work is properly cited.

Publisher

Global Journals Incorporated
301 Edgewater Place, Suite 100
Wakefield, MA 01880, United States

Copyright

Disclaimer

Compiled in the United States of America

GJHSS / EDITORIAL BOARD

Global Journal of Human-Social Science

Humanities, education, society, governance, culture, communication and interdisciplinary social research.

Preface

The Global Journal of Human-Social Science (GJHSS) is pleased to present this issue, bringing together a curated collection of high-quality research papers that explore diverse dimensions of human society, culture, and the social world.

This issue features research spanning topics including arts & humanities, sociology, history, anthropology, economics, political science, linguistics, education, and interdisciplinary social inquiry. Each paper has undergone a rigorous double-blind peer-review process to ensure scholarly rigor and originality.

We would like to express our sincere gratitude to the authors for entrusting their research with us, to the reviewers for their thorough and constructive evaluations, and to our readers for their continued engagement with the academic discourse.

We hope that the research presented herein inspires further inquiry and contributes meaningfully to the advancement of knowledge in the human and social sciences.

The Chief Editor
Global Journal of Human-Social Science
Global Journals Organization

Table of Contents

GLOBAL JOURNAL
OF HUMAN SOCIAL SCIENCES - E: ECONOMICS

Volume 26 | Issue 2 | 2026
Article ID: GJHSS-255411
Language: Portuguese

CATALOGING
LCC • HD4465.B6
JEL • G32, L33
DDC • 363.610981
ANZSRC • 440702

Rede de Acionistas e Dirigentes das Concessionárias de Saneamento: O Caso da Concessão Privada dos Serviços de Água e Esgoto, no Estado do Rio de Janeiro

Article Record

Dr. João Roberto Lopes Pinto[§] [*]
[*]Corresponding Author

Dr. Antônio da Silveira Brasil Jr. [‡]

Dr. Patrícia Finamore Araújo [‡]

[§] ECOPOL/NELUTAS Universidade Federal do Estado do Rio de Janeiro (UNIRIO). (OA)
[‡] Universidade Federal do Rio de Janeiro (UFRJ) (OA)
+3 additional authors listed on the metadata continuation page.

RECEIVED	ACCEPTED	ONLINE PUBLISHED	PUBLISHED	PEER REVIEW
2026-04-01	2026-04-18	2026-06-11	2026-09-17	Double Blind

Abstract

This research utilizes Social Network Analysis to examine the ownership and management structures of the five largest private sanitation groups in Brazil, with a specific focus on the state of Rio de Janeiro following the 2021 privatization wave. The study identifies a high degree of oligopolization and financialization, revealing that three of the top five groups share common global institutional investors, including the Sovereign Fund of Singapore, the Canada Pension Plan Investment Board, and BlackRock. This interconnectedness creates what the authors term a giant component in the proprietary network, potentially undermining market competition. The analysis of corporate directors reveals a small-world effect characterized by interlocking directorates and a revolving door phenomenon between the public and private sectors. Key individuals, such as former high-ranking government officials and academics from institutions like the Getulio Vargas Foundation, serve as strategic bridges that align corporate governance with financial logic. Quantitatively, the study maps 245 shareholders and 972 connections in the ownership network, alongside 929 actors in the directorial network, demonstrating how these social and capital ties consolidate corporate power over essential resources like water and sewage services.

corporate governance | financialization | interlocking directorates | privatization | rio de janeiro | sanitation | social network analysis

AI USE STATEMENT
No generative AI was used for analysis or results.

FUNDING
No external funding was declared for this work.

CONFLICT OF INTEREST
The authors declare no conflict of interest.

DATA AVAILABILITY
Not applicable for this article.

ETHICS
No ethics committee approval was required for this article type.

CONSENT
Not applicable for this article.

TRIAL REG.
Not applicable.

Crossref DOI: 10.34257/GJHSSE255411

How to Cite: Roberto Lopes Pinto et al. (2026). Rede de Acionistas e Dirigentes das Concessionárias de Saneamento: O Caso da Concessão Privada dos Serviços de Água e Esgoto, no Estado do Rio de Janeiro. Global Journal of Human-Social Science, 26(2), 1-16. DOI: 10.34257/GJHSSE255411

AR Experience Web Page
DOI
Print ISSN 0975-587X
Online ISSN 2249-460X

METADATA CONTINUATION

AUTHOR CONTACT QR LEDGER

Dr. João Roberto Lopes Pinto

Dr. Antônio da Silveira Brasil Jr.

Dr. Patrícia Finamore Araújo

Juan Cardoso Leal Tenório

Júlia Rodrigues da Cruz Conceição

Yasmin Carvalho de Assunção

COMPLETE AUTHOR LEDGER

01. Dr. João Roberto Lopes Pinto §* | ECOPOL/NELUTAS Universidade Federal do Estado do Rio de Janeiro (UNIRIO).
02. Dr. Antônio da Silveira Brasil Jr. ‡ | Universidade Federal do Rio de Janeiro (UFRJ)
03. Dr. Patrícia Finamore Araújo ‡ | Universidade Federal do Rio de Janeiro (UFRJ)
04. Juan Cardoso Leal Tenório § | ECOPOL/NELUTAS Universidade Federal do Estado do Rio de Janeiro (UNIRIO).
05. Júlia Rodrigues da Cruz Conceição § | ECOPOL/NELUTAS Universidade Federal do Estado do Rio de Janeiro (UNIRIO).
06. Yasmin Carvalho de Assunção § | ECOPOL/NELUTAS Universidade Federal do Estado do Rio de Janeiro (UNIRIO).

ARCHIVAL RECORD

GJHSS · Vol 26 · Issue 2 · 2026

Article ID GJHSS-255411 · DOI 10.34257/GJHSSE255411

Print ISSN 0975-587X · Online ISSN 2249-460X

Global Journal of Human-Social Science - Section E
GJHSS Volume 26 Issue 2

Rede de Acionistas e Dirigentes das Concessionárias de Saneamento: O Caso da Concessão Privada dos Serviços de Água e Esgoto, no Estado do Rio de Janeiro

Dr. João Roberto Lopes Pinto§ *, Dr. Antônio da Silveira Brasil Jr.‡, Dr. Patrícia Finamore Araújo‡, Juan Cardoso Leal Tenório§, Júlia Rodrigues da Cruz Conceição§, and Yasmin Carvalho de Assunção§

Affiliations
§ ECOPOL/NELUTAS Universidade Federal do Estado do Rio de Janeiro (UNIRIO). (OA)
‡ Universidade Federal do Rio de Janeiro (UFRJ) (OA)

Abstract

This research utilizes Social Network Analysis to examine the ownership and management structures of the five largest private sanitation groups in Brazil, with a specific focus on the state of Rio de Janeiro following the 2021 privatization wave. The study identifies a high degree of oligopolization and financialization, revealing that three of the top five groups share common global institutional investors, including the Sovereign Fund of Singapore, the Canada Pension Plan Investment Board, and BlackRock. This interconnectedness creates what the authors term a giant component in the proprietary network, potentially undermining market competition. The analysis of corporate directors reveals a small-world effect characterized by interlocking directorates and a revolving door phenomenon between the public and private sectors. Key individuals, such as former high-ranking government officials and academics from institutions like the Getulio Vargas Foundation, serve as strategic bridges that align corporate governance with financial logic. Quantitatively, the study maps 245 shareholders and 972 connections in the ownership network, alongside 929 actors in the directorial network, demonstrating how these social and capital ties consolidate corporate power over essential resources like water and sewage services.

Keywords: *análise de redes sociais, saneamento, privatização, governança corporativa, rio de janeiro, interlocking directorates, financeirização*

* **Corresponding Author**
Dr. João Roberto Lopes Pinto

DOI
10.34257/GJHSSE255411

1. Introdução

Este trabalho é produto da parceria entre o grupo de pesquisa "Estado, grupos econômicos e políticas públicas" - ECOPOL/NELUTAS (UNIRIO) e a ENSP/FIOCRUZ/FIOTEC, no âmbito do "Projeto Vigilância Popular em Saneamento e Saúde", coordenado por esta instituição[1], e suscita novas perguntas e caminhos investigativos sobre a rede proprietária no setor de saneamento (Venturini, Jacomy, e Jensen 2021)[2].

No caso de redes de acionistas, as relações são definidas pela hierarquia no controle acionário do conjunto das concessionárias investigadas, permitindo a identificação das empresas e/ou entidades financeiras que controlam os ativos, as ações e as decisões estratégicas dentro das organizações e revelando atores com posições centrais de acesso a recursos e informações. O mesmo vale para a análise de redes de dirigentes, na qual identificamos atores com maior centralidade na rede e mapeamos seus principais vínculos institucionais e suas interconexões, iluminando uma segunda camada de análise das interações entre as corporações, as chamadas diretorias interligadas (*interlocking directorates*).

Dessa forma, o artigo esmiúça as estruturas e alguns dos efeitos das doutrinas mais contemporâneas sobre a gestão corporativa, que busca garantir os melhores resultados afastando a figura do "fundador/acionista/CEO (*Chief Executive Officer*)" do papel de *dirigente*. Esta forma de controle constitui duas vantagens aos acionistas: menor dedicação ao "empreendimento", permitindo gerência de múltiplas empresas dentro de um portfólio; e o distanciamento da empresa, que permite a intensificação da pressão por resultados e um certo nível de alienação de responsabilidades ou de separação da responsabilidade fiduciária e operacional quanto às práticas empregadas pelos Diretores Executivos e conselhos de administração e gestão (Dias, 2022).

Esta separação sugere a existência de uma assimetria de informações e um conflito de interesses (Problema de Agência)[3] entre a

[1] A equipe de pesquisa agradece o apoio acadêmico das coordenadoras do "Projeto Vigilância Popular em Saneamento e Saúde", Dra. Adriana Sotero Martins e Dra. Maria José Salles, professoras e pesquisadoras da Escola Nacional de Saúde Pública - ENSP/FIOCRUZ.

[2] A rigor, a análise de redes permite a observação tanto de padrões estruturais quanto a observação de tendências temporais, caso existam dados relativos à distribuição de relações ao longo do tempo. No entanto, neste trabalho, limitamo-nos à observação sincrônica da estrutura relacional formada pelas interações entre os atores investigados, sem considerar o tempo como variável explicativa.

[3] A separação entre propriedade e controle, ou no caso do artigo, a cisão entre acionistas e dirigentes, é o tema central da Teoria da Agência, ou conflito Principal-Agente, consolidada por Jensen & Meckling (1976), que propõe a Governança Corporativa como o conjunto de mecanismos para alinhar os interesses de gestores, os agentes, aos dos acionistas, os principais, minimizando o custo de agência. No contexto brasileiro, contudo, o problema mais prevalente não é o conflito entre acionistas e gestores, mas sim o conflito entre acionistas controladores e acionistas minoritários (conhecido como Problema de Agência do Tipo II, no trabalho de Antonio Gledson de Carvalho), dado

cúpula de proprietários/acionistas (o Principal) e os ad-mi-nis-tra-do-res/dirigentes (o Agente), que são pressionados por melhores resultados e lucros. No entanto, este mecanismo de gestão corporativa se completa com a remuneração dos conselheiros e Diretores Executivos. Em muitos exemplos, a remuneração dos dirigentes e do conselho de administração possui uma variável que está atrelada ao desempenho e valorização da empresa (ex: valorização da ação, Ebitda, lucro líquido). Logo, essa forma de remuneração concorre para que os Diretores Executivos persigam a maior lucratividade possível, visto que parte de sua remuneração está atrelada a isto.

As redes de acionistas e dirigentes também ajudam a compreender a estrutura dos mercados, uma vez que o poder econômico e o contro-le sobre as corporações refletem-se nas conexões de propriedade e de dirigentes (Da Cruz *et* Alli, 2022). Para além de um “mapa do poder” no interior das corporações privadas e do mercado, a análise de redes proprietárias e de dirigentes contribuem, ainda, para a compreensão da dimensão social e política presente na organização da grande propriedade capitalista (Pinto e Campos, 2023; Pinto, 2024; Dias, 2022; Minella, 2013). No meio acadêmico brasileiro, ainda são poucos os trabalhos que se valem da análise de redes sociais aplicada aos estudos sobre o mundo corporativo (Lazzarini, 2021; Carvalho e Ribeiro, 2018; Da Cruz *et* Alli, 2022; Dias e Santos, 2024; e Dias, 2022).

Além desta introdução, o presente artigo traz uma seção de metodologia, que discorre sobre a construção do banco de dados e características das redes: centralidade, detecção de “comunidades”, padrões relacionais, entre outras. Em seguida, desenvolvemos uma análise da rede de acionistas dos cinco maiores grupos privados de saneamento do País, dando destaque para a estrutura acionária das concessionárias atuantes no estado do Rio de Janeiro. Avançamos, então, para uma análise sobre as implicações das interconexões acionárias entre agentes públicos e privados, no interior da rede proprietária dos cinco maiores grupos privados de saneamento do País. Por fim, realizamos a análise dos diferentes padrões relacionais encontrados na rede de dirigentes, bem como suas interconexões e centralidades. O artigo é concluído com considerações sobre a relevância das principais sínteses da pesquisa e a importância de se avançar com os estudos sobre a estrutura da propriedade capitalista com base no uso da análise de redes sociais.

2. Metodologia

O processo de concessão regionalizada do setor de saneamento no Estado do Rio de Janeiro à iniciativa privada, implementado a partir de 2021, representou uma reconfiguração nas estruturas de poder e governança que comandam este serviço público essencial. Para investigar a teia de influências e relações, que opera tanto na superfície formal dos controles acionários quanto nos bastidores das trajetórias e afiliações dos dirigentes, este estudo adota a Análise de Redes Sociais (ARS) como arcabouço metodológico central.

O Rio de Janeiro apresenta um cenário no qual uma empresa pública - a Companhia Estadual de Águas e Esgotos (CEDAE) - teve sua área de cobertura dividida entre três grandes grupos privados (Aegea/Águas do Rio, Iguá e Águas do Brasil/Rio+Saneamento), cujas estratégias de ampliação de lucros e dividendos impactam diretamente o acesso à água de milhões de pessoas, especialmente em territórios vulnerabilizados. Desse modo, para compreendermos quem, em última instância, controla o saneamento do estado, é preciso nos valermos da análise de dados a partir da modelagem de duas redes: 1) rede de acionistas e 2) rede de dirigentes. Assim, a escolha da análise de redes é particularmente pertinente para este caso.

A modelagem das duas redes foi feita por meio do software Gephi, recurso computacional de acesso aberto e muito utilizado na análise de redes (Bastian, Heymann, e Jacomy, 2009). A fim de se construir a rede como um objeto de conhecimento visualmente acessível, é necessário constituir um banco de dados relacionais, o que fizemos a partir das fontes consultadas. A rigor, trata-se de uma planilha em que se define, linha a linha, um ator-fonte (source) e um ator-alvo (target) como par constituinte de uma relação, além dos atributos da própria relação (sua direção, peso e tipo, por exemplo).

A rede de acionistas mapeia as cadeias de propriedade e controle dos cinco maiores grupos privados de saneamento do Brasil – Aegea, Iguá, Águas do Brasil, BRK e Equatorial –, com ênfase naqueles atuantes no estado do Rio de Janeiro (os três primeiros). A primeira etapa para a modelagem das redes partiu de uma raspagem de dados dos Formulários de Referência (FR) das empresas e a construção de um banco de dados em formato de tabela, com as informações sobre acionistas[4]. No entanto, a insuficiência de dados nos FRs exigiu a complementação da utilização da plataforma MarketScreener, que se mostrou essencial para preencher lacunas sobre controladores últimos, nacionais e estrangeiros.

Na rede de acionistas, as relações são definidas do seguinte modo: cada ator se liga ao outro de acordo com as hierarquias de controle, de modo que os atores situados no nível acionário mais elevado (ex.: nível 1) se ligam exclusivamente aos atores localizados no nível imediatamente abaixo (nível 2), que, por sua vez, se ligam também exclusivamente ao próximo nível inferior (nível 3), continuando sucessivamente até os níveis mais inferiores de controle identificados na pesquisa (nível 9).

Já a rede de dirigentes, para o caso do Estado do Rio de Janeiro, faz um rastreio das conexões entre os indivíduos que ocupam posições de alto escalão (conselheiros de administração, diretores estatutários, presidentes) nas concessionárias privadas e na CEDAE[5]. Para cada dirigente, foram catalogadas suas afiliações profissionais e acadêmicas ao longo da carreira. As fontes foram múltiplas, todas elas públicas: FRs, sites institucionais, LinkedIn, reportagens jornalísticas e a plataforma Lattes. Todos estes registros alimentaram a construção de um banco de dados unificado com as informações sobre os dirigentes. Esse cotejamento cruzado foi fundamental para garantir a robustez dos dados, superando a limitação de informações em uma única fonte.

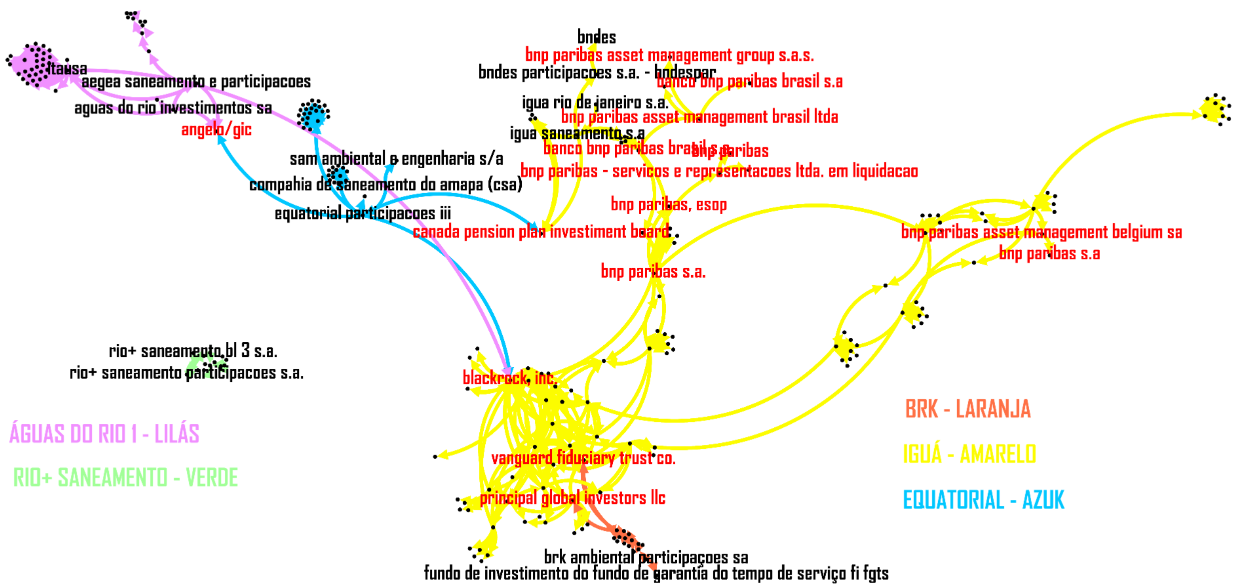
É fundamental precisar, aqui, o conceito de ”dirigente” adotado nesta pesquisa. Entendemos por dirigente todo agente que ocupa posições de alto escalão – como conselheiro de administração, diretor estatutário, presidente ou membro de comitês estratégicos – em uma ou mais organizações, tornando-se assim um elo em uma rede complexa de relações institucionais. Estes agentes não detêm poder apenas pela autoridade formal inerente aos seus cargos isolados,

o alto grau de concentração de capital (CARVALHO, 2002; SILVEIRA, 2008). Autores como Sérgio Lazzarini (2011), ao analisar a estrutura de propriedade e os conselhos de administração dos grupos econômicos brasileiros, fornecem dados empíricos que ilustram essa dinâmica de controle concentrado. Em uma chave crítica, a separação é abordada como uma das consequências da centralização do capital e do desenvolvimento da função gerencial. Nesta perspectiva, a Governança Corporativa não é apenas uma solução técnica, mas uma tecnologia de controle que visa reproduzir a dominação de classe, reorganizando os mecanismos para proteger a elite proprietária, a burguesia em um contexto de crescente dominação financeira (PINTO e CAMPOS, 2023; e PINTO, 2024).

[4]Os Formulários de Referência (FRs) são documentos eletrônicos obrigatórios que as empresas de capital aberto enviam periodicamente à Comissão de Valores Mobiliários (CVM) para fornecer informações detalhadas sobre sua gestão e finanças.

[5]Importante ressalvar que as informações relativas às trajetórias profissionais e acadêmicas dos dirigentes foram extraídas de fontes públicas, em especial dos Formulários de Referência das concessionárias. Reconhece-se que a dependência de tais fontes pode representar eventuais lacunas nos dados apresentados, sobretudo diante da opacidade que caracteriza estruturas acionárias complexas e da ausência de divulgação obrigatória e integral de vínculos societários, o que pode resultar na sub-representação de conexões na rede analisada.

Figure 1. Rede de acionistas, particionadas por arestas (concessionárias).



Fonte: Elaboração própria. Modelagem da rede: *software* Gephi.

mas sobretudo pela capacidade de articular interesses, fluxos de informação e recursos entre diferentes esferas institucionais (pública, privada e acadêmica).

Esta rede foi modelada como uma rede bipartida (ou de dois-modos) ou, como é mais comum nas ciências sociais, como uma "rede de afiliação" (Faust, 1997), em que são ligados entre si dois tipos de elementos, sem que existam relações entre elementos do mesmo tipo. No nosso caso, os dois tipos de elementos são os dirigentes (definidos pelo nome) e as organizações às quais se ligam no presente ou já se ligaram no passado (como instituições de ensino, empresas públicas e privadas).

Na Figura 1, temos uma visão geral da rede de acionistas das cinco maiores concessionárias privadas do País. Trata-se de uma rede de ligações direcionadas (parte-se do nível superior em direção ao nível inferior de controle) e com peso (definido pela importância da relação – relações de nível 1 a 2 são mais relevantes que relações de nível 3 para 4, por exemplo). Ao todo, identificamos 245 atores e 972 conexões. As arestas (as ligações) estão particionadas (isto é, possuem cores distintas) por concessionárias – em amarelo, as relações da Iguá (que concentram 82,72%) do total de conexões identificadas na pesquisa; em lilás, as da Águas do Rio 1 (8,54%); em azul, as da Equatorial S. A. (4,53%); em verde, Rio+Saneamento (1,85%); e, por fim, em laranja, as da BRK (2,37%).

Apesar de serem relações internas a uma concessionária e organizadas em forma hierárquica, um achado relevante da pesquisa, que será esmiuçado mais à frente, é a existência de conexões entre acionistas de quatro das cinco concessionárias estudadas (apenas as relações internas à Rio+ Saneamento não possuem pontos de conexão com as demais), o que gerou um inesperado efeito de formação de "componente gigante", isto é, o fato de que a maior parte dos atores estejam reunidos em um único aglomerado de relações (Newman, 1999). As principais métricas estruturais, em especial a centralidade dos atores, permanecem estáveis na testagem. Este emaranhamento pode sugerir formas de controle cruzado e de oligopolização.

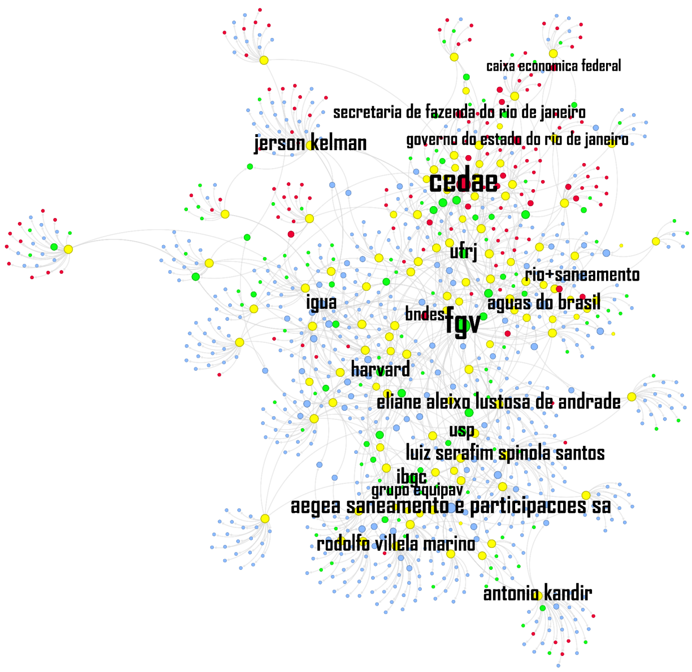
Já na Figura 2, temos uma visão panorâmica da rede de dirigentes das concessionárias de saneamento, atuantes no Estado do Rio de Janeiro. Como dito, trata-se também de uma rede direcionada e com dois tipos de atores; neste caso, pessoas e organizações – a pessoa foi definida como ator-fonte e a organização como ator-alvo. Foram identificados 929 atores (110 nomes de dirigentes, 544 organizações privadas, 140 organizações públicas e 135 organizações de ensino e/ou acadêmicas) e 1.354 conexões. Uma mesma pessoa pode estar ligada a mais de uma organização, como seria de se esperar, e a recorrência de determinadas conexões gerou uma rede em que virtualmente todos os nós estão reunidos em uma única "componente gigante", sugerindo a formação de um pronunciado "efeito de mundo pequeno" (Brasil Jr. e Carvalho 2020; Watts 2018).

Nesta segunda imagem, a partição dos nós (suas cores) se refere à natureza dos atores – em amarelo, os nomes dos dirigentes; em azul, as organizações privadas; em vermelho, as organizações públicas; e, em verde, as organizações acadêmicas. O tamanho dos nós se refere à centralidade de grau (número de conexões) e, para facilitar a leitura, apenas os nós com maior performance nesta métrica (os cinco mais bem conectados por tipo de nó) estão com os labels disponíveis.

A análise de redes implica, é claro, o uso de métricas. O grau, como vimos, é o número de conexões diretas de um nó. Uma instituição de ensino com alto grau é um "*hub*" formador da elite dirigente. Uma segunda métrica muito útil é a centralidade de intermediação, que identifica os nós que funcionam como "pontes" entre grupos distintos. Por exemplo, um fundo de investimento com alta intermediação na rede de acionistas é um ator de ligação crucial, conectando capitais e potencialmente alinhando estratégias de grupos privados nominalmente concorrentes. Uma outra métrica relevante e muito utilizada é a centralidade de autovetor, que pondera, de modo iterativo, o grau das conexões de acordo com o grau dos nós vizinhos – afinal, ter poucos vizinhos muito bem-conectados pode ser mais estratégico que ter muitos vizinhos com poucas conexões.

A análise integrada dessas duas dimensões a do capital (acionistas) e a da gestão (dirigentes) – fornece uma lente poderosa para decifrar a verdadeira configuração de poder por trás da torneira e do esgoto no estado do Rio de Janeiro, expondo as dinâmicas de financeirização

Figure 2. Rede de dirigentes, particionada por tipo de nó (pessoas e organizações).



Fonte: Elaboração própria. Modelagem da rede: software Gephi.

e concentração que desafiam a noção de um mercado competitivo e a própria soberania sobre um recurso vital.

3. Sobre a rede proprietária das cinco maiores concessionárias privadas de saneamento do país

Cabe ressaltar que, embora a análise desenvolvida evidencie padrões relevantes de concentração e interconectividade entre os principais grupos privados do setor, não se buscou, no escopo deste trabalho, testar diretamente os efeitos dessa estrutura sobre variáveis de desempenho econômico, como preços, qualidade dos serviços ou eficiência operacional. A proposta do artigo concentra-se na identificação e análise das relações de propriedade e de direção entre os agentes, entendidas como dimensão estrutural do poder econômico.

Os serviços de abastecimento de água e esgotamento sanitário utilizados por mais de 30% da população brasileira estão concedidos a empresas privadas. Segundo o Panorama da Associação Nacional das Concessionárias Privadas de Serviços Públicos de Água e Esgoto (ABCON), 69 milhões de habitantes são atendidos por concessões plenas de operadores privados, o que corresponde a cerca de 1.300 municípios tendo ambos os serviços prestados por concessionárias privadas. Sendo consideradas também as concessões parciais, nas quais apenas um dos serviços (água ou esgoto) é concedido, são alcançados ao todo 87 milhões de habitantes em 1.600 municípios, ou seja, mais de 40% da população (ABCON, 2025).

Com a aprovação da Lei nº 14.026/2020, que alterou o marco regulatório do setor (Lei Federal nº 11.445/2007), as privatizações ganharam um grande impulso. A vedação dos contratos de programa, a redução do financiamento aos prestadores públicos com recursos do FGTS, o incentivo às modelagens e financiamentos disponibilizados pelo BNDES à iniciativa privada, levaram a um aumento expressivo da participação privada no saneamento brasileiro. Cabe chamar atenção que 72% da população atendida por empresas privadas está incluída em contratos recentes, firmados a partir de 2020, em concessões regionalizadas (ONDAS, 2025).

O panorama atual traz indicativos da formação de oligopólios privados no setor. O país conta com a presença de 181 Sociedades de Propósito Específico (SPE) para água ou esgoto, que são controladas por 60 *holdings*, controladoras ou consórcios. Destas, se destacam cinco grupos empresariais que controlam mais de 90% da prestação dos serviços privatizados: Equatorial, AEGEA, BRK Ambiental, Iguá Saneamento e o Grupo Águas do Brasil (ONDAS, 2025).

A concentração do mercado privado se mostra ainda maior se considerarmos que alguns dos acionistas de três das cinco gigantes do setor são os mesmos. Na Figura 3 é apresentada a estrutura da rede de acionistas dos cinco maiores grupos privados de saneamento no Brasil, destacando os atores de ligação. A rede contém, como já mencionado, 245 nós, cujo tamanho está ponderado pela centralidade de intermediação. Os nós destacados em vermelho, circulados em azul, são as organizações que conectam diferentes grupos privados. A espessura das conexões está também ponderada pelo nível de controle, tamanho da participação.

Quanto aos nós que conectam diferentes grupos, os atores de ligação, constatamos que a BRK, IGUÁ, AEGEA e EQUATORIAL compartilham acionistas. Como exposto na Figura 3, o FUNDO SOBERANO DE CINGAPURA (ANGELO/GIC) tem participação direta no capital do Grupo AEGEA e também no da EQUATORIAL; o FUNDO DE PENSÃO DOS SERVIDORES PÚBLICOS DO CANADÁ possui participação direta no capital da EQUATORIAL e também no da IGUÁ; e a BLACKROCK possui participação direta na EQUATORIAL bem como participação indireta no capital da AEGEA (por meio da ITAÚSA), na IGUÁ (por meio do BNP PARIBAS) e BRK (por meio da VANGUARD FIDUCIARY TRUST e PRINCIPAL GLOBAL INVESTORS).

Resta demonstrado que os grupos privados IGUÁ, AEGEA, EQUATORIAL E BRK compartilham acionistas, que representam atores de ligação entre eles, configurando um "componente gigante", uma rede extracorporativa, intergrupos. Isso indica uma interconexão entre os capitais de tais grupos e, portanto, uma ainda maior concentração do mercado privado de saneamento no Brasil.

No caso da BLACKROCK, como ator de ligação dos três grupos, devemos ponderar que se trata de uma interconexão que se dá por participações indiretas e, portanto, mais diluídas. Já nos casos do FUNDO SOBERANO DE CINGAPURA e do FUNDO DE PENSÃO CANADENSE, eles representam atores que conectam de modo direto a AEGEA com a EQUATORIAL; e a IGUÁ com a EQUATORIAL, respectivamente. Desta forma, os grupos AEGEA e IGUÁ encontram-se conectados, por meio da EQUATORIAL.

Tal interconexão entre concessionárias, via participações compartilhadas, favorece o alinhamento de estratégias de mercado entre empresas supostamente concorrentes. Não por acaso, os cinco maiores grupos privados têm se revezado nas vitórias dos leilões de saneamento ocorridos após a mudança no marco do saneamento de 2020[6]. Ao mesmo tempo, estas conexões propiciam um ambiente favorável para fusões ou aquisições, a exemplo das negociações entre AEGEA e IGUÁ, noticiadas na imprensa, para uma possível fusão[7].

Assim, Para além dos aspectos relativos à concentração do mercado privado de saneamento no Brasil, os dados sobre a rede de controladores dos maiores grupos privados revelam também uma forte presença de atores do setor financeiro, *holdings*, empresas de participações e, principalmente, fundos de investimento. Além disso, boa parte das instituições financeiras são de origem estrangeira, com exceção da ÁGUAS DO BRASIL, a única dentre os cinco maiores grupos que não tem a presença estrangeira entre seus acionistas controladores. Destacamos também a presença do próprio Estado como acionista com participação relevante no capital da BRK, via FI-FGTS/CAIXA, e no da IGUÁ, por meio do BNDESPAR – tal presença será objeto de análise na próxima seção.

A presença de instituições financeiras no controle desses grupos, bem como na intermediação entre eles, tende a implicar em uma gestão empresarial, ou uma "governança corporativa" alinhada à lógica financeira e à exigência de maximização da remuneração dos acionistas. Isso foi demonstrado em outro trabalho, realizado no âmbito deste Projeto, sobre o desempenho financeiro das concessionárias privadas de saneamento no Estado do Rio de Janeiro, em especial da ÁGUAS DO RIO/AEGEA (Pinto, 2024)[8].

Como afirma Chesnais, uma das principais referências nos estudos sobre a chamada "financeirização":

> *"...para o capital portador de juros em busca de fluxos estáveis de rendimentos, não há melhor investimento que as indústrias de serviços públicos privatizadas. Os domicílios que estão habituados ao gás, à eletricidade e ao telefone são 'consumidores cativos' e 'vacas de leite', fontes de ganhos regulares e absolutamente seguros" (2005, p.62).*

Já a internacionalização do setor chama também a atenção, su-gerin-do a presença de uma movimentação de capitais transnacionais interessados em explorar serviços públicos tarifados, como forma de alavancagem e rentabilização financeira de seus negócios. Em vista da onda de reestatizações de serviços de água e esgoto nos países centrais, relatados pelo Transnational Institute (TNI, 2020), tal internacionalização do setor no Brasil pode estar também sugerindo uma migração de capitais que tem visto suas oportunidades de negócio serem restringidas em mercados mais dinâmicos.

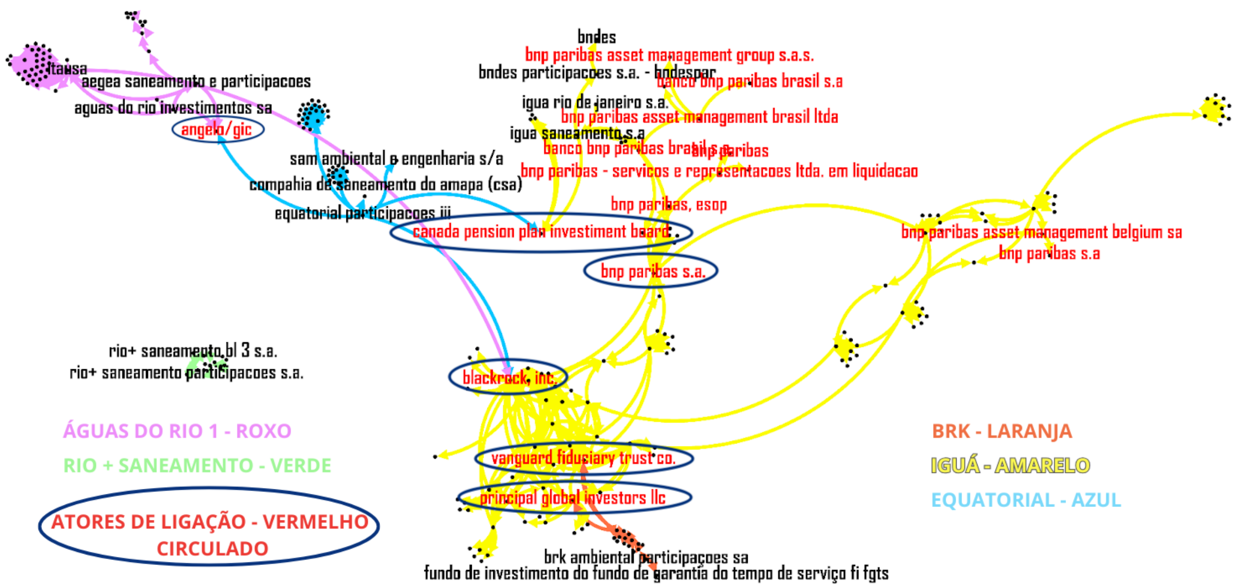
Vale destacar que, segundo o referido relatório da TNI, no setor de água foram 311 remunicipalizações – dentre as quais se destacam as de Paris, Berlim, Atlanta, Indianópolis, Joanesburgo, Buenos Aires, La Paz, Maputo e Jacarta. As motivações que levaram a retomada do controle público dos serviços são diversas: recuperar o domínio sobre a economia e sobre os recursos locais; dificuldade de monitorar os prestadores privados; garantir serviços acessíveis às pessoas; garantir meios para transição energética e climática; diminuir violações aos direitos dos trabalhadores (TNI, 2020).

[6]Ver em https://ondasbrasil.org/empresas-privadas-atuantes-no-saneamento-entre-a-financeirizacao-e-a-concentracao/

[7]Ver em https://veja.abril.com.br/coluna/radar-economico/aegea-e-igua-avancam-em-negociacao-para-uma-possivel-fusao/

[8]Ver também artigo "O que revelam os balanços financeiros da ÁGUAS DO RIO?", no Boletim Informativo da Rede de Vigilância Popular em Saneamento e Saúde (https://informe.ensp.fiocruz.br/assets/anexos/c5fbb1d710ea49daaefad106c1a2f59f.PDF)

Figure 3. Rede de acionistas, particionadas por arestas (concessionárias), com destaque para os atores de ligação.



Fonte: Elaboração própria. Modelagem da rede: *software* Gephi.

4. As interconexões entre acionistas públicos e privados

Importante observar, por meio da rede de propriedade dos maiores grupos privados de saneamento (Figura 1), as conexões destes com o Estado brasileiro via posições acionárias compartilhadas entre empresas públicas e tais grupos. A exemplo do que ocorre no caso da BRK, em que o FI-FGTS, administrado pela Caixa Econômica Federal, possui 30% do capital da empresa. Isso se observa também no caso da IGUÁ, empresa da qual o Banco Nacional de Desenvolvimento Econômico e Social (BNDES), um banco também público, possui 11% do capital. Como sócios das referidas corporações privadas, BNDES e Caixa Econômica Federal têm assentos nos seus conselhos de administração.

Como afirma Carbonai: “ao analisar as práticas de governança de empresa, um elemento que deveria ser levado em conta é a presença e a difusão de diretorias interligadas: a maioria das empresas brasileiras, por exemplo, é coordenada por meio de interlocking directorates” (2017, p.3). Casos de administradores que ocupam cargos em duas ou mais empresas privadas têm sido abordados na literatura quanto aos riscos de práticas anticompetitivas. Já diretorias interligadas envolvendo empresas públicas e privadas conferiram aos agentes privados, além de vantagens competitivas, segurança jurídica e financeira proporcionada pela presença do Estado, do fundo público.

Esta interconexão entre agentes públicos e privados traz, sem dúvida, implicações para a formulação e implementação das políticas públicas no setor de saneamento. Digno de nota é o caso do próprio BNDES, que foi o encarregado da modelagem dos processos de privatização do setor. Como se sabe, a IGUÁ foi uma das corporações vitoriosas na privatização do saneamento no Estado do Rio de Janeiro, gerando uma situação de flagrante conflito de interesses, tendo em vista que o BNDES, sócio da empresa, foi também o responsável pelo desenho do edital de licitação (Pinto, 2024). Tal fato gerou uma ação popular visando a anulação da privatização por conta da existência de conflito de interesse, mas a referida ação não prosperou.

O setor jurídico do BNDES argumentou em defesa da atuação do Banco no caso, em resposta datada de 08 de outubro de 2021, que o assento do BNDES no conselho de administração da IGUÁ não representaria os interesses do Banco, mas sim da empresa. De acordo com o jurídico do Banco, “a manifestação de vontade do conselheiro não se confunde com a do acionista que o indicou. Em consonância com as disposições legais e com as melhores práticas de governança corporativa, todos os conselheiros, uma vez eleitos, têm responsabilidade para com a Companhia”. Para além da fragilidade do argumento, já que se trata reconhecidamente de uma indicação do Banco, não se pode perder de vista que estamos falando de um banco público, regido por regras e finalidades públicas.

A atuação subsidiária, subordinada, de tais instituições públicas em relação ao capital privado encontra também guarida nos chamados “acordos de acionistas”. No caso da BRK, dois dos seus sete membros do conselho de administração são indicações da Caixa Econômica Federal. Contudo, como expresso no Formulário de Referência da BRK de 2025, o acordo de acionistas da empresa estabelece que “o FIJI FIP, representado pela Brookfield, na qualidade de gestora da carteira do fundo, é, na prática, quem exerce a efetiva influência significativa sobre a Companhia, sendo responsável pelos procedimentos de governança, decisões de investimento e tomada de decisão com relação à Companhia”. Ou seja, mesmo detendo 30% do capital e dois representantes no seu conselho de administração, a Caixa não exerce a efetiva gestão da empresa.

Se é fato que a Lei das Sociedades Anônimas (Lei 6.404/76), atualizada em 2001, estabelece que os acionistas não podem agir contra o interesse da empresa, não se pode pretender, com isso, elidir a responsabilidade pública dos acionistas estatais. O BNDES segue, por sua vez, comprometido com a agenda de concessões do serviço de saneamento para a iniciativa privada, apresentando em seu *hub* de projetos, até 2026, as concessões nos estados de Pernambuco, Rondônia, Goiás, Paraíba, Rio Grande do Norte e Maranhão[9].

[9]Ver em https://hubdeprojetos.bndes.gov.br/pt/setores/Saneamento#Pipeline. Para uma discussão mais aprofundada sobre os dilemas legais da participação minoritária do Estado, como acionista de empresas privadas, vale consultar Pinto e Mansoldo, 2018.

5. Sobre os grupos privados e seus acionistas no Estado Rio de Janeiro

Considerando apenas a concessão regionalizada no Rio de Janeiro, verificamos que a AEGEA foi quem teve os resultados mais expressivos com o leilão. As concessionárias do Grupo AEGEA (Águas do Rio Bloco 1 e Bloco 4) respondem pela prestação de 70% da população da concessão regionalizada, enquanto a Rio Mais Saneamento atende a 20%, e a Iguá a cerca de 8%, conforme o Quadro 1.

Table 1. Distribuição da população e da receita na concessão regionalizada do RJ (2024).

Bloco - concessionária	População (hab.)	% pop.	Receita (R$)	% receita	Receita / hab.
Bloco 1 – Águas do Rio 1	2.643.801	21,68%	2.027.360	23,21%	0,77
Bloco 2 – Iguá	936.533	7,68%	1.633.097	18,69%	1,74
Bloco 3 – Rio + Saneamento	2.475.386	20,30%	1.046.823	11,98%	0,42
Bloco 4 – Águas do Rio 4	6.136.458	50,33%	4.029.047	46,12%	0,66
TOTAL	12.192.178	100%	8.736.327	100%	0,72

Fonte: População (IBGE, 2022); Receita (Formulários de Referência - 2024)

No entanto, avaliando a população em conjunto com a receita da concessão, chama atenção que a Iguá possui uma receita muito superior à sua proporção populacional. Ao contrário, a Rio+Saneamento possui receita bem inferior. A comparação entre as empresas do Grupo AEGEA (Águas do Rio 1 e 4) é praticamente equivalente. O ganho por habitante do bloco da Iguá é muito superior ao das demais, o que indica uma área com boa arrecadação tarifária. A receita relevante da IGUÁ em comparação aos outros blocos explica, em parte, o interesse de fusão entre a AEGEA e Iguá, conforme apontado anteriormente.

5.1. Sobre os controladores das concessionárias privadas de saneamento no Estado do Rio de Janeiro

Nesta seção, destacamos a estrutura acionária das concessionárias privadas de saneamento no Estado do Rio de Janeiro, a fim de apresentar, em formato de organogramas, seus principais acionistas em diferentes níveis de controle, projetados até o nível 4, em que as informações são mais seguras. Cabe notar que há agentes em níveis inferiores com participação expressiva, às vezes bem maiores do que de grupos em níveis superiores[10].

Em estruturas acionárias complexas, como as apresentadas nos organogramas abaixo, é comum a presença de fundos de investimento entre os controladores ou acionistas relevantes. Esses fundos, por sua natureza jurídica e regulatória, na maioria das vezes não têm a obrigação de divulgar publicamente a composição detalhada de seus cotistas ou a participação percentual de cada um deles. Essa ausência de transparência gera algumas lacunas informativas nos organogramas, representadas pelos quadros sem porcentagem[11].

Sobre a estrutura acionária exposta nos organogramas abaixo, verificamos que 34% do controle da AEGEA pertence a Angelo Invest Private Limited, instituição financeira controlada pelo Fundo Soberano de Cingapura, e outros 13% estão com a Itausa (Figura 4). Os demais 53% estão sob controle da EQUIPAV, empresa cujo controle está com as famílias Moraes Toledo e Ramos Vettorazzo[12]. No caso da IGUÁ, chama atenção a participação como acionistas controladores, além do BNDES, o Fundo de Pensão dos Servidores Públicos do Canadá (CPPIB) e o Grupo PIP/BNP PARIBAS (Figura 5).

Já na Rio Mais Saneamento, constatamos que, na sua cadeia de controladores, a família Backheuser figura como maior controladora individual do grupo, por meio da ZI Participações (Figura 6)[13]. Essa família é também a controladora da construtora Carioca Christiani Nielsen Engenharia S.A., que esteve no epicentro das denúncias Lava-Jato, envolvendo irregularidades em megaempreendimentos no Rio de Janeiro[14].

A EQUIPAV, maior acionista da AEGEA, é a *holding* da família Toledo e Vettorazzo de São Paulo, que atuam também no setor de estradas e imobiliário. A EQUIPAV é também controladora, em *joint venture* com a Gestora Perfin, da EPR, que, desde 2022, já venceu seis concessões de rodovias no país[15]. Já a família Vettorazzo é a controladora da Incorporadora AZO, que está envolvida em grandes projetos imobiliários na cidade do Rio de Janeiro[16].

Sobre o ITAÚSA, *holding* controladora do grupo ITAÚ – maior banco privado do Brasil –, vale destacar que a participação na AEGEA foi adquirida por R$ 1,3 bilhão três dias antes do leilão da CEDAE, ocorrido em 30 de abril de 2021[17]. Coincidentemente, neste mesmo dia, o então presidente do Supremo Tribunal Federal (STF), Luiz Fux, em decisão monocrática derruba liminar que havia suspendido o leilão da CEDAE, vedando também que tribunais de primeira e segunda instância viessem a impedir o leilão[18], o que gera suspeição sobre a real motivação da decisão do ministro.

Importante também destacar a criação pelo ITAÚ, em dezembro de 2020, do Itaú Index ESG Água, que tem como objetivo, segundo relatório do próprio banco, "investir em 50 empresas globais que atuam no segmento", considerando que "o acesso mundial à água é um desafio constante… mudanças climáticas e a pandemia de COVID-19 demonstram a importância desse **ativo**" (grifo nosso)[19]. Evidenciamos aí que a lógica que orienta as instituições financeiras no controle de empresas de saneamento não se limita às rendas derivadas das receitas tarifárias, mas também dos ganhos com a transformação da água em ativo financeiro.

Já o BNP PARIBAS, um dos controladores da IGUÁ, é um grupo bancário e financeiro multinacional europeu, um dos cinco maiores do mundo, com sede na França e presença global. O BNP foi o responsável pelo empréstimo de R$ 2,9 bilhões ao Governo do Estado do Rio de Janeiro, em 2017, no contexto de instauração do Regime de Recuperação Fiscal do Estado, em função da sua dívida com a União. Como garantia desse empréstimo, o Governo do Estado ofereceu 50% das ações da CEDAE. Ao final do prazo de 36 meses estipulado para a quitação do empréstimo, o Governo Federal assumiu o pagamento da dívida, que já alcançava o valor de R$ 4,5 bilhões (com juros e

[10] Os percentuais de participação atribuídos aos acionistas, nos diferentes níveis de controle, referem-se ao controle total que o acionista possui sobre a concessionária (nível 0).

[11] No caso da Iguá Saneamento S.A., por exemplo, a Iguá Fundo de Investimento (34%) e o MAYIM Fundo de Investimentos (31%) aparecem como acionistas significativos, mas não há publicamente o detalhamento sobre todos seus investidores, tampouco sobre a porcentagem de cotização de cada um deles. Por este motivo, o Canada Pension Investment Board e o AIMCO - Alberta Investment Management Corporation aparecem no organograma sem a porcentagem. Desta mesma forma, o PIP6GV AGUA LDT representa a soma do controle dos fundos de investimento PIP6GV Agua Ltd, PIP6PX Agua Ltd., PIP6PX Agua II Ltd. e PIP6PX Agua III Ltd, agrupados em apenas um retângulo para fins de facilitar a leitura do organograma. Sobre estes fundos, temos apenas duas informações públicas: todos são afiliados à AIMCO e possuem ligações com o BNP Paribas, por meio de seus CNPJ.

[12] Importante destacar que documentos da própria AEGEA apontam a Colibri como sendo controlada pela EQUIPAV, sem contudo informar qual o percentual deste controle.

[13] En nossa base de dados, figuram no nível 5, como controladores da ZI PARTICIPAÇÕES, os seguintes membros da família: Anna Maria Lessa Backheuser e João Pedro Backheuser.

[14] Ver em https://g1.globo.com/rj/rio-de-janeiro/noticia/carioca-pagou-em-torno-de-r-30-milhoes-em-propina-para-grupo-de-cabral-diz-ex-diretor.ghtml

[15] Ver em https://investnews.com.br/negocios/equipav-investimentos-aegea-epr/

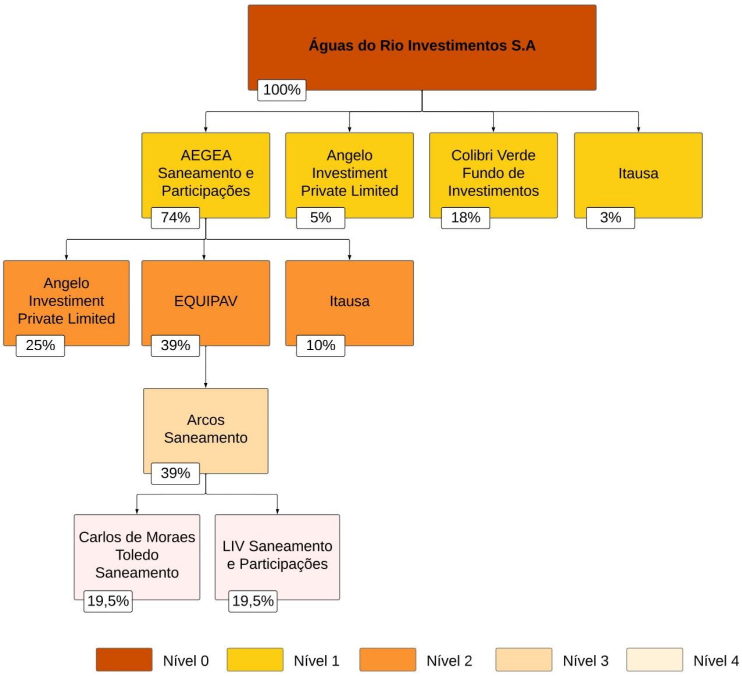
[16] Ver em https://metroquadrado.com/residencial/essa-incorporadora-de-campinas-ja-e-maior-no-rio-que-em-sua-cidade-natal/

[17] Ver em https://www.cnnbrasil.com.br/economia/macroeconomia/itausa-compra-8-53-da-empresa-de-saneamento-aegea-por-r-1-3-bilhao/

[18] Ver em https://g1.globo.com/rj/rio-de-janeiro/noticia/2021/04/27/fux-suspende-liminar-do-trt-rj-que-impedia-leilao-da-cedae.ghtml

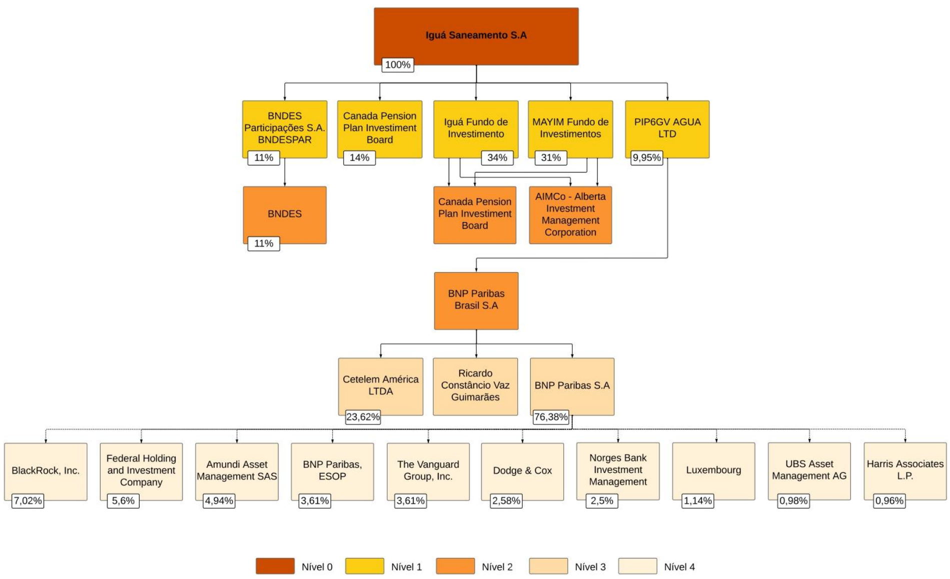
[19] Ver em https://g1.globo.com/rj/rio-de-janeiro/noticia/2021/04/27/fux-suspende-liminar-do-trt-rj-que-impedia-leilao-da-cedae.ghtml

Figure 4. Distribuição da participação acionária do Grupo AEGEA.



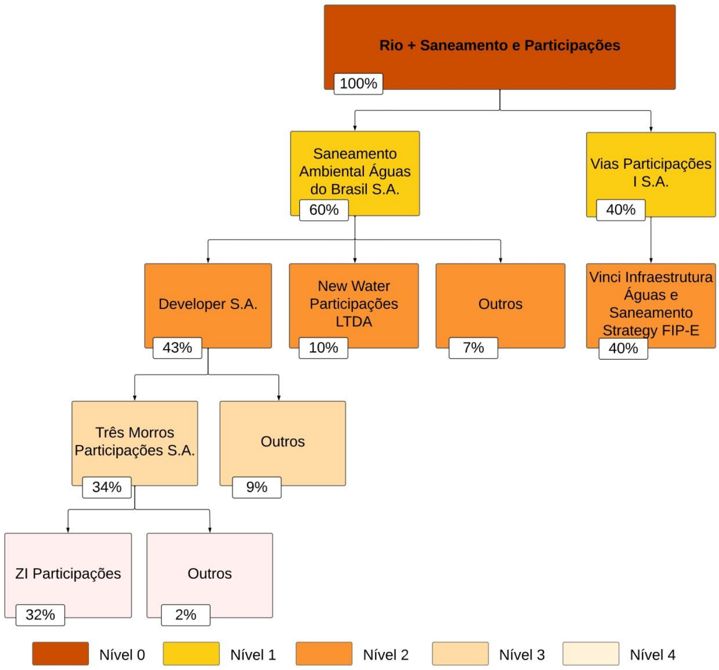
Fonte: Elaboração própria.

Figure 5. Distribuição da participação acionária do Grupo Iguá.



Fonte: Elaboração própria.

Figure 6. Distribuição da participação acionária da empresa Rio Mais Saneamento, do Grupo Águas do Brasil.



Fonte: Elaboração própria.

encargos) – esse montante foi incluído no total do débito do Estado do Rio com a União[20].

O BNP esteve também envolvido na estruturação em 2014, da operação "Rio Oil Finance Trust", feita pelo então governador Sérgio Cabral e seu vice, Pezão. Pela operação, o fluxo de receita dos royalties e participações especiais, que constituem a receita do Rioprevidência, foram hipotecados a uma instituição financeira internacional, situada no paraíso fiscal do estado americano do Delaware. A Rio Oil Finance Trust (Roft), criada pelo governo para esse fim, emitiu títulos financeiros ancorados no fluxo de receita, a fim de captar dinheiro de especuladores internacionais. Esta operação foi alvo, em 2021, de uma Comissão Parlamentar de Inquérito da Assembleia Legislativa do Estado, que apurou que, por uma receita de R$ 10,3 bilhões, o Rioprevidência terá de pagar R$ 31,5 bilhões até 2028[21]. Importante destacar que a operação, foi não apenas estruturada, como também usufruída pelo banco BNP Paribas[22].

Sobre os fundos soberanos, o Fundo Soberano de Cingapura na AEGEA e o Fundo de Alberta (província do Canadá) na IGUÁ, são fundos de investimento de propriedade de governos, utilizados para investir em ativos financeiros, tanto no mercado interno quanto internacional. Com participações significativas nas concessionárias de saneamento, tais fundos estrangeiros encontram-se totalmente distantes e alheios do conteúdo dos serviços prestados. Algo que se verifica, igualmente, no caso do Fundo de Pensão dos Servidores Públicos do Canadá (CPPIB) na IGUÁ.

No caso do CPPIB, vale ressaltar que houve uma oposição do *Canadian Union of Public Employees* (CUPE), maior sindicato do setor público do Canadá, contra a participação do Fundo no processo de privatização da água no Brasil. O presidente do CUPE, Mark Hancock, chegou a declarar "é ultrajante que nosso plano de previdência pública esteja usando os fundos de aposentadoria dos trabalhadores para lucrar com a necessidade das pessoas por água potável e tratamento de esgoto seguro"[23].

> *"Como se vê, a temática da privatização por si já não é suficiente para explicar esse processo de transferência de competências, antes nas mãos do Estado, para empresas voltadas para o lucro. Agora, a provisão dos serviços passa a ter como meta prioritária o lucro dos acionistas, que são, notoriamente, grandes grupos financeiros internacionais, distantes e alheios do conteúdo dos serviços prestados" (Lavinas e Gentil, 2018, p.202).*

6. Sobre a rede de dirigentes das concessionárias de saneamento no Estado do Rio de Janeiro

O processo de reconfiguração do setor de saneamento no estado do Rio de Janeiro, marcado pela intensificação de privatizações, revela um arranjo de governança caracterizado por elevada complexidade relacional, com múltiplos níveis de interação. A coesão e a adaptabilidade dessa rede não se limitam às estruturas formais das concessionárias, mas derivam, em grande medida, da atuação de dirigentes e organizações que operam, enquanto nós estratégicos, como "pontes" entre atores de diversas naturezas.

Desse modo, um dos principais esforços desta pesquisa foi o mapeamento dos dirigentes das concessionárias privadas de saneamento no estado. Para tal, foi realizado o levantamento de dados relativos aos membros dos conselhos de administração e comitês das concessionárias Águas do Rio, Iguá Rio de Janeiro e Rio+Saneamento,

[20]Ver em https://www.cnnbrasil.com.br/economia/macroeconomia/tesouro-vai-bancar-calote-de-r-4-5-bi-do-rio/

[21]Ver em https://www.alerj.rj.gov.br/Visualizar/Noticia/50759

[22]Ver em https://diplomatique.org.br/o-elo-entre-a-crise-do-rioprevidencia-e-a-privatizacao-da-cedae/

[23]Ver em https://www.cut.org.br/noticias/trabalhadores-canadenses-entram-na-luta-contra-a-privatizacao-da-cedae-d865

assim como os membros das controladoras Aegea Saneamento, Iguá Saneamento e Grupo Águas do Brasil, respectivamente. O mesmo foi aplicado para a CEDAE, o contraponto ao setor privado na análise.

Esta seção explora a complexidade desta rede através da análise de experiências e trajetórias, tanto profissionais, em setor público ou privado, quanto acadêmicas de seus dirigentes. Também foram analisadas as pessoas físicas de maior centralidade nessa rede, que atuam por si só como conectores entre empresas. Esses atores são capazes de interligar um variado número de organizações, favorecendo o fluxo de informações.

6.1. Instituições acadêmicas

As instituições acadêmicas são cruciais na consolidação dessa rede de governança do saneamento. Atuando como "*hubs* institucionais", elas formam dirigentes e funcionam como pontos de interconexão, impulsionando uma grande rede corporativa. A análise da rede evidencia a proeminência de determinadas organizações, que se sobressaem pelo número de pessoas e conexões a elas associados, configurando um "sistema de formação intelectual e ideológica, antecedendo o entrelaçamento efetivo desses indivíduos" (Dias e Santos, 2024, p.8).

A Fundação Getúlio Vargas (FGV) é a instituição acadêmica de maior relevância, com 47 conexões[24] (Figura 7). Nesse contexto, a FGV vai além de seu papel educacional e se consolida enquanto um espaço de networking, promovendo um espaço de socialização que conecta o passado, o presente e o futuro do saneamento. Em 2021, a FGV foi eleita enquanto 3º *think tank* mais importante do mundo[25].

Em contrapartida, a segunda instituição acadêmica mais influente na rede é a Universidade Federal do Rio de Janeiro (UFRJ), uma universidade pública, com 36 conexões. Nossa análise sugere que a UFRJ é responsável por formar o corpo técnico do setor, destacando-se como origem de muitos profissionais de carreira. Enquanto instituição pública, a universidade aparece na parte mais acima da rede, na qual estão localizadas a CEDAE e outras entidades públicas, reforçando a proximidade das organizações do setor público.

Ainda acerca das cinco principais instituições acadêmicas da rede, figuram o Instituto Brasileiro de Governança Corporativa (IBGC), a Universidade de Harvard e a Universidade de São Paulo (USP), com 16, 15 e 14 conexões, respectivamente. É importante notar que o IBGC é uma organização da sociedade civil reconhecida por sua atuação em governança corporativa. Das cinco gigantes do setor privado de saneamento, somente a AEGEA é associada ao IBGC. A atuação na implementação de princípios da governança corporativa, baseada no modelo anglo-saxão de governança, de geração de valor ao acionista (*shareholder value*), justificaria sua posição como a terceira instituição de maior influência. Outras instituições acadêmicas de grande relevância também aparecem entre as 10 melhores conectadas, como a UERJ, a UFF e a PUC-Rio.

Configura-se aí, particularmente com a proeminência de instituições como a FGV e o IBGC, um compartilhamento de referências intelectuais e epistemológicas, que tendem a contribuir com a produção de consenso no setor de saneamento, em favor da geração de valor ao acionista.

[24]Vale destacar que, em razão da insuficiência de informações constantes nas fontes utilizadas para esta pesquisa, não foi possível diferenciar as conexões dos dirigentes entre as seções da FGV no Rio de Janeiro e em São Paulo.

[25]Ver em https://portal.fgv.br/noticias/retrospectiva-2021-fgv-e-eleita-3o-think-tank-mais-importante-mundo

6.2. Empresas do setor privado

As organizações privadas assumem posição estratégica na rede de dirigentes, tanto pela presença direta das concessionárias, quanto pela atuação de suas controladoras e grupos econômicos associados. Visando uma análise mais abrangente, abordaremos as dez organizações privadas com maior grau de centralidade. Como afirmam Dias e Santos, "o potencial analítico dessa rede reside tanto na observação de um sistema social de trajetórias profissionais quanto no estabelecimento de condições sociais efetivas de mobilidade no interior da elite" (2024, p. 8).

Em termos de centralidade (Figura 8), o Grupo Equipav e o Grupo Gerdau se destacam com o maior grau de conexões (6). Sendo cofundador e acionista controlador da AEGEA, o Grupo Equipav consolidou sua atuação no setor de infraestrutura e expandiu-se significativamente para áreas estratégicas como saneamento, energia e resíduo, além da presença em concessões rodoviárias, notadamente através de sua participação na CCR Rodovias.

O Grupo Gerdau, por sua vez, é uma multinacional brasileira e sua relevância na rede não se limita apenas à sua dimensão econômica, mas também à sua influência em setores como construção civil e agronegócio, o que sublinha a articulação de interesses de diferentes setores, na qual a demanda por infraestrutura impulsiona a produção de insumos básicos, criando um ciclo de dependência e benefício mútuo.

Em seguida, a Vinci Partners, gestora brasileira independente de investimentos alternativos, surge com 5 conexões. Fundada por ex-sócios do Banco Pactual, a organização foi acionista de diversas empresas de saneamento, como por exemplo, da CAB Ambiental, que posteriormente se tornaria a Iguá Saneamento, com aporte financeiro do Fundo de Pensão Canadense (CPP Investments). Coincidentemente, ou não, o CPP Investments também se destaca como uma instituição privada relevante, com 4 conexões.

Em 2021, Rodolfo Spielmann, *Head* do CPP na América Latina, afirmou que "o setor de saneamento é a principal prioridade do fundo no Brasil"[26]. A presença de um fundo de pensão estrangeiro em um setor estratégico como o saneamento no Brasil suscita questões sobre a soberania nacional na administração de recursos essenciais. A participação de gestoras de investimentos revela, como já assinalado, uma crescente financeirização dos serviços básicos (Lavinas e Gentil, 2018).

Por fim, a Carioca Engenharia, fruto da fusão com a empresa dinamarquesa Christiani-Nielsen, desponta com também 4 conexões. A empresa, controlada pela família Backheuser, já aqui mencionada, foi responsável pela construção de projetos emblemáticos de infraestrutura, como linhas de metrô e rodovias. Além disso, esteve diretamente envolvida nas obras de revitalização da Zona Portuária do Rio de Janeiro em 2011, por meio de uma Parceria Público-Privada. Em decorrência de investigações relacionadas à Operação Lava Jato, a companhia passou por um processo de reestruturação societária. Atualmente, mantém sua atuação em obras tanto públicas quanto privadas, expandindo sua participação para o setor de concessões.

Através da análise profissional dos dirigentes, é possível traçar um panorama sobre o grau de conectividade do setor privado com o setor público. O Grupo Gerdau, organização privada melhor conectada, não possui nenhuma conexão com o setor público diretamente a partir de dirigentes ou funcionários da CEDAE, mas com funcionários das concessionárias. O grupo compartilha 1 conexão com a CVM, 2 com o BNDES e 1 Ministério da Justiça. Somente uma dessas experiências, no BNDES, ocorreu posteriormente à participação

[26]Ver em https://www.cnnbrasil.com.br/economia/macroeconomia/de-nubank-a-igua-cpp-investments-tem-portfolio-diverso-no-brasil-e-quer-mais/

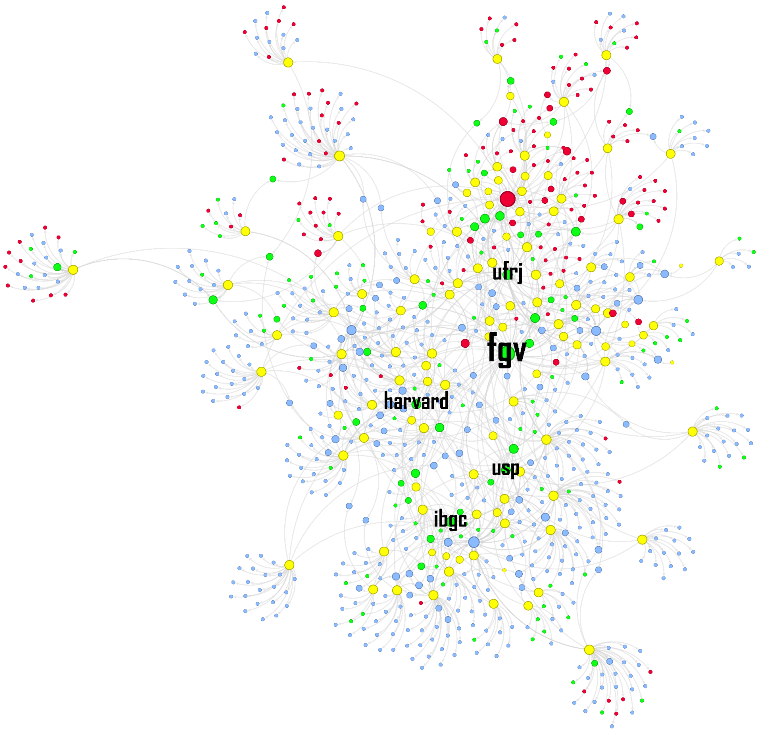


Figure 7. Rede de dirigentes, particionada por tipo de nó (pessoas e organizações) com destaque para as cinco instituições acadêmicas melhor conectadas da rede.

Fonte: Elaboração própria. Modelagem da rede: *software* Gephi.

na Gerdau. Além disso, a organização apresenta 1 conexão com o Governo do Rio Grande do Sul, a Prefeitura de Porto Alegre e a Corsan, todas posteriores à participação no grupo.

Já a CPP Investments, possui 1 conexão com a Companhia de Energia Elétrica de São Paulo (CESP), no qual o dirigente esteve simultaneamente no fundo de pensão e na companhia pública, entre 2019 e 2022. As demais companhias não possuem dirigentes advindos do setor público ou da CEDAE, logo não existem conexões do Grupo Equipav, da Vinci Partners ou da Carioca Engenharia com a esfera pública. Assim, ao total, as principais empresas do setor privado possuem somente 8 conexões com o setor público.

Por fim, para além das cinco melhores conectadas, é possível observar ainda, instituições financeiras, empresas de auditoria e consultoria e organizações de diversos setores. Empresas como Ernst & Young, Ambev, Banco Santander, Itautec, JPMorgan Chase e Corsan estão entre as 10 entidades privadas melhores relacionadas. A presença dessas diversas empresas, muitas delas globais, reforça a ideia de que a rede não é um sistema isolado e integra uma teia econômica mais ampla, onde os interesses do capital privado são diversificados e interligados.

6.3. Empresas do setor público

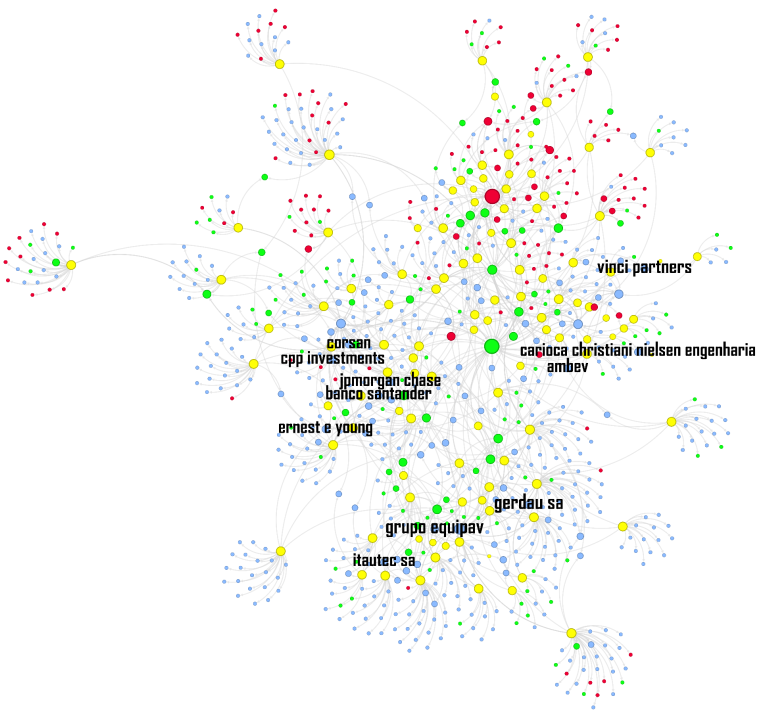
O setor público mantém relevância na configuração da rede, não apenas pela posição da CEDAE, a empresa pública de maior centralidade (47 conexões), mas também pela integração de dirigentes oriundos de órgãos governamentais, que se encontram hoje em concessionárias privadas e vice-versa. Essa "integração" pode ser entendida como um enfraquecimento da separação clara entre público e privado, criando um espaço onde interesses corporativos influenciam a formulação e regulação de políticas, a chamada "porta giratória" (Dias, 2015). Assim como para as organizações privadas, a análise pretende considerar as principais empresas públicas para além da CEDAE.

A partir disso, o Banco Nacional de Desenvolvimento Econômico e Social (BNDES) é a organização pública melhor conectada da rede, com 7 conexões (Figura 9). Repare que as conexões do BNDES se localizam na rede, especialmente com organizações privadas (nós em azul). É o principal banco público de fomento do Brasil que, vinculado ao Ministério do Desenvolvimento, Indústria, Comércio e Serviços, financia projetos de infraestrutura, indústria e inovação. Possui atuação histórica no apoio à expansão industrial e recentemente está engajado em privatizações e concessões.

A Secretaria de Fazenda do Estado do Rio de Janeiro se destaca em sequência, com grau 6. Responsável pela gestão fiscal, orçamentária e arrecadação tributária, atuou fundamentalmente no Regime de Recuperação Fiscal do Estado. O Governo do Estado também surge como uma das organizações governamentais proeminentes (grau 5), envolvendo secretarias, autarquias e outras entidades controladas pelo estado. O governo estadual é responsável por autorizar e supervisionar as grandes concessões e privatizações, como a da CEDAE. A capacidade do governo de criar um ambiente propício para investimentos, mesmo em meio a debilidades fiscais, pode ser interpretada como uma flexibilização de normas e uma priorização da atração de capital em detrimento dos impactos sociais das privatizações.

Outras instituições financeiras do setor público também possuem centralidade nessa rede: Banco do Brasil e Caixa Econômica Federal surgem com grau 3 de conexões. O Banco do Brasil, embora majoritariamente controlado pela União (59% do capital), possui ações listadas na bolsa de valores. Sua liderança nos setores

Figure 8. Rede de dirigentes, particionada por tipo de nó (pessoas e organizações), com destaque para as dez instituições privadas melhores conectadas da rede.



Fonte: Elaboração própria. Modelagem da rede: *software* Gephi.

de agronegócio e administração de fundos, aliada à atuação em políticas de crédito, parcerias estratégicas e uma notável presença internacional, revela uma constante busca por equilibrar a lógica do lucro com as responsabilidades públicas.

A Caixa Econômica Federal, entretanto, pertence integralmente à União e não possui capital aberto, o que, a princípio, a tornaria menos suscetível às pressões diretas do mercado. Como principal agente de crédito habitacional, financiamento de infraestrutura e saneamento, a Caixa reforça um forte papel social e de vasta abrangência. No entanto, como já aqui indicado no caso da participação do FI-FGTS/CAIXA na BRK, a ausência de acionistas privados não a isenta dos desafios da gestão pública.

Diferentemente do setor privado, em que predominam conexões internas ao próprio segmento, o setor público possui uma distribuição mais equilibrada de vínculos, com 137 conexões com instituições públicas e 140 com o setor privado. Em geral, as organizações de setor público com maior centralidade possuem predominantemente conexões a partir de dirigentes da própria CEDAE, porém existem conexões a partir de dirigentes da Águas do Rio e da Iguá Saneamento, sugerindo a presença da "porta giratória".

O BNDES é a organização pública da rede com maior número de conexões com o setor privado, inclusive superando as conexões com o próprio setor, com 93 conexões em múltiplos segmentos privados. Igualmente surge o Banco do Brasil, com 33 conexões diversas com o setor privado.

Em contraste, a Caixa Econômica Federal, a Secretaria de Estado de Fazenda do Rio de Janeiro (SEFAZ-RJ) e o Governo do Estado do Rio de Janeiro possuem maior número de conexões com o setor público, possuindo vínculos somente com dirigentes da CEDAE. No entanto, todas possuem ao menos uma conexão com organizações privadas (7, 4 e 3 conexões, respectivamente).

6.4. Pessoas físicas de maior centralidade

É evidente que, além das instituições, as pessoas físicas possuem grande relevância nessa rede. Nossa análise revela atores com alto capital social e profissional. Não são apenas mediadores, possuem grande legitimidade e facilidade em circular na rede mediante suas carreiras. Assim sendo, torna-se relevante delinear o perfil dos dirigentes melhor conectados da rede (Figura 10).

O engenheiro civil e professor Jerson Kelman é a pessoa física de maior centralidade da rede, com 40 conexões. Sua carreira demonstra atuação em posições extremamente estratégicas, com extensa atuação nos setores de água, saneamento e energia: foi presidente da Agência Nacional de Águas (ANA), diretor geral da ANEEL e presidente da SABESP e do Grupo Light. Essa trajetória o coloca como um elo de convergência entre instâncias públicas e privadas, consolidando uma múltipla rede de conexões e o colocando como um grande articulador dessa rede. Kelman atualmente compõe o conselho de administração de inúmeras empresas, incluindo a Iguá Saneamento.

Emerge como segunda pessoa física melhor relacionada da rede, com 37 conexões, o economista, ex-deputado e ex-ministro Antônio Kandir. Apesar de não estar intrinsecamente ligado ao saneamento, Kandir foi Ministro do Planejamento e Orçamento, onde, através da "Lei Kandir" influenciou diretamente o arcabouço fiscal e regulatório do Estado brasileiro. Essa reestruturação fiscal redefiniu as relações, formando um cenário que, mais adiante, se tornaria propício à privatização de empresas estatais. Kandir também

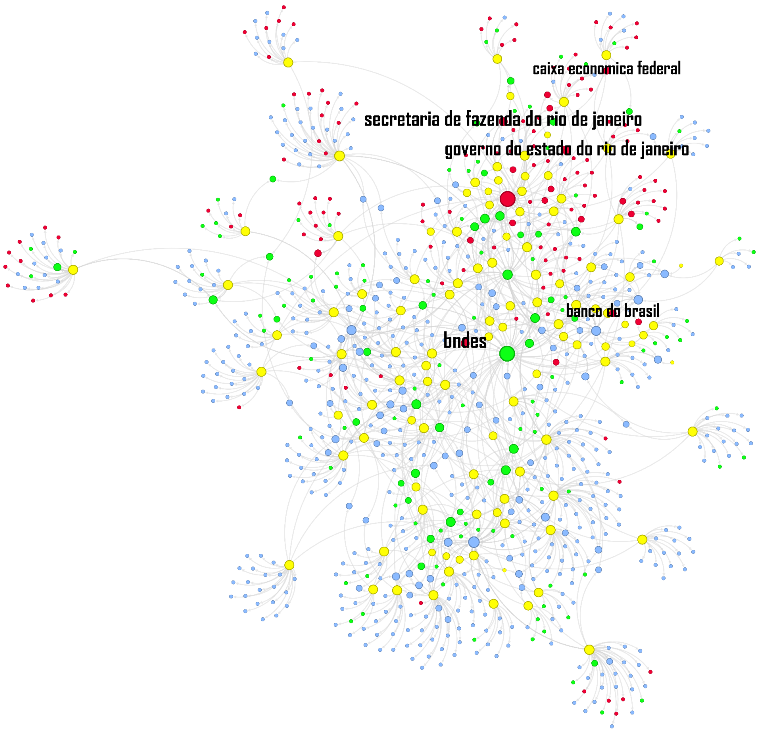


Figure 9. Rede de dirigentes, particionada por tipo de nó (pessoas e organizações), com destaque para as five institutions públicas melhores conectadas da rede. Fonte: Elaboração própria. Modelagem da rede: *software* Gephi.

esteve na presidência do Conselho Nacional de Desestatização. Hoje ele integra o conselho de administração da Aegea Saneamento.

A economista e integrante do mesmo conselho, Eliane Lustosa surge em seguida, com 36 conexões. Com atuações relevantes no setor financeiro, enquanto diretora do BNDES atuou na área de Desestatização e Mercado de Capitais. Lustosa também atuou como diretora de investimentos no Fundo de Pensão da Petrobrás (PETROS) e membro do conselho de diversas companhias, incluindo algumas das mais proeminentes da rede, como o Grupo Gerdau e o IBGC.

O quarto dirigente melhor conectado da rede, com 33 conexões, é Luiz Serafim Spínola, engenheiro civil e membro do conselho da Aegea Saneamento. Spínola foi superintendente de operações da IBRASA, subsidiária do BNDES, e superintendente da CVM, responsável pela área de relações com o mercado. Atuou, ainda, na Associação Brasileira de Companhias Abertas (ABRASCA), no Banco do Brasil, no Grupo Gerdau e como membro do conselho de regulação de mercado de capitais da ANBIMA.

Rodolfo Villela Marino e Israel Aron Zylberman, membros dos conselhos de administração da Aegea Saneamento e Iguá Saneamento, respectivamente, despontam com 31 conexões. Villela Marino compõe a família controladora do Itaú Unibanco, sendo vice-presidente e membro do conselho de administração da Itaúsa, *holding* que controla diversas empresas além do banco e uma das acionistas da Aegea Saneamento. A presença de um nome tão relevante indica a grande concentração de capital financeiro no país, conectando o maior conglomerado financeiro privado diretamente à gestão do saneamento.

Já Zylberman é engenheiro e atua como diretor executivo dos Institutos Cyrela e SYN, associados à construtora Cyrela, atrelando a infraestrutura urbana ao setor. Já esteve também no conselho de administração do IBGC, da Fecomércio SP e da IRB Brasil.

O professor e advogado Juliano Heinen, com 30 conexões, é procurador do Estado do Rio Grande do Sul e atua na Iguá Saneamento como diretor estatutário. Heinen esteve presente no conselho de administração da Companhia Riograndense de Saneamento, a Corsan, entre 2021 e 2023. Ainda em 2021, enquanto procurador do Estado, defendeu a desestatização da Corsan, pontuando que este seria o modelo para alcançar os objetivos do novo marco legal do saneamento e ainda, com eficiência, alcançar o investimento para obras necessárias[27]. Em 2022, a Corsan passou a ser controlada pela Aegea Saneamento.

Com 25 e 24 conexões, respectivamente, estão Luiz Carlos Nannini e Gino Oyamada, membros do conselho de administração da Aegea Saneamento surgem em sequência. Auditor de carreira, Nannini possui forte presença em conselhos consultivos ao redor do mundo e atuou como presidente do conselho fiscal de empresas como a Companhia de Gás de São Paulo (Comgás) e a Companhia Cosan, gigante do etanol. Oyamada atuou no Banco Chase Manhattan, hoje conhecido como JPMorgan Chase, e é sócio do Grupo FESA.

Por fim, Paulo César Cândido Werneck é o 10º dirigente melhor conectado, com 23 conexões. Atualmente no cargo de membro do comitê de auditoria da CEDAE, Werneck já atuou como diretor financeiro e contribuiu no processo de reestruturação financeira da companhia. No setor público esteve ainda no Ministério da Fazenda como assessor. Com experiência também no setor privado, esteve à frente da diretoria financeira tanto da FUNCEF, quanto da Petros e

[27]Ver em https://sema.rs.gov.br/procuradores-municipais-esclarecem-duvidas-sobre-aditivos-de-contratos-da-corsan-durante-reuniao-virtual

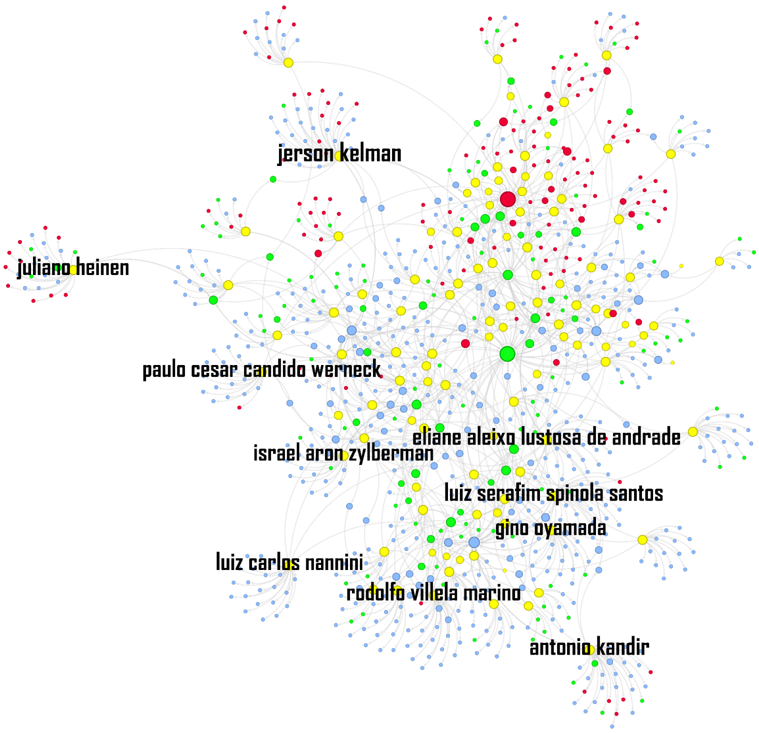


Figure 10. Rede de dirigentes, particionada por tipo de nó (pessoas e organizações), com destaque para as dez pessoas físicas melhor conectadas na rede. Fonte: Elaboração própria. Modelagem da rede: *software* Gephi.

integrou organizações financeiras como Unibanco, Citibank, ABN Amro Bank, BTG Pactual e Icatu.

Ao analisar os perfis individuais, é interessante constatar a presença de atores importantes do processo de desestatização operando no processo decisório das empresas privadas do saneamento, assim como a forte atuação de profissionais com carreiras fortemente atreladas ao mercado financeiro. Evidenciamos, então, a consolidação de uma "porta giratória", onde os mesmos indivíduos que formularam as regras do jogo hoje pertencem aos conselhos de administração que se beneficiam dessas regras. Esse fenômeno representa a tenuidade entre interesses públicos e privados na tomada de decisão sobre um direito fundamental, uma vez que o debate ocorre em uma esfera marcada pela maximização dos lucros e dividendos aos acionistas sobre um recurso vital.

6.5. As maiores conexões diretas, pessoa-pessoa, na rede de dirigentes

A análise da rede pessoa-pessoa mapeia as conexões diretas entre dirigentes com base nas organizações que compartilham ao longo de suas trajetórias profissionais. O método utilizado considera que dois indivíduos estão conectados quando possuem em comum uma ou mais passagens por empresas, órgãos públicos ou instituições de ensino. A força do elo (peso), então, é medida pelo número total de organizações compartilhadas, independentemente dos períodos de atuação terem sido simultâneos ou não.

A tabela a seguir apresenta o ranking geral dos cinco pares de dirigentes com os maiores pesos de conexão identificados na rede das concessionárias privadas, oferecendo uma visão panorâmica das ligações mais robustas no mercado privado de saneamento.

O par Paulo Roberto Franceschi e Vanderlei Dominguez da Rosa (Peso 8) ilustra com clareza o fenômeno do *interlocking directorates* (Carrol, 2020; Carbonai, 2017), onde dois conselheiros da Equatorial atuam de simultânea em múltiplos órgãos de governança. Franceschi compartilham assentos nos conselhos fiscais de WEG S.A. (desde 2014), OdontoPrev S.A. (desde 2015/2008) e Triunfo Participações (desde 2024/2018)[28]. Recentemente, estenderam essa atuação em bloco para o setor estatal, integrando o conselho fiscal da Petrobras.

Rodolfo Villela Marino e Guilherme Tadeu Pereira Junior (Peso 7), dirigentes da Águas do Rio, são um exemplo de recorrência intra-conglomerado. Marino, Vice-Presidente e conselheiro da Itaúsa, e Pereira Junior, membro do conselho fiscal, atuam juntos na *holding* e em três controladas: Dexco S.A. (desde 2018), Aegea Saneamento (desde 2021) e Alpargatas S.A. (2017-2018).

Augusto Miranda da Paz Junior, CEO da Equatorial Energia, e Leonardo da Silva Lucas Tavares de Lima, CFO da Equatorial Energia (Peso 6) representam a parceria mais duradoura identificada: mais de 20 anos de colaboração ininterrupta no Grupo Equatorial. Sua trajetória conjunta começou na CEMAR (2005-2010) e evoluiu para o comando da *holding*.

Rodolfo Villela Marino, Vice-Presidente da Itaúsa, e Cláudia Meirelles Carvalho, superintendente de RH da Itaúsa (Peso 5) atuam juntos na *holding* (desde 2018), na Aegea Saneamento (2024-2025) e na Copa Energia (2021-2025), além de compartilharem a participação em institutos como a Associação Comunitária Despertar.

Ricardo Szlejf, conselheiro da Iguá Saneamento, e Roberto Corrêa Barbuti, ex-CEO da mesma empresa (Peso 5) também compartilham passagem pelo Grupo Costanera (2023-2024).

[28] As informações sobre as trajetórias dos dirigentes constantes da base de dados permitiram, em alguns casos, a realização de uma análise diacrônica.

Em síntese, a análise da rede pessoa-pessoa revela que a elite dirigente do setor é tecida por conexões que seguem lógicas distintas, porém complementares. No ápice, observamos os sólidos *interlocking directorates* de conselheiros que atuam em múltiplas empresas de capital aberto. Paralelamente, identificamos densas redes intra-conglomerado, onde parcerias executivas de longa data, com trajetórias compartilhadas desde a base operacional, consolidam o comando e a coesão estratégica dentro de grandes grupos empresariais. Esta estrutura relacional, portanto, não é aleatória, mas reflete um padrão organizado de circulação de elites, onde laços profissionais duradouros e atuações coordenadas em múltiplas frentes configuram os alicerces relacionais do poder corporativo no setor de infraestrutura brasileiro.

Table 2. Ranking das conexões pessoa-pessoa com maior peso na rede de dirigentes

Rank	Origem	Destino	Peso
1	paulo roberto franceschi	vanderlei dominguez da rosa	8.0
2	rodolfo villela marino	guilherme tadeu pereira junior	7.0
3	augusto miranda da paz junior	leonardo da silva lucas xavares de lima	6.0
4	rodolfo villela marino	claudia metrelles carvalho	5.0
5	ricardo szlejf	roberto correa barbuti	5.0

Fonte: Elaboração própria.

7. Considerações Finais

A análise de redes sociais (ARS) aplicada, neste artigo, ao estudo das interconexões entre acionistas e dirigentes das principais concessionárias privadas de saneamento, revela, antes de mais nada, o potencial metodológico e analítico da ARS para a compreensão da complexidade e densidade organizativa da grande propriedade capitalista. Ao permitir a identificação de padrões de centralidade e vínculos entre pessoas e instituições, a ARS permite que "relações" entre agentes possam se tornar objetos de análise. E o que as redes proprietárias e de dirigentes das grandes corporações privadas de saneamento colocaram a descoberto?

A rede de acionistas das cinco maiores concessionárias privadas de saneamento, controladoras de mais de 90% do mercado privado, revelou uma estreita aglomeração entre, pelo menos, três delas, a saber: AEGEA, EQUATORIAL e IGUÁ, apontando para uma oligopolização ainda maior do setor privado de saneamento no país. Ao mesmo tempo, os atores de ligação entre as concessionárias são fundos de investimento estrangeiros: Fundo Soberano de Cingapura, Fundo de Pensão dos Servidores Públicos do Canadá e a Blackrock (maior gestora de ativos do mundo). Lembramos que, no caso da concessão do saneamento no Estado do Rio de Janeiro, os três fundos são acionistas diretos ou indiretos das duas principais operadoras: AEGEA/Águas do Rio e IGUÁ.

A centralidade da presença de instituições financeiras na propriedade das corporações privadas de saneamento explicita o quanto a "governança corporativa" voltada a garantir a valorização acionária orienta a gestão das empresas do setor, consagrando o modelo de separação entre a propriedade e o controle/gestão.

Sem dúvida, a complexidade e aglomeração da rede de acionistas se mostra um enorme desafio para a regulação pública, tamanha a assimetria de recursos, informações e poder compartilhados no interior desta rede intercorporativa quando comparados com a capacidade estatal instalada para regular o setor. Isto torna-se ainda mais difícil, quando instituições públicas, como o BNDES na IGUÁ e o FI-FGTS/CAIXA, integram a rede proprietária destas mesmas corporações, como sócios (minoritários), alinhados aos interesses privados.

O risco destes conglomerados corporativos financeirizados fa-go-ci-ta-rem o aparato estatal em seu proveito se agudiza ao se constatar que a concentração de poderes nesta rede intercorporativa se revela ainda mais incidente quando tomamos a rede de relações de dirigentes, entre eles e com instituições públicas, privadas e acadêmicas.

Como indicado pela análise da rede de dirigentes das concessionárias que atuam no Estado do Rio de Janeiro e das suas controladoras, há uma enorme conectividade dos dirigentes das concessionárias privadas com outros grandes grupos econômicos financeiros e não-financeiros. Além disso, dirigentes apresentaram uma centralidade de grau de saída bastante elevada, sendo que muitos deles apresentaram uma trajetória do setor público para o privado ("porta giratória"). Soma-se a isso a presença expressiva de "diretorias interligadas", nos levantamentos de relação pessoa-pessoa. Tais elementos contribuem para a configuração da rede de dirigentes como uma rede de "mundo pequeno", fortemente conectada. Já a trajetória acadêmica dos dirigentes, especialmente das concessionárias privadas, tendo a FGV e o IBGC como principais centros de formação, reforça o compartilhamento não apenas de posições, mas também de valores, notadamente relacionados à "governança corporativa".

Enfim, este artigo, fruto de um projeto de pesquisa da UNIRIO com a FIOCRUZ, busca contribuir com a agenda de investigação sobre o atual avanço de grandes corporações financeiras na exploração de serviços sociais essenciais como saúde, saneamento, educação, previdência, habitação, energia e transporte. Esta é uma agenda recente e que está a exigir um enorme esforço coletivo de estudos e pesquisas, a considerar também que este avanço vem se dando de modo agressivo e rápido. Ao passo que, os aparatos regulatórios e institucionais do Estado vem sendo capturados por tais redes intercorporativas, tornando-os não apenas incapazes, mas contrários à garantia do direito público, no caso aqui, do direito humano à água e ao saneamento.

■ REFERÊNCIAS

[1] ASSOCIAÇÃO NACIONAL DAS CONCESSIONÁRIAS PRIVADAS DE SERVIÇOS PÚBLICOS DE ÁGUA E ESGOTO (ABCON). Panorama da Participação Privada no Saneamento: tempo de avançar. 2020. Disponível em: https://abconsindcon.com.br/wp-content/uploads/2022/02/panorama_2020.pdf Acesso em 15 de novembro de 2025.

[2] ASSOCIAÇÃO NACIONAL DAS CONCESSIONÁRIAS PRIVADAS DE SERVIÇOS PÚBLICOS DE ÁGUA E ESGOTO (ABCON). Panorama da Participação Privada no Saneamento. Cinco anos de transformação: o novo saneamento já chegou. 2025. Disponível em: https://abconsindcon.com.br/wp-content/uploads/2025/08/Panorama_ABCON_2025_08-11.pdf Acesso em 15 de novembro de 2025.

[3] BASTIAN, Mathieu; SEBASTIAN Heymann e MATHIEU Jacomy. "Gephi : An Open Source Software for Exploring and Manipulating Networks". ThirdInternational ICWSM Conference: 361–62, 2009.

[4] BRASIL JR., Antonio e CARVALHO, Lucas. "A sociedade contra o acaso: teoria de redes e a pandemia do novo coronavírus". In:

B V P S, 2020. https://blogbvps.wordpress.com/2020/05/15/a-sociedade-contra-o-acasoteoria-de-redes-e-a-pandemia-do-novo-coronavirus-por-antonio-brasil-jr-elucas-carvalho/ (13 de junho de 2020).

[5] CARBONAI, D. "Os interlocking no mercado brasileiro de capitais: uma hipótese sobre as relações entre setores econômicos". Montevideu, 9a. ALACIP, GT Economia Política, 2017.

[6] CARROLL, William K. "Fossil Capital, Imperialism And The Global Corporate Elite". In: *BRICS and the New American Imperialism Global Rivalry and Resistance.* 2020.

[7] CARVALHO, C. A.; RIBEIRO, E. M. S. "Participação acionária em empresas listadas na B3 em 2018: um estudo de redes". In: *BBR: Brasília Business Review*, 2019.

[8] DA CRUZ, W; NETO, M. S.; RIBEIRO, E. M. S. "Rede de propriedade corporativa: capitalismo hierárquico no contexto brasileiro". In: *Revista de Administração de Empresas.* v. 63, n. 2. São Paulo. 2023.

[9] DIAS, A.C. et. Alli. "The Revolving Door: Evidence from the United Kingdom, Germany, France, Spain, Belgium, Greece and Brazil". Working Papers. Lisbon School of Economics and Management. Universidade de Lisboa, 2015, 14p..

[10] DIAS, Rodolfo P.. *A burguesia financeira em rede: as conexões dos grandes grupos financeiros brasileiros.* Curitiba: Appris, 2022.

[11] DIAS, Rodolfo P. e SANTOS, Rodrigo S. Pereira dos.. "Estruturas de propriedade e entrelaçamento de diretorias e conselhos no setor bancário brasileiro contemporâneo: uma análise empírica da elite financeira nacional". In: *Cadernos CRH.* Salvador: UFBA, v. 37, p. 1-25, 2024.

[12] FAUST, Katherine. "Centrality in affiliation networks". In: *Social Networks* 19(2): 157–91, 1997.

[13] LAVINAS, L. e GENTIL, D. L. "Brasil anos 2000: a política social sob a regência da financeirização". IN: *Novos Estudos.* São Paulo: CEBRAP, v. 37 (2): 191-211, mai-ago/2018.

[14] LAZZARINI, S. G. *Capitalismo de laços.* Rio de Janeiro: Elsevier, 2011 (Capítulo 1 ao 4).

[15] MINELLA, Ary C. "Análise de redes sociais, classes sociais e marxismo". In: *RBCS.* São Paulo : ANPOCS, Vol. 28 n° 83, p. 185-242, outubro/2013.

[16] NEWMAN, M. E. J.. "Scaling and percolation in the small-world network model". In: *Physical Review* E 60(6): 7332–42, 1999.

[17] OBSERVATÓRIO NACIONAL DE DIREITO À ÁGUA E AO SANEAMENTO (ONDAS). Posse da nova coordenação. Transmitido ao vivo em 29 de abril de 2025. Disponível em: https://www.youtube.com/watch?v=Sblru9GDlzU&t=1418s Acesso em 15 de novembro de 2025.

[18] PINTO, João R. L. "Formas contemporâneas da dominação política burguesa: o caso da privatização do saneamento no Rio de Janeiro". IN: *Global Journal of Human Social Science.* (F) XXIV, p. 19-28, 2024.

[19] PINTO, João R. L. e CAMPOS, P. "Capital monopolista, aparelhos privados de hegemonia e dominação burguesa no Brasil: o caso do grupo Odebrecht". IN: *Cadernos CRH.* Salvador, v. 36, p. 1-22, 2023.

[20] PINTO, João R. L. e MANSOLDO, Felipe F.. "A Fibria, o BNDES e o 'novo' papel do Estado no capitalismo brasileiro: do 'Estado-empresário' ao 'Estado-empresa' ". In: *Revista Internacional de Direitos Humanos e Empresas.* Juiz de Fora: Homa/UFJF, ano II, n. 2, 2018.

[21] SANTOS, Murilo G.. "Controle de empresas semiestatais". In: *Revista de Informação Legislativa: RIL.* Brasília, v. 52, n. 208, p. 61-79, out./dez. 2015.

[22] TNI. *O futuro é público: pela propriedade democrática dos serviços públicos.* Tradução Diálogo Institucional Assessoria e Análise de Políticas Públicas. Brasília, DF: CNDEP, FENAE, 2020.

[23] VENTURINI, Tommaso; MATHIEU, Jacomy e PABLO,Jensen. "What Do We See When We Look at Networks: Visual Network Analysis, Relational Ambiguity, and Force-Directed Layouts". Big Data & Society 8(1), 2021.

[24] WATTS, Duncan J.. *Small Worlds: The Dynamics of Networks between Order and Randomness.* Princeton University Press, 2018.

GLOBAL JOURNAL
OF HUMAN SOCIAL SCIENCES - E: ECONOMICS
Volume 26 | Issue 2 | 2026
Article ID: GJHSS-258072
Language: English

Macroeconomic Policy Regimes in Small Open Economies: Credibility, Coordination and Exchange-Rate Strategy in Iceland and Malta, 1964–2007

Article Record

Sigfús Jónsson ϑ *
ϑ PhD (Melit), Economic Historian, Public Policy and Political Economy Analyst
ORCID 0009-0005-0958-2232
*Corresponding Author

Dominic Fenech § ξ
ξ Dean of Arts and Professor of History
ORCID 0009-0006-4418-0666

Sveinn Agnarsson ‡ θ
θ Professor
ORCID 0000-0002-3618-1646

§ Arts, University of Malta (OA)
‡ School of Business, University of Iceland (OA)

RECEIVED	ACCEPTED	ONLINE PUBLISHED	PUBLISHED	PEER REVIEW
2026-06-07	2026-06-19	2026-07-23	2026-09-17	Double Blind

Abstract

This article compares fiscal, monetary and exchange-rate policy regimes in Iceland and Malta between 1964 and 2007 and analyses their divergent macroeconomic outcomes. While the two open economies faced similar external influences and shocks, their policy regimes evolved differently. Iceland relied on exchange-rate adjustments within a fragmented and weakly coordinated policy framework, generating persistent inflation and volatility, especially during the 1970s and 1980s. Malta, by contrast, maintained exchange-rate stability supported by stronger fiscal coordination and institutional credibility, achieving lower and more stable inflation. The article advances a “credibility–coordination” framework in which macroeconomic outcomes depend on the interaction between exchange-rate regimes, institutional capacity and fiscal alignment. The findings manifest that stability in the two small economies was determined less by structural exposure than by the coherence of policy regimes.

exchange-rate regimes | fiscal policy | Iceland | macroeconomic policy | Malta | monetary policy | Small states

AI USE STATEMENT
No generative AI was used for analysis or results.

FUNDING
The paper did not benefit from research funding.

CONFLICT OF INTEREST
The author reported no potential conflict of interest.

DATA AVAILABILITY
Openly available in figshare at http://doi.org/[doi]

ETHICS
No ethics committee approval was required for this article type.

CONSENT
Not applicable for this article.

TRIAL REG.
Not applicable.

Crossref DOI: 10.34257/GJHSSE258072

How to Cite: Jónsson et al. (2026). Macroeconomic Policy Regimes in Small Open Economies: Credibility, Coordination and Exchange-Rate Strategy in Iceland and Malta, 1964–2007. Global Journal of Human-Social Science, 26(2), 17-25. DOI: 10.34257/GJHSSE258072

AR Experience Web Page DOI

Print ISSN 0975-587X

Online ISSN 2249-460X

Global Journal of Human-Social Science - Section E
GJHSS Volume 26 Issue 2

Macroeconomic Policy Regimes in Small Open Economies: Credibility, Coordination and Exchange-Rate Strategy in Iceland and Malta, 1964–2007

Sigfús Jónsson ϑ * iD, Dominic Fenech § ξ iD, and Sveinn Agnarsson ‡ θ iD

Affiliations
§ Arts, University of Malta (OA)
‡ School of Business, University of Iceland (OA)

Qualifications / Designations
ϑ PhD (Melit), Economic Historian, Public Policy and Political Economy Analyst
ξ Dean of Arts and Professor of History
θ Professor

Abstract

This article compares fiscal, monetary and exchange-rate policy regimes in Iceland and Malta between 1964 and 2007 and analyses their divergent macroeconomic outcomes. While the two open economies faced similar external influences and shocks, their policy regimes evolved differently. Iceland relied on exchange-rate adjustments within a fragmented and weakly coordinated policy framework, generating persistent inflation and volatility, especially during the 1970s and 1980s. Malta, by contrast, maintained exchange-rate stability supported by stronger fiscal coordination and institutional credibility, achieving lower and more stable inflation. The article advances a "credibility–coordination" framework in which macroeconomic outcomes depend on the interaction between exchange-rate regimes, institutional capacity and fiscal alignment. The findings manifest that stability in the two small economies was determined less by structural exposure than by the coherence of policy regimes.

Keywords: *exchange-rate regimes, fiscal policy, Iceland, macroeconomic policy, Malta, monetary policy, Small states*

*** Corresponding Author**
Sigfús Jónsson

DOI
10.34257/GJHSSE258072

1. Introduction

Small open economies face persistent macroeconomic constraints arising from limited domestic markets, concentrated production structures and high exposure to external shocks. Dependence on international trade and capital flows narrows policy options, while global fluctuations are rapidly transmitted into domestic conditions. As a result, policymakers operate within a constrained environment in which price stability, external balance and growth cannot be simultaneously achieved without trade-offs.

The article compares Iceland and Malta 1964-2007, i.e. from Malta's independence until it joined the Eurozone on the 1 January 2008. In 1964, Iceland was economically more advanced than Malta and remained so throughout the period reviewed. It was hit by a financial crisis in 2008 which Malta mostly escaped. Malta enjoyed overall a stronger economic growth than Iceland over 1964-2007 (Jónsson, 2024; Jónsson et.al., 2025; 2026).

The period reviewed spans major transformations in the international monetary system, including the collapse of Bretton Woods, the oil shocks of the 1970s, globalisation and the shift toward market-oriented policy frameworks in the 1980s and 1990s. The comparison identifies institutional and strategic factors that shaped macroeconomic stability, drawing on national accounts data, central bank publications and academic literature.

This article contributes to the literature in three ways. First, it provides a long-run comparative perspective that complements existing cross-sectional and single-country studies. Second, it advances an integrated analytical framework in which fiscal, monetary and exchange-rate policies are treated as mutually dependent components of a broader regime. Third, it highlights the central role of institutional coherence rather than individual policy instruments in sustaining macroeconomic stability in small open economies (Persson & Tabellini, 1990, 2000; Dixit & Lambertini, 2003; Cordina, 2006; Bénassy-Quéré et al., 2019).

This article argues that macroeconomic performance in small open economies is best explained by the coherence of the policy regime - the interaction of exchange-rate strategy, institutional credibility, and fiscal coordination. Its central claim is that stability depends not on any single policy tool, but on the overall consistency of the regime. Using a comparative historical political economy approach, the study examines how fiscal, monetary and exchange-rate policies interact. Rather than treating these areas as separate, it views macroeconomic outcomes as the result of their combined configuration.

2. The Analytical framework

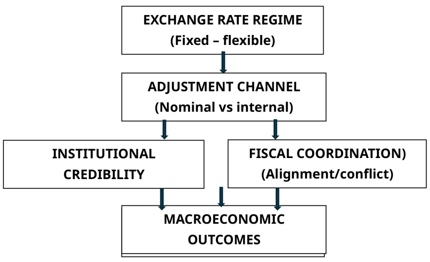
Building on the macroeconomic *trilemma* (Obstfeld et al., 2005), the core argument advanced is that macroeconomic performance in small open economies is determined by what may be termed a *credibility - coordination mechanism*, in which outcomes depend on the degree of coherence across three interdependent elements:

- the exchange-rate regime,
- institutional credibility, and
- fiscal coordination.

Figure 1 summarises this mechanism. External shocks - such as terms-of-trade fluctuations, capital-flow volatility and global inflation - generate adjustment pressures that must be absorbed by the domestic economy. The exchange-rate regime determines the primary adjustment channel, either through nominal exchange-rate movements or through internal price and wage flexibility. However, the effectiveness of this adjustment process depends critically on the broader institutional environment.

Institutional credibility shapes the formation of expectations and the extent to which economic agents perceive policy commitments as sustainable. Where credibility is weak, exchange-rate adjustments are rapidly transmitted into inflation dynamics, particularly in the presence of indexation and strong wage bargaining structures. Fiscal coordination, in turn, conditions whether macroeconomic policies operate in a mutually reinforcing manner or at cross purposes. Expansionary or fragmented fiscal behaviour can undermine monetary and exchange-rate objectives, while disciplined and aligned fiscal policy can stabilise expectations and support policy consistency.

Figure 1. The Credibility - Coordination Mechanism in Small Open Economies: Conceptual Structure



These elements interact to determine the degree of *policy regime coherence*, defined as the internal consistency of fiscal, monetary and exchange-rate policies within a given institutional setting. Where coherence is high, policy instruments reinforce one another, expectations remain anchored and macroeconomic stability is more likely to be sustained. Where coherence is weak, policy interactions become destabilising, generating inflation volatility, repeated adjustments and reduced policy effectiveness.

The comparative design of this study allows for the identification of how similar structural constraints can produce divergent outcomes through different configurations of this mechanism. Iceland and Malta shared key features of small open economies - limited domestic markets, concentrated production structures and exposure to external shocks - but adopted contrasting policy regimes.

Despite shared structural characteristics, the two island states adopted different strategies. Iceland, which became republic in 1944, relied on exchange-rate adjustments until the 1990s within a fragmented institutional framework, while Malta, which after independence in 1964, pursued exchange-rate stability supported by coordinated policies. These differences produced contrasting macroeconomic outcomes. Sources on structural problems and policy issues of small states relevant for the stud include Blöndal (1986), Alesina et.al. (1998), Easterly and Kraay (2000), Armstrong (2003), Briguglio (1991) and Cordina (2006).

3. Fiscal Policy

This section examines how fiscal policy interacted with the credibility - coordination mechanism outlined in Figure 1. Fiscal policy influenced macroeconomic outcomes not only through aggregate demand, but through its role in sustaining or undermining - the credibility of the overall policy regime. In Iceland, fragmented governance and extensive quasi-fiscal activity weakened coordination, allowing fiscal expansion to reinforce exchange-rate adjustments and inflation dynamics. In Malta, by contrast, centralised fiscal control enabled closer alignment with exchange-rate commitments, strengthening policy credibility and limiting destabilising interactions (Blöndal, 1986; Cordina, 1992; Guðmundsson & Zoëga, 2000).

3.1. Iceland

Public expenditure grew significantly over the study period, reflecting welfare growth, significant infrastructure investments and escalating public transfers (see Tables 2 and 3). Fiscal policy was also driven by sectoral and distributional objectives, particularly in support for fisheries and agriculture, social security, as well as by targets of full employment and programs reducing regional inequalities. Expansionary fiscal measures interacted with exchange-rate adjustments and widespread indexation, which reinforced inflationary pressures. Institutional features further constrained fiscal effectiveness.

During the 1970s and 1980s, expansionary fiscal measures - often motivated by distributional and sectoral objectives - interacted with a flexible exchange-rate regime in ways that amplified macroeconomic instability. Exchange-rate devaluations were frequently used to restore competitiveness in the export sector, particularly fisheries, but these adjustments fed into domestic price and wage dynamics which, as wages were indexed, fuelled a new inflationary spiral. Fiscal policy did not consistently counteract these pressures; instead, indexed transfers, subsidies and tax structures often reinforced inflationary tendencies (Nordal, 2022). Fiscal policy was thus at times pro-cyclical and contributing to macroeconomic volatility (Blöndal, 1969; 1977; 1983; 1986).

Improvements emerged in the 1990s through institutional reforms and better coordination. Changes in wage bargaining, monetary strategy and exchange policy were instrumental in reducing inflation and in improving fiscal discipline, contributing to greater macroeconomic stability.

Tables 1 and 2 summarise the steady growth of state income and expenditures as a percentage of GDP over the period reviewed; expenditures are both by sector and by economic classification.

Table 1. State expenditure and income in Iceland 1961-2007, by sectors, % of GDP

	1961	1970	1980	1990	1998	2007
Public administration	2,4%	2,9%	2,8%	3,2%	3,3%	4,2%
Education	2,8%	4,3%	4,4%	4,8%	5,7%	7,4%
Health	2,0%	3,2%	5,5%	6,8%	6,9%	7,5%
Social, housing, culture	8,0%	9,0%	8,3%	10,6%	11,1%	12,1%
Industry, fisheries, agriculture	5,3%	4,3%	4,9%	4,9%	2,8%	2,9%
Infrastructure	3,5%	4,7%	4,5%	3,6%	2,9%	2,9%
Other	1,1%	1,0%	1,4%	1,9%	1,5%	0,6%

Includes local authorities. Source: Statistics Iceland https://px.hagstofa.is/pxis/pxweb/is/Efnahagur/Efnahagur__fjaropinber__fjarmal_opinber__fjarmal_opinber/THJ05992.px/table/tableViewLayout1/?rxid=d4da916d-b297-45ac-832a-fc3e726ccce0

Table 2. State expenditure in Iceland 1961-2007, economic classification, % of GDP

	1961	1970	1980	1990	1998	2007
Public consumption	10,1%	12,7%	16,7%	18,5%	20,4%	25,2%
Depreciation (-)	-0,8%	-1,0%	-0,6%	-0,8%	-0,9%	-2,1%
Interest paid	0,2%	0,6%	1,6%	3,7%	3,6%	6,3%
Producer subsidies	4,8%	3,3%	3,6%	3,5%	1,7%	1,5%
Income transfers	5,3%	5,5%	5,1%	6,9%	6,8%	5,4%
Capital accumulation	2,8%	4,6%	3,6%	4,1%	3,7%	4,7%
Capital transfers	2,1%	3,1%	2,9%	2,6%	1,4%	1,7%

Includes local authorities. Source: Statistics Iceland https://px.hagstofa.is/pxis/pxweb/is/Efnahagur/Efnahagur__fjaropinber__fjarmal_opinber__fjarmal_opinber/THJ05992.px/table/tableViewLayout1/?rxid=d4da916d-b297-45ac-832a-fc3e726ccce0

The Icelandic experience demonstrates that a fiscal regime characterised by fragmented governance and weak coordination could undermine the credibility of the overall macroeconomic framework, particularly when combined with an exchange-rate strategy based on repeated adjustments. The Icelandic case, therefore, shows how weak fiscal coordination could transform exchange-rate flexibility from a stabilisation tool into a source of persistent macroeconomic instability (Guðmundsson & Zoëga, 2000; Guðmundsson, et al., 2000).

3.2. Malta

In contrast to Iceland, Malta's centralised fiscal structure facilitated closer alignment with exchange-rate and monetary objectives. Although fiscal imbalances emerged at times, the broader framework supported policy coherence and helped sustain macroeconomic stability.

In the years following independence, fiscal policy was shaped by the need to transition from dependence on British military expenditure to a more diversified and self-sustaining economy. During the 1970s, substantial revenues from base-leasing agreements generated high levels of public savings, which supported a relatively stable fiscal position. After the expiration of these agreements in 1979, Malta lost an important source of public revenue. The Labour government at the time sought to avoid fiscal instability through:

- firm state intervention in production and employment.
- tight regulation of imports and domestic consumption to protect the balance of payments and fiscal stability.
- efforts to maintain budgetary balance with limited reliance on external borrowing.

Fiscal policy in this period was therefore closely tied to a broader strategy of economic self-reliance and employment protection, even if this implied inefficiencies and growing quasi-fiscal burdens through public enterprises.

Malta went through a break of policy in 1987. That year marked the return to office of the conservative Nationalist Party (PN), following a sixteen-year run by the Labour Party. The new government dismantled the trade and fiscal regime of the previous government, which had focused on domestic economic growth and consolidation of national finances. This had included strict foreign exchange regulation, balanced trade through a protectionist regime of import controls and import substitution, restricted consumption, balanced budgets and minimal national debt. The new Nationalist government put Malta firmly back on the path of a market economy. Fiscal deficits became more persistent, public debt rose steadily and state enterprise subsidies and restructuring costs remained important fiscal pressures (Fenech, 1988; Briguglio, 1988; 1991).

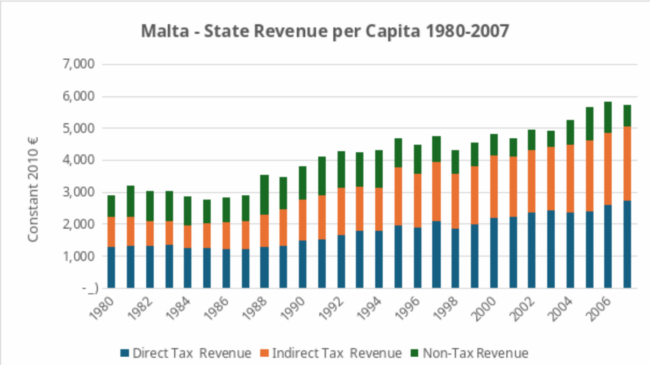
Unlike Iceland, however, Malta's fiscal expansion remained constrained by its commitment to a stable exchange-rate peg, meaning that fiscal excess could not easily be monetised through inflation or currency depreciation.

Despite these challenges, Malta's fiscal policy was more closely integrated with its exchange-rate strategy than in the Icelandic case. The maintenance of a stable exchange-rate regime required a degree of fiscal discipline to sustain external balance and policy credibility. At the same time, fiscal deficits and rising debt emerged during periods of expansion—especially under policy regimes favouring liberalisation and public investment—the broader commitment to exchange-rate stability constrained excessive fiscal divergence (Cordina, 1992).

Institutional reforms in the 1990s further strengthened policy alignments. Financial liberalisation, the development of domestic capital markets and preparations for European Union membership increased the importance of credible fiscal management. The prospect of Eurozone accession imposed additional discipline, as convergence criteria required reductions in public debt and deficits. By the early 2000s, fiscal consolidation had become a central policy objective, reinforcing the credibility of the exchange-rate peg and facilitating Malta's participation in the Exchange-rate Mechanism II.

Although not without fiscal strain, the centralised structure and external anchoring mechanisms helped align fiscal policy with monetary and exchange-rate objectives. This alignment strengthened policy credibility and reduced the likelihood of destabilising interactions between policy domains (IMF, 1997; Grech, 2000; 2015). Figure 2 summarises the growth of state revenue per capita 1980-2007 and Table 3 the state expenditure as % of GDP 1980-2005.

Figure 2



Source: *https://www.centralbankmalta.org/economic-time-series*

Table 3. State expenditure as % of GDP – Malta

	1980	1990	2000	2005
Personal emoluments	10%	10%	10%	9%
Contributory benefits	5%	6%	7%	7%
Non-contributory benefits	4%	4%	3%	3%
Other current expenditure	10%	10%	10%	9%
Public debt servicing	1%	1%	4%	4%
Capital expenditure	7%	8%	5%	6%
Total:	**37%**	**39%**	**39%**	**38%**

Source: Grech (2015, p. 24).

3.3. Comparative perspective

The comparison of fiscal policy in Iceland and Malta highlights the importance of institutional structure and policy coordination in shaping macroeconomic outcomes. Both countries experienced an expansion of the public sector over time, where fiscal policy played a significant role in addressing social and economic objectives, including income distribution and sectoral support.

However, the effectiveness of fiscal policy differed markedly. In Iceland, fragmented governance structures and extensive quasi-fiscal activities limited coordination and weakened the overall policy framework. In Malta, by contrast, a more centralised fiscal structure and the disciplining effects of an exchange-rate commitment - later reinforced by the European integration process - helped sustain greater policy coherence (Jónsson, 2024).

These differences underscore a central implication of the analytical framework: fiscal policy contributed to macroeconomic stability not only through its direct economic effects, but through its role in supporting or undermining - the credibility and consistency of the broader policy regime. Where fiscal, monetary and exchange-rate policies were aligned, stability was more likely to be sustained. Where coordination was weak, even well-intentioned policies could generate destabilising outcomes.

4. Monetary Policy

Monetary policy interacted with the credibility–coordination mechanism outlined in Section 2. The experiences of Iceland and Malta illustrate two contrasting trajectories: one in which monetary policy was frequently accommodated to exchange-rate and sectoral pressures, and another in which it evolved within a more stable and coordinated policy regime.

4.1. Iceland

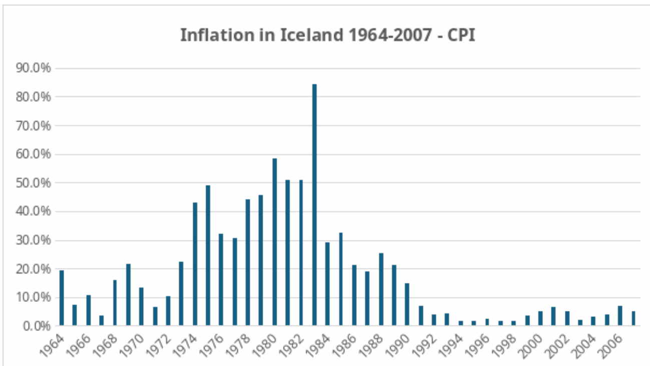
Until the 1990s, monetary policy failed to function as an independent nominal anchor because it was repeatedly subordinated to exchange-rate adjustments and fiscal pressures.

The Central Bank lacked independence and authority and acted at times like a government advisor on major policy decisions. Frequent exchange-rate devaluations, used to restore short term competitiveness and profits of the fisheries sector, fed directly into inflation through import prices and indexation of wages. Monetary policy accommodated these dynamics rather than anchoring expectations, resulting in persistent inflation and high nominal interest rates. Reforms of exchange policy in the late 1980s and 1990s improved credibility. Monetary policy became more focused on price stability and inflation subsided. The adoption of inflation targeting in the early 2000s marked a further institutional shift, although new vulnerabilities emerged with financial liberalisation (Edwards, 2018; Jónsson et al., 2018; Nordal, 2022). Monetary policy during the 1960s and 1970s was closely intertwined with broader economic policy objectives, including full employment and sectoral support (Guðmundsson & Kristinsson, 1997; Guðmundsson et al., 2000).

The widespread use of indexation—covering wages, financial contracts, and public expenditures—further entrenched inflation dynamics and reduced the effectiveness of conventional monetary tools. In this environment, monetary policy was largely subordinated to the exchange-rate regime and the broader political economy of sectoral adjustment. Figure 3 exposes the hyperinflation rates in Iceland during the 1970s and 1980s.

Expansionary fiscal measures and indexed transfers contributed to aggregate demand pressures, while the lack of effective coordination limited monetary policy's capacity to counteract them. The result was a prolonged inflation–devaluation cycle, in which exchange-rate adjustments, wage increases and inflation became mutually reinforcing.

Figure 3



Source: *https://px.hagstofa.is/pxis/pxweb/is/Efnahagur/Efnahagur__visitolur__1_vnv__1_vnv/VIS01005.px*

Institutional reforms and changes in wage bargaining began to restore policy credibility in the late 1980s and early 1990s.

Monetary policy became more focused on price stability, and the exchange-rate regime was used more explicitly as a nominal anchor within a narrower band. These developments, combined with improved fiscal discipline, contributed to a significant reduction in inflation rates and greater macroeconomic stability. By the early 2000s, the adoption of an inflation-targeting framework marked a further step toward a more conventional and credible monetary regime. However, this transition also exposed new risks and vulnerabilities, particularly in the context of financial liberalisation and increased capital mobility (Jónsson et al., 2018).

4.2. Malta

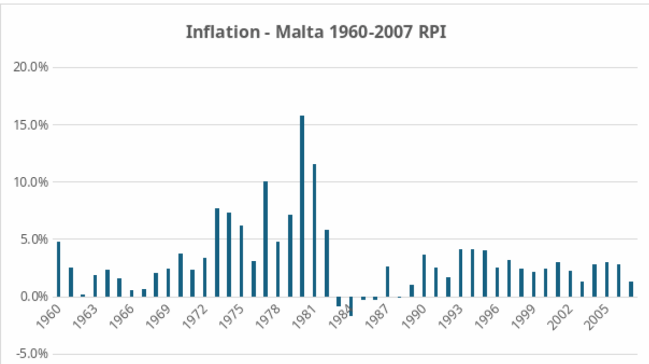
In contrast to Iceland, Malta's monetary policy evolved within a more stable and coordinated macroeconomic framework, characterised by a consistent commitment to exchange-rate stability. The Central Bank of Malta, established in 1968, operated within a system of administrative controls, including regulated interest rates and capital restrictions. While these arrangements limited the scope for market-based monetary policy, they contributed to a relatively stable nominal environment during the period reviewed (Falzon, 1994; Adonis, 2011; Grech, 2015; Grech et al., 2018).

Malta's monetary regime was anchored by its exchange-rate strategy, which provided a credible nominal reference point for expectations. This commitment constrained the scope for independent monetary policy but enhanced overall policy credibility by aligning domestic monetary conditions with the requirements of the exchange-rate regime.

Inflation remained relatively low and stable, and interest rates were moderate by international standards. The banking system, characterised by conservative lending practices and reliance on domestic deposits, further supported monetary stability by limiting exposure to external financial shocks. In contrast to Iceland, where monetary policy was often reactive, Malta's framework emphasised predictability and consistency. Figure 4 shows that, overall, inflation was significantly lower in Malta than in Iceland.

The 1990s marked a period of significant transformation, as Malta shifted toward more market-oriented monetary instruments. Financial liberalisation, the development of domestic capital markets and the gradual removal of administrative controls increased the role of interest rates and open market operations in the monetary regime. Institutional reforms strengthened the Central Bank's independence and operational capacity.

Figure 4



Source: Central Bank of Malta
https://www.centralbankmalta.org/economic-time-series

Preparations for EU membership and eventual Eurozone participation imposed additional discipline on monetary and fiscal policy, reinforcing the credibility of the exchange-rate peg. Participation in the Exchange-rate Mechanism II further constrained policy discretion but provided a clear framework for convergence. By the mid-2000s, Malta had effectively aligned its monetary policy with that of the Euro area, achieving low inflation and stable financial conditions (Grech 2015; Grech et al., 2018).

4.3. Comparative perspective

The comparison underscores a key implication of the analytical framework, as applicable to the study period 1964-2007 (Figure 1): monetary policy could not be evaluated in isolation from the broader policy regime. Its effectiveness depended not only on the instruments available to central banks, but on the consistency of fiscal behaviour, the structure of the exchange-rate regime and the credibility of policy commitments, as highlighted by the credibility - coordination mechanism.

In Iceland, monetary policy was subordinated to exchange-rate adjustments, resulting in instability. In Malta, monetary policy contributed to stability primarily by maintaining a credible nominal anchor. Although this approach limited policy flexibility, it reduced the likelihood of destabilising interactions between fiscal, monetary and exchange-rate policies.

5. Exchange-rate policy

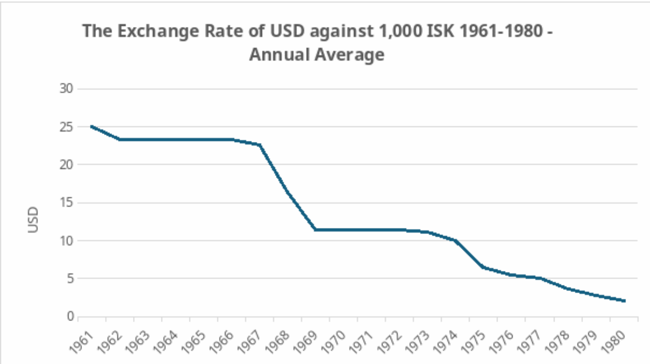
Exchange-rate policy mediated the relationship between domestic conditions and the international environment of the two open economies. Within the analytical framework developed, the exchange-rate regime played a dual role: It determined the mechanism through which external shocks were absorbed, and it served—explicitly or implicitly—as a nominal anchor shaping expectations of inflation and policy credibility. The effectiveness of the exchange-rate policy, therefore, depended not only on the choice of regime but on its consistency with monetary and fiscal policy and on the institutional capacity sustained over time (Scicluna et.al., 1985; Ghosh et.al., 2003).

5.1. Iceland

Iceland's exchange-rate flexibility functioned as an adjustment mechanism. The devaluations supported export competitiveness but contributed to inflation through higher import prices and wage dynamics. It was shaped by structural constraints but amplified by institutional weaknesses of the Icelandic economy, including a narrow export base centred on fisheries and a high sensitivity to fluctuations in terms of trade. Business cycles in Iceland were often incongruous with business cycles of key trading nations, but improved management of the fisheries has since the 1990s provided a more stable operating platform for the industry and reduced the need for sector-specific aid and transfers and exchange-related interventions. Although reforms in the 1990s improved stability, the regime remained vulnerable. The shift to set inflation targets in 2001 marked a move toward a floating regime, with the exchange-rate remaining an adjustment mechanism. The effectiveness of the exchange-rate policy was limited by its interaction with domestic institutions and policy dynamics. Widespread wage indexation and strong collective bargaining structures meant that the inflationary effects of devaluation were rapidly transmitted into wage increases. In turn, higher wages eroded the initial gains in competitiveness, often prompting further devaluations. This process generated a self-reinforcing inflation–devaluation cycle that persisted in the 1970s and 1980s (Nordal & Tómasson, 1985; Agnarsson et al., 1999; Mishkin, 2003; Zoëga, 2017).

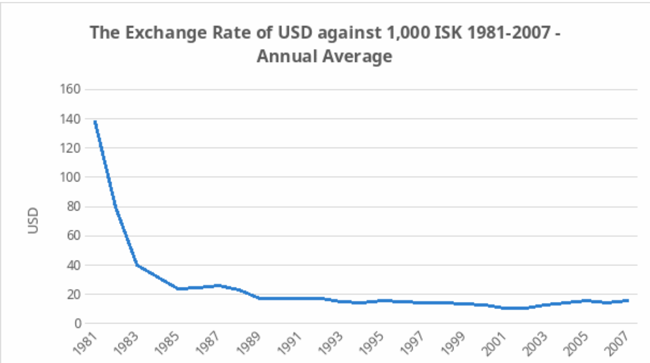
Government's policy trade-offs, particularly in the 1970s and 1980s, prioritised exchange-rate policy targets over monetary and fiscal policy concerns, reducing unemployment but creating inflationary pressures and worsening budget deficits. Indexation was the government's counterfeit medicine, which hid the negative effects of inflation. Independent monetary policy was non-existent during the 1970s and 1980s, while national economic downturns or negative outlooks were repeatedly addressed by devaluations and extensive transfer payments. Political courage to make major structural changes was lacking as is often the case in very small states.

Figure 5



Source: The Central Bank of Iceland, available at: https://www.sedlabanki.is/hagtolur/opinber-gengisskraning/soguleg-gengisskraning/

Figure 6



Source: The Central Bank of Iceland, available at: https://www.sedlabanki.is/hagtolur/opinber-gengisskraning/timaradir/

Please note that 100 ISK was converted into 1 ISK on 1/1 1981; hence the difference in scale between Figures 5 and 6.

A gradual shift occurred in the 1990s, as institutional reforms and improved policy coordination began to restore credibility. The exchange-rate regime was reoriented toward greater stability, with narrower fluctuation bands and a more explicit role as a nominal anchor. This shift contributed to reduced inflation and greater macroeconomic stability.

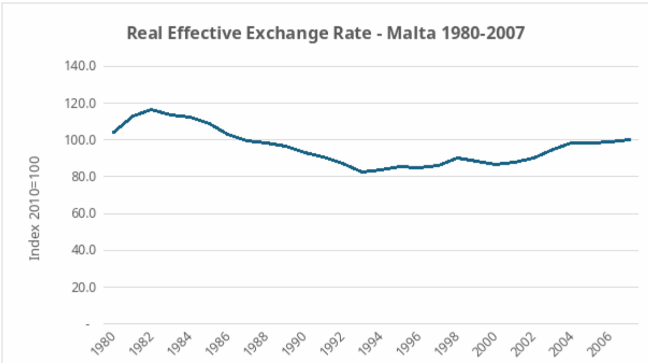
In 2001, Iceland formally abandoned its exchange-rate target and adopted an inflation-targeting framework with a floating exchange-rate. This transition marked a move toward a more conventional monetary regime. However, it also implied that the exchange-rate would once again serve as a channel of adjustment to external shocks. The Icelandic experience thus illustrates both the potential and the limitations of using the exchange-rate as an instrument of adjustment in a small open economy.

5.2. Malta

In contrast, Malta's foreign exchange-rate policy was characterised by a sustained commitment to exchange-rate stability, a central pillar of its macroeconomic framework. Following independence in 1964, the Malta pound was initially pegged to the British pound. The Maltese Lira was introduced as a national currency in 1972 at parity with sterling (£M1 = £1 sterling). This parity weakened after sterling floated in June 1972 and Malta began moving away from a sterling peg toward a basket-based arrangement in the later 1970s, reflecting the country's trade patterns and external economic relationships. This strategy aimed at providing a stable nominal anchor in a highly open economy dependent on external trade and capital flows.

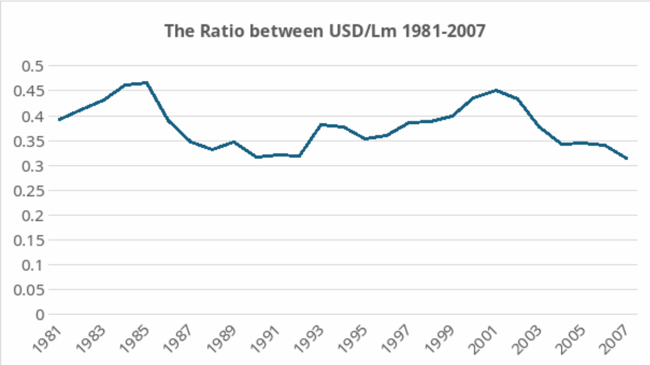
Malta's exchange-rate regime functioned primarily as a credibility-enhancing anchor rather than as an instrument of short-term adjustment, contrary to that of Iceland. By maintaining a stable exchange-rate, as summarised in Figures 7, 8, and 9, policymakers signalled a commitment to low inflation and macroeconomic discipline. This constrained the scope for discretionary monetary policy but contributed to stable expectations and reduced inflation volatility (Scicluna & Agius, 1985; Delia, 1986; Briguglio, 1989, 1995; Ellul, 1998). The effectiveness of this approach depended on the consistency of supporting policies. Fiscal policy, although subject to periods of expansion and rising debt, was ultimately aligned with the requirements of exchange-rate stability, particularly in the context of the European integration process. Monetary policy was similarly oriented toward maintaining the peg, with interest rate adjustments and liquidity management used to support external balance and defend the exchange-rate. Institutional developments in the 1990s reinforced this framework. Financial liberalisation, the strengthening of the Central Bank's role, and the development of domestic financial markets enhanced the capacity to manage monetary conditions within a fixed exchange-rate regime. At the same time, preparations for EU membership and eventual Eurozone participation imposed additional constraints, requiring adherence to the convergence criteria for inflation, fiscal deficits and public debt.

Figure 7



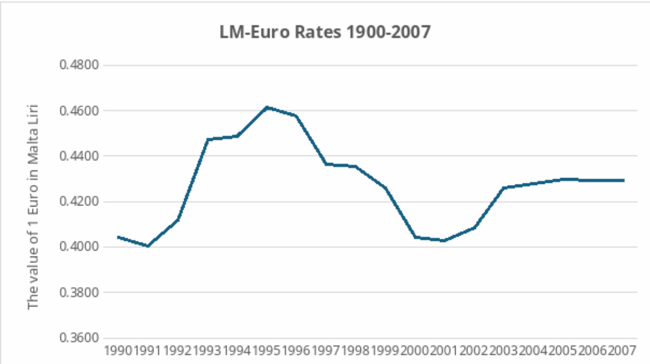
Source: Central Bank of Malta, https://www.centralbankmalta.org/economic-time-series

Figure 8



Source: Central Bank of Malta,
https://www.centralbankmalta.org/economic-time-series

Figure 9



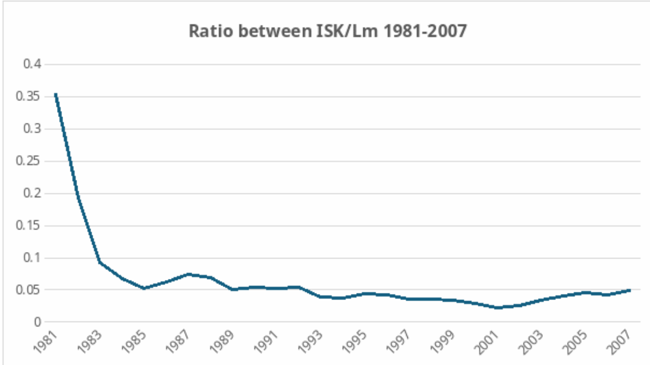
Source: Central Bank of Malta,
https://www.centralbankmalta.org/economic-time-series

Malta's participation in the Exchange-rate Mechanism II from 2005 further solidified its commitment to exchange-rate stability. The lira remained at its central parity throughout this period, reflecting strong policy credibility and market confidence. The adoption of the euro in 2008 marked the culmination of this strategy, effectively replacing the national exchange-rate regime with membership in a larger monetary union.

5.3. Comparative perspective

The outcome of the contrasting exchange-rate regimes of Iceland and Malta over the period 1964-2007 are summarised in Figure 10. Iceland's flexible regime, especially in the 1970s and 1980s, enabled adjustment but contributed to inflation and instability in the absence of credible coordination. Malta's fixed regime constrained flexibility but enhanced stability through credible anchoring during the best part of the 1964-2007 era. The effectiveness of exchange-rate policy in both island states depended on its consistency with their broader institutional and policy frameworks.

Figure 10



Source: Central Bank of Iceland and Central Bank of Malta

6. Conclusion

This study has demonstrated that macroeconomic outcomes in these two small open economies were during the period reviewed shaped not only by external exposure and structural vulnerability, but also and often more decisively by the coherence of domestic policy regimes. The comparison of Iceland and Malta shows that fiscal policy, monetary arrangements and exchange-rate regimes were not highly effective as independent policy instruments. Their effectiveness depended fundamentally on the degree to which they were mutually reinforcing and embedded within a credible institutional framework. Where policy objectives and instruments were aligned, they strengthened credibility, anchored expectations and enhanced economic resilience. Where they were misaligned, they could have generated cumulative instability, policy inconsistency and heightened vulnerability to external shocks.

The findings challenge approaches that have evaluated fiscal, monetary and exchange-rate policies in isolation. Instead, they have shown the importance of policy regime consistency as a central determinant of macroeconomic performance. The experiences of Iceland and Malta suggest that the long-term success of small states have depended less on the adoption of any particular policy instrument - whether a fixed exchange-rate, a flexible currency, or a specific fiscal stance and more on the capacity to maintain coherence across the broader policy framework within which these instruments operated. The comparison shows that this misalignment can persists if the authorities lack the political strength to engaged in the necessary economic policy and structural adjustments. Such measures can be hard to implement as they may in the short-run lead to economic and social dilemmas, although they are beneficial in the long-run.

More broadly, the study contributes to the literature on small-state political economy by highlighting the pivotal role of credibility and coordination in managing the constraints of openness. Small economies have not been able to eliminate their exposure to international markets, external shocks or structural dependence. They have, however, been capable of conveying these external pressures through their domestic economies. The article manifests that the decisive question is not whether policymakers have chosen fiscal discipline, monetary autonomy or exchange-rate stability, but whether these choices have formed a coherent and credible regime capable of commanding confidence in an inherently uncertain world at the time of the study.

7. Acknowledgements

The authors acknowledge the overall guidance, comments, and critical suggestions of Godfrey Baldacchino, professor at the University of Malta.

REFERENCES

[1] Adonis, G. (2011). *Macroeconomic policy frameworks of small states: A case study of Malta*. Commonwealth Secretariat.

[2] Agnarsson, S., Hall, A., Herbertsson, T. T., Ingolfsson, S., Magnusson, G., & Zoëga, G. (1999). EMU and the Icelandic labour market. Central Bank of Iceland Working Papers nr. 3.

[3] Alesina, A., & Wacziarg, R. (1998). Openness, country size and government. *Journal of Public Economics, 69*(3), 305–321.

[4] Armstrong, H., & Read, R. (2003). The determinants of economic growth in small states. *The Round Table, 92*(368), 99–124.

[5] Bénassy-Quéré, A., Benoît, C., Jacquet, P., & Pisani-Ferry, J. (2019). *Economic policy: Theory and practice* (2nd ed.). Oxford University Press.

[6] Blöndal, G. (1969). The growth of public expenditure in Iceland. *Scandinavian Economic History Review, 17*(1), 1–22.

[7] Blöndal, G. (1977). Um áhrif stefnunnar í ríkisfjármálum á verðbólguna [The impact of fiscal policy on inflation]. *Fjármálatíðindi, 24*(2), 148–158.

[8] Blöndal, G. (1983). Balancing the budget: Budgeting practices and fiscal policy issues in Iceland. *Public Budgeting & Finance, 3*(2), 47–63.

[9] Blöndal, G. (1986). *Fiscal policy in the smaller industrial countries, 1972–82*. International Monetary Fund.

[10] Briguglio, L. (1988). The Maltese economy since 1960. *Hyphen, 5*(5), 205–223.

[11] Briguglio, L. (1989). The impact of a devaluation on the Maltese trade balance. *Applied Economics, 21*, 325–328.

[12] Briguglio, L. (1991). The Maltese economy: Structure, development and problems. *Asian Economic Review, 33*(3), 455–480.

[13] Briguglio, L. (1995). Small island developing states and their economic vulnerabilities. *World Development, 23*(9), 1615–1632.

[14] Briguglio, L. (2011). *Macroeconomics and the Maltese economy*. BDL Publishing.

[15] Cordina, G. (1992). Patterns of fiscal revenue and expenditure in Malta: 1980–1992. *Bank of Valletta Review, 6*, 1–14.

[16] Cordina, G. (2006). *The implications of economic vulnerability for the growth and macroeconomic dynamics of small states* (Doctoral dissertation, University of Malta).

[17] Delia, E. P. (1986). *The currency basket: A study of the Maltese lira*. Confederation of Private Enterprise.

[18] Dixit, A., & Lambertini, L. (2003). Interactions of commitment and discretion in monetary and fiscal policies. *American Economic Review, 93*(5), 1522–1542.

[19] Easterly, W., & Kraay, A. (2000). Small states, small problems? Income, growth, and volatility in small states. *World Development, 28*(11), 2013–2027.

[20] Edwards, S. (2018). *Monetary policy: An evaluation*. Government of Iceland. https://www.government.is/lisalib/getfile.aspx?itemid=58be6f63-689f-11e8-942c-005056bc530c

[21] Edwards, S., & Savastano, M. (1999). Exchange rates in emerging economies: What do we know? *Journal of Economic Literature, 37*(2), 571–630.

[22] Ellul, E. (1998). Monetary and exchange rate policy in Malta. *Central Bank of Malta Quarterly Review,* 31(2), 56–61.

[23] Falzon, J. (1994). The money supply process in Malta: 1960–1992. *Bank of Valletta Review,* 10, 28–51.

[24] Fenech, D. (1988) The 1987 Maltese Election: Between Europe and the Mediterranean. *West European Politics*, 11 (1), 133-138.

[25] Ghosh, A., Gulde, A., & Wolf, H. (2003). *Exchange rate regimes: Choices and consequences*. MIT Press.

[26] Grech, A. G. (2000). The private and public savings gaps in Malta. *Central Bank of Malta Quarterly Review*, 51–61.

[27] Grech, A. G. (2015). *The evolution of the Maltese economy since independence*. https://mpra.ub.uni-muenchen.de/68392/

[28] Grech, A. G., Micallef, B., Zerafa, S., & Gauci, T. M. (2018). *The Central Bank of Malta's first fifty years: A solid foundation for the future*. Central Bank of Malta.

[29] Guðmundsson, B. R., & Zoëga, G. (2000). A study of Iceland's fiscal policy, 1960–1998. In M. Guðmundsson, T. T. Herbertsson, & G. Zoëga (Eds.), *Macroeconomic policy: Iceland in an era of global integration* (pp. 195–219). University of Iceland Press.

[30] Guðmundsson, M., & Kristinsson, Y. Ö. (1997). Peningastefna á Íslandi á 10. áratugnum [Monetary policy in Iceland in the 1990s]. *Fjármálatíðindi, 44*(2), 103–128.

[31] Guðmundsson, M., Herbertsson, T. T., & Zoëga, G. (Eds.). (2000). *Macroeconomic policy: Iceland in an era of global integration*. University of Iceland Press.

[32] International Monetary Fund. (1997). *Malta: Recent economic developments* (IMF Staff Country Report No. 97/55).

[33] Jónsson, Á., Kristjánsdóttir, Á., & Gunnarsson, I. (2018). *Framtíð íslenskrar peningastefnu: Endurmat á ramma peningastefnunnar*. Prime Minister's Office.

[34] Jónsson, S. (2022). A question of sovereignty? Iceland and Malta. *Small States & Territories, 5*(2), 251–268.

[35] Jónsson, S. (2023). Wandering on a foreign strand! Foreign relations and trade policies of Malta and Iceland, 1964–2004. *The Round Table, 112*(4), 407–420. https://doi.org/10.1080/00358533.2023.2244285

[36] Jónsson, S. (2024). *The role of government in economic growth and development: A comparative study of Malta and Iceland 1960–2000* (Doctoral dissertation, University of Malta).

[37] Jónsson, S., Fenech, D., & Hálfdánarson, G. (2025). Understanding growth policies and economic success: Iceland and Malta, 1945–1980. *Island Studies Journal*. Advance online publication. https://doi.org/10.24043/001c.146015

[38] Jónsson, S., Fenech, D., & Agnarsson, S. (2026). Growth policies of small island states: A comparative study of Malta and Iceland, 1980–2004. *Commonwealth & Comparative Politics*, 1–23. https://doi.org/10.1080/14662043.2025.2606889

[39] Mishkin, F. S. (2003). Þýðing fjármálastöðugleika fyrir efnahagslífið [The relevance of financial stability for the national economy]. *Fjármálatíðindi, 50*(1), 15–36.

[40] Nordal, J. (2022). *Lifað með öldinni*. Vaka Helgafell.

[41] Nordal, J., & Tómasson, Ó. (1985). Frá floti til flots: Þættir úr sögu gengismála 1922–1973. In *Klemensarbók* (pp. 215–234). FVH.

[42] Obstfeld, M., Shambaugh, J., & Taylor, A. (2005). The trilemma in history. *Review of Economics and Statistics, 87*(3), 423–438.

[43] OECD (2009). *Iceland: The financial and economic crisis*.

[44] Persson, T., & Tabellini, G. (1990). *Macroeconomic policy, credibility and politics*. Harwood Academic Publishers.

[45] Persson, T., & Tabellini, G. (2000). *Political economy: Explaining economic policy*. MIT Press.

[46] Rodrik, D. (1998). Why do more open economies have bigger governments? *Journal of Political Economy, 106*(5), 997–1032.

[47] Scicluna, E., & Agius, J. E. (1985). *Exchange rate policy: Urgent review needed*. Federation of Industries.

[48] Zoëga, G. (2017). Nordic lessons from exchange rate regimes. *Atlantic Economic Journal, 45*(4), 411–428.

GLOBAL JOURNAL
OF HUMAN SOCIAL SCIENCES - E: ECONOMICS
Volume 26 | Issue 2 | 2026
Article ID: GJHSS-258526
Language: English

Taxing Access to Justice: Legal Analysis of Judicial Fees in Brazil and the Dialectics of Legal Aid in Comparative Perspective

Article Record

Eduardo Müller Gomes [§ ϑ *]

[ϑ] Substitute Federal Judge in the 3rd Region, Specialist in Public Law (ESMAFE/RS), Master's Candidate

[*] Corresponding Author

[§] Procedural and Constitutional Tax Law, Federal Regional Court of the 3rd Region, Pontifical Catholic University of São Paulo, São Paulo, Brazil [(OA)]

RECEIVED	ACCEPTED	ONLINE PUBLISHED	PUBLISHED	PEER REVIEW
2026-06-07	2026-06-19	2026-07-02	2026-09-17	Double Blind

Abstract

This article examines the relationship between the tax system, judicial financing, and the fundamental right of access to justice in Brazil, situating the analysis within the international human rights law framework established by the Inter-American Court of Human Rights (IACtHR) and the European Court of Human Rights (ECtHR). The analysis begins with the constitutional characterization of judicial fees as a linked tax under Article 145(II) of the 1988 Federal Constitution and engages the doctrinal debate over whether the claim value, as a proxy for wealth, constitutes a constitutionally sound tax base. A law-and-economics framework situates court fees as price signals, while practical observations drawn from fifteen years in Brazilian public service illuminate the structural failures of the legal aid regime. The IACtHR's binding jurisprudence in Advisory Opinion OC-11/90 and Cantos v. Argentina, and the ECtHR's proportionality standard in Kreuz v. Poland, provide the supranational normative backdrop. A comparative study contrasts Brazilian solutions with those of the United States, the United Kingdom, Germany, and Portugal, generating critical findings on the risks of mechanically transplanting European fee models to a developing country context. The article concludes with a reform proposal grounded in economic and legal rationality: moderate court fees with mandatory annual monetary adjustment, combined with objective and constitutionally proportionate criteria for the granting of legal aid.

Access to Justice | Comparative Law | Court Costs | European Court of Human Rights | InterAmerican Human Rights | Judicial Fee | Law and Economics

AI USE STATEMENT
No generative AI was used for analysis or results.

FUNDING
This research received no external funding.

CONFLICT OF INTEREST
The author declares no financial or institutional conflicts of interest.

DATA AVAILABILITY
Not applicable for this article.

ETHICS
No ethics committee approval was required for this article type.

CONSENT
Not applicable for this article.

TRIAL REG.
Not applicable.

Crossref DOI: 10.34257/GJHSSE258526

How to Cite: Gomes (2026). Taxing Access to Justice: Legal Analysis of Judicial Fees in Brazil and the Dialectics of Legal Aid in Comparative Perspective. Global Journal of Human-Social Science, 26(2), 27-35. DOI: 10.34257/GJHSSE258526

AR Experience Web Page DOI

Print ISSN 0975-587X

Online ISSN 2249-460X

Global Journal of Human-Social Science - Section E
GJHSS Volume 26 Issue 2

Taxing Access to Justice: Legal Analysis of Judicial Fees in Brazil and the Dialectics of Legal Aid in Comparative Perspective

Eduardo Müller Gomes§ ϑ *

Affiliations
§ Procedural and Constitutional Tax Law, Federal Regional Court of the 3rd Region, Pontifical Catholic University of São Paulo, São Paulo, Brazil (OA)

Qualifications / Designations
ϑ Substitute Federal Judge in the 3rd Region, Specialist in Public Law (ESMAFE/RS), Master's Candidate

Abstract

This article examines the relationship between the tax system, judicial financing, and the fundamental right of access to justice in Brazil, situating the analysis within the international human rights law framework established by the Inter-American Court of Human Rights (IACtHR) and the European Court of Human Rights (ECtHR). The analysis begins with the constitutional characterization of judicial fees as a linked tax under Article 145(II) of the 1988 Federal Constitution and engages the doctrinal debate over whether the claim value, as a proxy for wealth, constitutes a constitutionally sound tax base. A law-and-economics framework situates court fees as price signals, while practical observations drawn from fifteen years in Brazilian public service illuminate the structural failures of the legal aid regime. The IACtHR's binding jurisprudence in Advisory Opinion OC-11/90 and Cantos v. Argentina, and the ECtHR's proportionality standard in Kreuz v. Poland, provide the supranational normative backdrop. A comparative study contrasts Brazilian solutions with those of the United States, the United Kingdom, Germany, and Portugal, generating critical findings on the risks of mechanically transplanting European fee models to a developing country context. The article concludes with a reform proposal grounded in economic and legal rationality: moderate court fees with mandatory annual monetary adjustment, combined with objective and constitutionally proportionate criteria for the granting of legal aid.

Keywords: *Access to Justice, Comparative Law, Court Costs, European Court of Human Rights, InterAmerican Human Rights, Judicial Fee, Law and Economics, Legal Aid, Tax Law*

*** Corresponding Author**
Eduardo Müller Gomes

DOI
10.34257/GJHSSE258526

1. Introduction

Few legal problems reveal the inner contradictions of the modern democratic state as clearly as the cost of going to court. In theory, judicial protection is a constitutional guarantee, available to all regardless of means. In practice, the tribunal is a marketplace with an entrance fee and the question of who is exempt from that fee has no clear answer, in Brazil or anywhere else.[1]

This article is written from the vantage point of someone who has spent fifteen years in Brazilian public service and several of them over cases in the Federal Judiciary. From that position, the abstract debate about court fees and legal aid does not remain abstract for long. In Brazil, many requests for legal aid are filed without a shred of documentary evidence, routinely granted because the alternative, questioning each request, would be administratively unworkable. It takes the form of a minimum court fee that has not been adjusted since 2000, rendering its deterrent function meaningless. This caused a fiscal deficit of over BRL 13 billion in the Federal Judiciary, quietly absorbed by the general budget while policy debates circle endlessly around the same nonsolutions.

This article examines the problem along four analytical dimensions: tax law, international human rights law, economic analysis of law, and comparative law. Each illuminates a different facet of the same underlying tension between a judiciary that must be financed to function and a constitution that demands it be accessible to all. No single dimension is sufficient on its own, and the article attempts to show how they interact and sometimes constrain one another.

The analysis proceeds as follows. Part II sets out the methodology. Part III, the Discussion, presents the analytical framework across four sub-areas: the constitutional characterization of court costs as a tax species; legal aid in Brazilian law and under the Inter-American human rights system; the economic analysis of court fee design and its constitutional limits; and a comparative study of five foreign jurisdictions and the relevant ECtHR jurisprudence. Part IV draws up the Results, with critical findings that emerge from that analysis, together with the reform proposals they support. Part V concludes.

2. Methodology

This article employs two complementary methods. The analytical method is used to ascribe precise legal meaning to the institutions examined, the constitutional characterization of judicial fees as a tax species and the scope of the legal aid guarantee under Brazilian law. The comparative method places Brazilian solutions alongside those of five selected foreign legal orders, with the goal of extracting structural lessons while remaining attentive to the limits of cross-contextual transposition.

The five comparator jurisdictions were selected according to four explicit criteria. First, legal tradition: the United States and the United Kingdom represent common law systems, while Germany and Portugal represent civil law traditions historically connected to the Brazilian legal order. Second, fee-shifting architecture: the United States applies the American Rule, while the three European systems apply loser-pays, generating distinct incentive structures. Third, legal aid design: the United States relies primarily on formal fee-exemption (In Forma Pauperis), while Germany, UK and Portugal maintain income-tested, state-funded systems that differ structurally from each other. Fourth, international human rights obligations: the United Kingdom, Germany, and Portugal are signatories to the European Convention on Human Rights, making the ECtHR's proportionality standard directly applicable to their court fee regimes.

The study draws on primary legal sources—constitutional provisions, legislation, binding precedents from the STF, IACtHR, the ECtHR, and the U.S. Supreme Court, supplemented by secondary doctrinal literature and empirical data from the CNJ. The article's scope is doctrinal and institutional, not empirical in the social-scientific sense. Where relevant, practical observations from the bench serve as empirical illustration rather than systematic data.

3. Discussion

3.1. The Legal Nature of Court Costs in the Brazilian Tax System

Under the 1988 Federal Constitution, fees (taxas) are a species of tax whose triggering event is the actual or potential use of a specific and divisible public service made available to the taxpayer, or the effective exercise of the state's regulatory power.[3] Doctrine classifies fees as linked taxes (tributos vinculados), because their imposition presupposes a state activity directed at a specific taxpayer in contrast to regular taxes (impostos), which do not require any specific counterpart service.[4] Court costs in Brazil, as the STF established in ADI 1378 MC, constitute the price of a specific and divisible service, the provision of adjudication.[7]

The genus of court costs yields three species: (a) judicial fees (taxas judiciárias), directed at financing judicial services; (b) court costs in the strict sense (custas), covering procedural expenses; and (c) notarial fees (emolumentos), covering extrajudicial acts.[8] Because fees are specific and divisible, the amounts charged must be proportionate to the cost of the service rendered, satisfying a criterion of commutative justice.[5] The fee's tax base must therefore reflect the cost of the service provided, a requirement that doctrine terms referibility.[6]

A constitutional tension emerges at this point. Article 145, § 2 of CF/88 prohibits fees from sharing the same tax base as regular taxes, precisely to preserve the distinction between the two species.[11] The STF mitigated this prohibition through Binding Precedent No. 29, permitting the adoption of elements of a tax's base in calculating a fee's value, provided there is no complete identity between the two bases.[12] This compromise invites an objection that deserves direct engagement: if the tax base of court costs is the value of the claim, then the state is measuring a dimension of the litigant's economic situation rather than the cost of the judicial service itself, which would be characteristic of regular taxes (impostos), not taxes (taxas).

In my view, this objection underestimates the practical impossibility of calculating the actual cost of judicial services with any useful precision. Consider the variables involved: the time of a judge and court staff performing functions that vary dramatically depending on procedural complexity; the cost of electronic case management systems or the physical maintenance of paper records; expert witness fees that arise unpredictably; and the entirely contingent duration of proceedings depending on the number of appeals, procedural incidents, and enforcement stages. Unlike a notarial act with a fixed procedure and predictable duration, a judicial proceeding cannot be costed in advance with sufficient reliability to generate a meaningful fee schedule. The value of the claim, by contrast, is objectively ascertainable at the moment of filing, bears an indirect but real relationship to the social importance of the dispute, and provides legal certainty to both parties. The STF's recognition of minimum and maximum thresholds [15], reflected in Binding Precedent No. 667, ensures that the value-of-claim parameter does not become an unlimited proxy for wealth. Within those thresholds, the tax base is a constitutionally defensible approximation, not a category error.

One additional constitutional principle (linkage) governs the destination of fee revenues, considering that they must be directed exclusively to financing the judicial service that generates them. The STF has been consistent in suspending legislation that sought to redirect fee revenues toward extraneous purposes.[16] This linkage between revenue and service reinforces the constitutionality of the fee species while constraining legislative opportunism.

3.2. Legal Aid as an Instrument of Access to Justice

Access to justice was first elevated to constitutional status in Brazil by the 1946 Federal Constitution.[17] The current constitution entrenches it in art. 5, LXXIV: 'the State shall provide full and free legal assistance to those who demonstrate insufficient resources.'[18] The provision encompasses two distinct mechanisms: legal assistance (the provision of counsel through the Public Defender's Office or court-appointed attorneys) and legal aid proper (exemption from court costs, procedural expenses, and attorneys' fees).[19] This article addresses only the latter.

The 2015 Code of Civil Procedure expanded the legal aid regime in important respects. It extended coverage to legal persons and foreign nationals, included notarial and expert witness fees within the scope of the exemption, and affirmed a relative presumption of veracity in favor of a natural person's declaration of indigence.[21] The reform was motivated by laudable goals. Its practical consequences, however, have been more ambiguous.

In practice, the overwhelming majority of requests for legal aid are filed without any supporting documentation - no income statement, no bank statement, no tax return. Lawyers submit declarations of indigence as a routine formality, relying entirely on the statutory presumption of veracity. The burden of questioning these declarations falls on a judge who must already manage a caseload of thousands of active proceedings. Realistically scrutinizing each request is simply not feasible as a matter of workload management, which means the default outcome is granted. Only when there are obvious contradictions in the record, for example, a plaintiff identified elsewhere in the same document as a practicing specialist physician, a corporate party claiming indigency etc., does it become practical to require supplemental documentation.

The consequence is a perverse institutional dynamic in which the presumption of veracity, designed to protect genuinely indigent parties from bureaucratic obstacles, effectively functions as a de facto universal exemption for anyone represented by counsel who knows to file the declaration. This not only distorts the fiscal situation of the judiciary but also undermines the principle of equality considering that parties with means obtain the same exemption as those who genuinely cannot pay. Worse, it contributes directly to the volume of litigation that the judiciary struggles to manage, because the absence of any cost-sharing removes one of the few mechanisms that might prompt parties to consider whether adjudication is the most rational use of everyone's time and resources.[25]

The constitutional solution is straightforward in principle because it aims to replace the presumption with objective criteria tied to verifiable income data, drawing on existing administrative systems such as the Cadastro Único or the income declaration available through the Revenue Service. Senate Bill No. 2,339/2022 proposes exactly this approach.[24]

The significance of this reform extends beyond domestic law. The Inter-American human rights system provides a normative framework that reinforces, and in some respects exceeds, the constitutional guarantee. Advisory Opinion OC-11/90 of the IACtHR established that financial barriers to the exhaustion of domestic remedies constitute discrimination based on social conditions prohibited by Article 1(1) of the ACHR.[26] States bear a positive obligation to remove those barriers, not merely to refrain from creating them.[29]

The most directly relevant precedent is the Case of Cantos v. Argentina (November 28, 2002). Mr. José María Cantos filed suit against the Argentine Revenue Department and, after more than a decade of proceedings, was ordered by the Argentine Supreme Court to pay fees and attorneys' fees totaling approximately USD 140 million.[30] The IACtHR held that these obligations violated Articles 8(1) and 25 of the ACHR,[31] establishing the principle that states may not impose limitations that 'impair the very essence of the right of judicial access.'[33] For Brazil, a signatory to the ACHR since 1992, these principles carry direct normative force.[34]

3.3. Economic Analysis of Law: A Framework and Its Constitutional Limits

The law and economics movement emerged from Ronald Coase's analysis of the problem of social cost [37] and Guido Calabresi's work on risk distribution in tort law.[38] Richard Posner systematized these insights into a comprehensive theory: the central claim of Economic Analysis of Law is that legal rules can and should be evaluated by their effects on the efficient allocation of resources.[36]

Posner's wealth-maximization criterion is the analytical tool I find most useful and most dangerous in equal measures. The operational efficiency standard is present in Kaldor-Hicks which states that a legal change is efficient if the aggregate gains to winners exceed the losses to losers, whether or not compensation actually occurs.[40] Applied to court fees, Posner's foundational 1973 article in the Journal of Legal Studies provides the central insight: [35] court fees function as user charges, prices for access to the judicial product. The optimal fee approximates the marginal social cost of processing a case. A fee set below marginal cost subsidizes litigation and induces excessive demand; a fee set above marginal cost deters welfare-enhancing suits.[44] The economic goal is a fee that screens out frivolous claims, whose private value is positive, but whose social value is zero, without deterring meritorious ones.[48]

There is, however, a structural flaw in the Kaldor-Hicks criterion that its proponents tend to understate. By not requiring that losers be compensated, only that winners could, in principle, compensate them, the standard permits decisions that impose real and severe losses on specific individuals in exchange for diffuse and hypothetical aggregate gains. In a context of deep economic inequality, this creates a troubling dynamic: the criterion can function as ideological cover for regressive transfers of income, sanctioning arrangements that extract welfare from the poor and concentrate it among the wealthy, so long as aggregate numbers work out on paper. I find this intellectually dishonest in a specific way: it gives economic respectability to decisions that would otherwise simply be recognized as unfair.[119] Far from being a neutral allocative tool, an unconstrained Kaldor-Hicks analysis produces outcomes that are, in substance, utilitarian and ad hoc, calibrated to maximize an abstraction called social wealth at the cost of the concrete dignity of those who lose. Applied to court fee design, this risk is not theoretical. A fee structure that is 'efficient' under Kaldor-Hicks might simultaneously be unconstitutional under the human dignity principle enshrined in CF/88, art. 1(III), [120] precisely because it forces the poorest litigants, those whose access to justice has the least private financial value but the greatest social urgency, to bear a cost they cannot absorb. This is why the economic analysis of law must be treated as an instrument of resource allocation within a legal order, not as a substitute for it.

One further clarification is warranted at this point. Posner's broader positive thesis, that the common law tends toward efficiency, has generated substantial debate in both American and European legal scholarship, and that controversy is not the object of this article. In my view, both civil law and common law systems carry important institutional contributions that deserve acknowledgment on their own terms: the common law tradition's respect for precedent-based rule creation, which generates norms that are contextually sensitive and refined through iterative application; and the civil law tradition's organization of legal systems through comprehensive statutes, which provides the systematic predictability and accessibility that are the hallmarks of codification. Both are essential instruments for guaranteeing legal certainty in a democratic rule-of-law state. What matters, for the purposes of this article, is not which tradition Posner's efficiency claims more accurately describe, but whether the economic tools he developed can be applied - with appropriate constitutional constraints - within Brazil's civil law legal order.

Returning to the problem of this research, it is important to remark that the market for legal services also suffers from asymmetric information and positive externalities to rights enforcement, both of which justify state intervention in the form of legal aid.[50] When fees are set at cost-recovery levels, they create a regressive access barrier to individuals with lower-value claims or lower incomes, who happen to be excluded from the court system even when their claims have genuine social value.

The economic framework is analytically indispensable because it clarifies the incentive effects of different fee structures, identifies sources of market failure in legal services, and provides a vocabulary for distinguishing efficient from inefficient institutional designs. However, it must operate within a constitutional order whose values are not reducible to wealth maximization. A fee structure that achieves fiscal balance while making courts prohibitive for a large portion of the population would, on Posner's own terms, be efficient. It would also violate the constitutional guarantee of access to justice under CF/88 arts. 5(XXXV) and 5(LXXIV), and Brazil's obligations under the ACHR.

The tension is not a failure of either constitutional law or economic analysis, it is a prompt for calibrating their interaction. A budget deficit in the Federal Judiciary that results from a principled policy of ensuring that economically meritorious claims can be adjudicated regardless of the claimant's financial situation is constitutionally permissible, even required, provided it is fiscally manageable and not the product of inefficiency or abuse. The constitution defines which consequences we are willing to accept. The economic analysis tells us what those consequences will be. Both are necessary. Neither alone is sufficient.

3.4. Court Fees and Legal Aid in Comparative Perspective

In the United States, federal civil actions attract a filing fee of USD 405.[53] The American Rule, each party bears its own fees regardless of outcome, means that the financial risk of litigation is concentrated in private attorneys fees rather than court charges, making the total cost of tort liability in the U.S. the highest among the surveyed jurisdictions.[55] The access-to-justice deficit this creates is well documented. Deborah Rhode of Stanford Law School observed that the United States 'is the only wealthy nation that makes virtually no guarantee of civil legal assistance to those who cannot afford it,' with approximately four-fifths of the civil legal needs of low-income individuals remaining unmet.[56] Rhode's subsequent monograph amplified that estimate: approximately four-fifths of the civil legal needs of low-income Americans and two- to three-fifths of those of middle-income Americans remain unmet, a finding that is all the more striking given that it describes one of the wealthiest legal systems in the world.[58] The In Forma Pauperis doctrine provides formal fee exemption for those who demonstrate inability to pay.[59] Eligibility is typically available to recipients of public assistance programs, food stamp beneficiaries, and incarcerated individuals without resources, with income assessments conducted by the court.[60] Gideon v. Wainwright established a constitutional right to counsel in criminal cases,[61] but for civil proceedings there is no analogous guarantee.

Notwithstanding formal fee exemptions, access to quality civil legal representation remains sharply limited for the indigent. Under 28 U.S.C. § 1915(d), a court may dismiss an IFP petition if the action is found frivolous, a determination that by its inherently subjective nature produces divergent outcomes among federal judges and undermines legal certainty.[62] In Neitzke v. Williams, the Supreme Court established that a claim is frivolous when it relies on an indisputably meritless legal theory or on fantastic or delusional factual scenarios.[63] The Department of Justice has recently highlighted the cascading consequences of this structural gap, noting that the imposition of fines and fees without regard to economic capacity generates cycles of debt and systematically erodes public trust in the justice system.[64] The American experience thus reveals a fundamental tension: formal mechanisms for fee exemption exist, but the absence of a civil legal aid guarantee means that having a waived filing fee is rarely sufficient to secure meaningful access to adjudication. The cost of counsel, not the cost of filing, is the decisive barrier.

The court fee system in England and Wales differs structurally from the United States in two fundamental respects. Governed primarily by the Courts Act 2003,[65] the system operates under the English Rule (loser pays), under which the losing party bears the reasonable costs of the prevailing party, dramatically restructuring litigation incentives relative to the American model.[66] Professor A.A.S. Zuckerman of Oxford, an adviser to Lord Woolf's Access to Justice inquiry and the leading British academic authority on civil procedure costs, argued that 'the courts cannot function as instruments of civil justice unless they are broadly accessible to all citizens who have legitimate grievances.'[67] Drawing on his analysis of the chilling effect that high court fees exercise on parties with meritorious but economically modest claims, Zuckerman identified the correlation between fee levels and litigation costs as a central challenge for any system committed to genuine equality before the law.[68]

The most constitutionally significant moment in the British debate over court fees occurred in R (UNISON) v Lord Chancellor [2017] UKSC 51, where the UK Supreme Court unanimously declared the Employment Tribunals Fees Order 2013 unlawful. Economic evidence before the Court demonstrated that the fees had rendered the pursuit of legally recognized employment rights 'irrational' for most claimants, producing a sustained and dramatic decline in case filings.[69] The Court held that the fees had effectively prevented workers from enforcing rights conferred by Parliament.[70] At its core, the judgment rejected the government's framing of courts as merely a service to be priced: 'courts exist in order to ensure that the laws made by Parliament are enforced'[71] — a statement that resonates directly with the Brazilian constitutional guarantee of access to justice. For indigent parties, the Help with Fees (HWF) scheme grants a full exemption or partial reduction, subject to strict savings caps.[72] Eligibility requires that applicants hold less than GBP 4,250 in savings for lower fee brackets,[73] a threshold that reflects the UK's specific cost-of-living context and illustrates why direct numerical transplantation to Brazil would require substantial recalibration.[74]

Of the five systems examined, Germany offers the most structurally coherent response to the economic problem Posner identifies: how do you price adjudication so that only claims worth adjudicating actually get filed? Governed by the Gerichtskostengesetz (GKG), fees are calculated on the basis of the disputed amount (Streitwert), on a graduated scale that increases with the value of the claim while declining as a proportion of the claim's value for higher-stakes disputes.[75] The loser-pays principle under ZPO § 91 means that the prevailing party's reasonable attorneys' fees, which in Germany are also regulated by statute, are also recoverable, making the expected cost of losing a German civil case considerably higher than its American or Brazilian equivalents.[76]

Legal assistance (Prozesskostenhilfe, PKH) enables financially disadvantaged individuals to initiate or defend civil actions and depends on the cumulative satisfaction of three criteria: financial need, assessed against statutory income exemptions and savings limits[77]; sufficient prospects of success, requiring that the claim or defense have a reasonable prospect of success and not appear arbitrary[79]; and non-arbitrariness of the litigation as a whole. Where all three are satisfied, the court may exempt the applicant from court costs, appoint state-funded counsel or order payment in installments, with the possibility of subsequent repayment should the beneficiary's financial situation improve significantly.[80] The German system achieves a balance between the constitutional imperative of ensuring access to justice for the economically disadvantaged and the fiscal responsibility that prevents the mechanism from becoming an unqualified subsidy for speculative litigation. The merit-screening requirement the feature most relevant to the Brazilian reform debate - is discussed critically in Part IV.

Portugal deserves particular attention in this comparison, for reasons that go beyond mere geographic proximity. The Portuguese Civil Code of 1867 (Código Seabra) served as the foundational model for Brazilian private law, [82] and Portuguese procedural codes influenced Brazilian legislation throughout the twentieth century. The constitutional foundation of Portugal's system is also notable. Article 20 of the Portuguese Constitution guarantees that 'justice shall not be denied for lack of financial resources' [81], a provision that names financial insufficiency explicitly as an impermissible ground for denial of justice, rather than conditioning judicial access on the demonstration of indigence.

The current cost regime is governed by the Regulamento das Custas Processuais (RCP, Decree-Law No. 34/2008), [83] with fees expressed in Units of Account (UC), currently EUR 102 under Portaria No. 372-B/2024. [84] The fee schedule in Schedule I-A calibrates fees to claim value in a tiered structure, from 1 UC for claims up to EUR 2,000, ascending proportionally, with a three-times multiplier for complex proceedings [86] and a supplementary fee for claims above EUR 275,000.[87] The loser-pays rule applies under art. 527 of the Portuguese Code of Civil Procedure.[88]

The Legal Support (Apoio Judiciário) regime, established by Law No. 34/2004,[90] is administered by the Instituto da Segurança Social (ISS) the Social Security Institute - rather than by the courts themselves. This administrative separation relieves courts of the burden of adjudicating eligibility and ensures uniform application of objective income criteria. Eligibility is based on the índice de referência de apoios sociais (lAS, set at EUR 509.26 in 2024), with full exemption for households below 1.5 times the lAS and partial support for those between 1.5 and 2.5 times.[91] The regime provides four modalities: full exemption, fee reduction, deferred payment, or installment payment.[93] Unlike the German PKH, it does not screen for litigation merits at the eligibility stage.[94]

Three of the five systems examined - Germany, Portugal, and the United Kingdom operate under the proportionality standard for court fees developed by the ECtHR under Article 6(1) of the European Convention on Human Rights.[96] In Kreuz v. Poland (June 19, 2001), the applicant was required to pay fees equivalent to approximately the average annual wage to pursue a civil claim.[97] The Court held that limitations on the right of access to a court 'must not restrict or reduce the access left to the individual in such a way or to such an extent that the very essence of the right is impaired'[98], a proportionality test requiring a reasonable relationship between the fee and the legitimate aim of cost recovery. In Weissman v. Romania, the Court extended this analysis to fee-to-claim ratios without ceilings or means-tested exemptions,[101] and in Airey v. Ireland it recognized that effective access may require the state to provide legal aid in proceedings whose complexity makes self-representation impractical.[102]

4. Results

4.1. Comparative Findings and their Limits

What emerges from placing the five systems alongside one another is, above all, that structural solutions exist. The UC mechanism with mandatory periodic adjustment, the ISS-administered means test, the loser-pays rule calibrated to realistic claim values, these are not theoretical proposals. They are operating realities in a legal order that shares Brazil's civil law tradition and, in Portugal's case, a direct historical connection to Brazilian law. The reform debate in Brazil is not a debate about whether better institutional designs are conceivable. It is a debate about whether the will to implement exists.

That said, the comparative analysis also generates critical findings about what does not travel well across legal orders.

First, the concept of 'frivolous litigation' as a screening mechanism, one of the central justifications in economic literature for setting court fees above a nominal level. The concept is appealing in the abstract. In practice, it does not survive contact with the principle of legal certainty, at least not in the form that literature implies. In my experience on the bench, what appears to be a frivolous claim under a preliminary assessment is frequently a claim that is poorly articulated, procedurally imperfect, or factually thin at first glance, but that, once heard, raises a genuine legal question. The reverse is also true. The risk of a gate-keeping filter at the fee-exemption stage is that it substitutes a pre-adjudicatory judgment for the merits process. When that determination is made by different judges applying different intuitions about what constitutes a 'reasonable prospect of success,' the equal protection dimension of legal certainty is compromised: similarly situated parties receive different outcomes not because the law distinguishes between them, but because their judge did. Labor rights, environmental enforcement, and administrative review claims are particularly vulnerable to this kind of informal filtering, precisely because they are often politically contentious and technically complex in ways that make a prima facie assessment unreliable.

The German PKH illustrates this tension concretely. The merit-screening requirement functions tolerably well in Germany because the institutional context supports it. The legal profession's duty of candid advice is taken seriously, the educational level of the population is such that a lawyer's frank assessment of litigation prospects is generally understood and accepted, and the courts have developed a coherent body of doctrine about what constitutes a 'reasonable prospect of success.' None of these conditions reliably obtain in Brazil. More pointedly, in the Brazilian Small Claims Courts, parties may litigate without a lawyer. Imposing a merit screen in that context means evaluating the viability of a claim presented by a layperson without counsel, before it has even been heard.

The asymmetry between a trained judge and an unrepresented individual at the gatekeeping stage is precisely the kind of structural inequality that access-to-justice guarantees are designed to prevent.

A second critical finding concerns the direct transplantation of European fee thresholds to a developing country context. The Portuguese and German income criteria are carefully calibrated to their respective social structures. In Portugal, the IAS threshold of EUR 509.26 and the 1.5x multiplier for full exemption reflect an income distribution that, while unequal by European standards, is considerably more compressed than Brazil's. If those thresholds were applied directly to Brazil, translated at purchasing power parity or nominal exchange rates, they would exclude from legal aid a large portion of the Brazilian population that, while nominally above the threshold, lacks the practical financial capacity to sustain litigation costs over a multi-year proceeding. The lesson is not that objective income criteria are wrong. On the contrary, they are the only constitutionally sustainable answer to the current ad hoc regime. The lesson is that the thresholds and formulas must be calibrated to Brazilian income distribution, not borrowed wholesale from a different social context.

The most directly transferable element of the comparative analysis is the Portuguese institutional design: the separation between legal aid eligibility assessment (administered by the ISS) and judicial proceedings. This separation achieves three things simultaneously: a) it relieves individual judges of the burden of making real-time indigency determinations in the middle of case management; b) it ensures that eligibility criteria are applied consistently across the country by a specialized administrative agency rather than through thousands of individualized judicial decisions; and, c) it creates a data trail that allows the system to monitor abuse and require repayment when beneficiaries' circumstances change. None of this requires new constitutional amendments or radical legislative overhaul. It requires a decision to separate the function from the court.

4.2. The Fiscal Irrationality of the Current Brazilian System and the Case for Reform

The CNJ's Justiça em Números (Justice in Numbers) from 2024 provides the empirical backbone for what practitioners already observe. The judicial activity consumes 2.45% of the combined expenditures of all levels of Brazilian government.[103] The Federal Judiciary's 2023 operational deficit reached BRL 13.214 billion, with total costs of BRL 13.364 billion against revenue of BRL 150 million.[105] The Small Claims Courts, exempt from first-instance fees, absorb a disproportionate share of new filings.[107]

The pattern is not uniform across case types. In practice, the majority of new filings in the Federal Judiciary relate to social security (previdenciária) litigation, a significant portion of which concerns disability benefits (benefícios por incapacidade). Unlike most civil law claims, disability benefit determinations do not give rise to res judicata — a party may refile after a change in circumstances, or simply after an initial denial, without preclusion. In the absence of any filing cost, this generates a perverse incentive structure: the same claim, or a marginally modified version of it, may be refiled multiple times, each iteration consuming judicial resources without any cost-sharing that might prompt counsel to assess whether the new filing has a realistic prospect of success. This is not, to be clear, an argument against the substantive right to refile - that right is constitutionally grounded and socially necessary in a system with a high incidence of administrative error in benefit determinations. It is, rather, an argument for a fee structure that at minimum introduces a price signal for serial filings, distinguishing between genuine new claims and repetitive ones.

Posner's model is precise about the mechanism: fees set at zero or near-zero below marginal social cost function as a subsidy that removes the price signal which would otherwise prompt litigants to weigh expected costs against expected benefits.[108] The result is not merely fiscal, it is allocative. Cases that would settle or not be brought if each party faced a real cost are litigated instead, consuming judicial capacity that would otherwise be available for disputes in which adjudication is genuinely necessary. Legal certainty, understood in the tradition of Brazilian constitutional scholarship as the permanent, equal determination of legal effects for all subjects of the legal order [110], demands that these distortions be corrected. Max Weber identified legal rationality as the institutional precondition for the predictability that modern economic activity requires.[109] A court system structurally under-financed and institutionally inconsistent in its legal aid determinations fails this requirement, irrespective of how generous its constitutional text is.

The legislative gap is traceable to a single point of inaction. Law No. 9,289/1996 set the minimum court fee at BRL 10.64.[115] Article 14 required periodic monetary adjustment. However, that adjustment has not occurred since 2000.[116] IPCA-adjusted (inflation index), the minimum fee should today be approximately BRL 46.55; SELIC-adjusted (government interest rate), approximately BRL 172.28. Of the 3.6 million new Federal Judiciary filings in 2023,[117] applying the IPCA-corrected fee to just 10% of those proceedings would generate approximately BRL 62 million in additional revenue, a 40% increase over current collections.[118] Not a solution to a BRL 13 billion deficit, but a meaningful beginning, and one that illustrates how far the system has drifted from any rational relationship between the price of adjudication and its actual cost.

There are two bills currently before the Brazilian Senate which seek to address the most tractable parts of this problem. Senate Bill No. 2,339/2022 proposes objective legal aid criteria anchored to enrollment in the Cadastro Único and monthly income thresholds.[112] Senate Bill No. 429/2024 introduces a special fund, the Fundo Especial da Justiça Federal (Fejufe), to finance judicial modernization from fee revenues.[113] Both are necessary, but neither is sufficient on its own. Together, they represent the minimum institutional adjustment that the constitutional guarantee of access to justice and the imperative of fiscal sustainability jointly require.

The comprehensive reform this article proposes builds on those bills and adds three further elements: (i) mandatory IPCA adjustment of the minimum court fee, mirroring Portugal's periodic UC adjustment by ministerial order; (ii) an ad valorem model for fees on higher-value claims, eliminating the fixed ceiling that today makes the cost of adjudicating a BRL 100 million dispute identical to that of a BRL 100,000 dispute; and (iii) the institutional separation of legal aid eligibility from judicial proceedings, drawing on the Portuguese ISS model. These measures are not designed to eliminate the judicial deficit, because that would require addressing the blanket exemption enjoyed by public authorities, the largest litigants in the country, a question that raises political obstacles beyond the scope of this article. They are designed to correct the most visible sources of irrationality in the current system while maintaining the constitutional guarantee of effective access to justice for those who genuinely need it.

5. Conclusion

The problem examined in this article does not have a clean solution. Access to justice and fiscal sustainability are genuine constitutional values that pull in opposite directions, and the task of constitutional law is to manage that tension rather than dissolve it.

This analysis has established four principal conclusions. Court costs in Brazil are constitutionally sound as a tax species, and the use of claim value as a tax base is defensible on practical grounds because the actual cost of judicial services cannot be calculated in advance with sufficient precision to generate a meaningful fee schedule, and the claim value provides a legally certain, economically rational approximation within the limits established by STF precedent. Brazil's legal aid regime is structurally dysfunctional because a relative presumption of indigence, designed to protect genuine access, has become in practice a de facto universal exemption, a problem visible to any judge administering a substantial Federal Court docket and confirmed by the fiscal data that the CNJ publishes annually. The economic analysis of law provides indispensable tools for evaluating fee design but must be applied within the constraints of a constitutional order that assigns independent value to access to justice, a value that cannot be reduced to Kaldor-Hick's efficiency. And the comparative analysis, while generating transferable institutional models, requires critical filtering. The Portuguese UC mechanism and ISS-administered means test are transferable, but the German merit-screening requirement and the literature's frivolous-claims filter are not, without adaptations that address Brazil's specific social structure, income distribution, and legal culture.

The proposed reform, moderate fees with mandatory annual adjustment, objective legal aid criteria, and an administratively separated eligibility process, asks those who can pay a small, proportionate contribution to do so, while maintaining meaningful access for those who cannot. That is not a radical proposal. It is the minimum that legal certainty, constitutional equity, and the long-term sustainability of the Federal Judiciary jointly require. What has been lacking is not the diagnosis, the CNJ has been publishing it for years, but the legislative will to act on it.

ACKNOWLEDGEMENTS

The author declares no financial or institutional conflicts of interest. This research received no external funding.

REFERENCES

[1] M. Cappelletti and B. Garth, "Access to Justice: The Newest Wave in the Worldwide Movement to Make Rights Effective," *Buffalo Law Review*, vol. 27, pp. 181–292, 1978.

[2] J. C. Marcellino Junior, *Análise Econômica do Acesso à Justiça*, Lumen Juris, Rio de Janeiro, 2016.

[3] Brazil, Federal Constitution (CF/88), art. 145(II), 1988; National Tax Code (CTN), Law No. 5.172, arts. 77-79, 1966. Available: http://www.planalto.gov.br/ccivil_03/leis/l5172.htm

[4] R. Alexandre, *Direito Tributário*, 16th ed., JusPodivm, 2022; G. Ataliba, *Hipótese de Incidência Tributária*, 6th ed., Malheiros, 2024; A. A. Becker, *Teoria Geral do Direito Tributário*, 7th ed., Noeses, 2018; R. A. Carrazza, *Curso de Direito Constitucional Tributário*, 35th ed., JusPodivm, 2024; P. B. Carvalho, *Curso de Direito Tributário*, 33d ed., Noeses, 2023; K. Harada, *Direito Financeiro e Tributário*, 27th ed., Atlas, 2018; L. Paulsen, *Curso de Direito Tributário Completo*, 8th ed., Saraiva, 2017; E. Sabbag, *Manual de Direito Tributário*, 9th ed., Saraiva, 2017; L. E. Schoueri, *Direito Tributário*, 14th ed. Saraiva, 2025; H. B. M. Segundo, *Código Tributário Nacional Anotado*, 6th ed., Atlas, 2017.

[5] A. M. Ferreira Neto, *Classificação Constitucional de Tributos*, Livraria do Advogado, 2006.

[6] G. Ataliba, supra [4].

[7] STF, ADI No. 1378 MC, Rel. Min. Celso de Mello, 30.11.1995, D.J. 30.05.1997 (Brazil).

[8] E. Sabbag, supra [4]; P. B. Carvalho, supra [4].

[9] CNJ, *Relatório de Pesquisas sobre Custas Judiciais*, Brasília, July 2010. Available: https://www.cnj.jus.br/pesquisasjudiciarias/pesquisas-sobre-custas-judiciais

[10] A. Barreto, *Base de Cálculo, Alíquota e Princípios Constitucionais*, Revista dos Tribunais, 1986.

[11] H. B. M. Segundo, supra [4].

[12] STF, Súmula Vinculante No. 29 (Brazil); L. Paulsen, supra [4].

[13] P. B. Carvalho, supra [4].

[14] K. Harada, supra [4].

[15] STF, Súmula No. 667 (Brazil).

[16] STF, ADI 1378 MC, supra [7]; K. Harada, supra [4].

[17] A. R. Tavares, *Curso de Direito Constitucional*, 21st ed., Saraiva, 2023.

[18] Brazil, CF/88, art. 5, LXXIV.

[19] D. C. A. Gontijo, *O Direito Fundamental de Acesso à Justiça*, LTr, 2015.

[20] N. Nery Junior and R. M. A. Nery, *Código de Processo Civil Comentado*, 22d ed., Revista dos Tribunais, 2024.

[21] Brazil, CPC/15, Law No. 13.105, art. 98, 2015. Available: http://www.planalto.gov.br/ccivil_03/_ato2015-2018/2015/lei/l13105.htm

[22] N. Nery Junior and R. M. A. Nery, supra [20].

[23] CNJ, supra [9], at 8.

[24] Brazil, Senate Bill No. 2.339, 2022. Available: https://www25.senado.leg.br/web/atividade/materias/-/materia/154415

[25] J. C. Marcellino Junior, supra [2].

[26] IACtHR, Advisory Opinion OC-11/90, Series A No. 11, p. 28, Aug. 10, 1990. Available: https://www.corteidh.or.cr/docs/opiniones/seriea_11_ing.pdf

[27] IACtHR, OC-11/90, supra [26], p. 30.

[28] IACtHR, OC-11/90, supra [26], p. 31.

[29] American Convention on Human Rights, arts. 8(1), 25, Nov. 22, 1969, O.A.S.T.S. No. 36.

[30] IACtHR, Cantos v. Argentina, Series C No. 97, pp. 50–54, Nov. 28, 2002. Available: https://www.corteidh.or.cr/docs/casos/articulos/seriec_97_ing.pdf

[31] IACtHR, Cantos v. Argentina, supra [30], p. 54.

[32] IACtHR, Cantos v. Argentina, supra [30], pp. 55–59.

[33] IACtHR, Cantos v. Argentina, supra [30], p. 60.

[34] Brazil, CF/88, arts. 5(LXXIV), 4(II).

[35] R. A. Posner, "An Economic Approach to Legal Procedure and Judicial Administration," *Journal of Legal Studies*, vol. 2.

[36] R. A. Posner, *Economic Analysis of Law*, 9th ed., Wolters Kluwer, 2014.

[37] R. H. Coase, "The Problem of Social Cost," *Journal of Law and Economics*, vol. 3, pp. 1–44, 1960.

[38] G. Calabresi, "Some Thoughts on Risk Distribution and the Law of Torts," *Yale Law Journal*, vol. 70, pp. 499–553, 1961.

[39] R. A. Posner, *Economic Analysis of Law*, supra [36], at 14.

[40] Id., at 14–15.

[41] Id., at 15–16.

[42] Id., at 16–17.

[43] Id., at 17.

[44] R. A. Posner, supra [35], at 400–02.

[45] Id., at 401–02.

[46] Id., at 417.

[47] Id., at 418–19.

[48] Id., at 437.

[49] Id., at 438.

[50] R. A. Posner, *Economic Analysis of Law*, supra [36], at 633.

[51] Id., at 633–34.

[52] Id., at 634.

[53] 28 U.S.C. § 1926 (2024).

[54] U.S. Court of Federal Claims, Updated Fee Schedule, July 2025. Available: https://www.uscfc.uscourts.gov

[55] U.S. Chamber of Commerce, *International Liability Costs*, 2013. Available: https://www.instituteforlegalreform.com

[56] D. L. Rhode, "Access to Justice," *Fordham Law Review*, vol. 69, pp. 1785–1819, 2001. Available: https://ir.lawnet.fordham.edu/flr/vol69/iss5/11

[57] Id., at 1787.

[58] D. L. Rhode, *Access to Justice*, Oxford University Press, 2004, at 3.

[59] 28 U.S.C. § 1915 (2024); A. Hammond, "Pleading Poverty in Federal Court," *Yale Law Journal*, vol. 128, pp. 1481–1582, 2019.

[60] A. Hammond, supra [59], at 1483.

[61] *Gideon v. Wainwright*, 372 U.S. 335 (1963).

[62] S. M. Feldman, "Indigents in the Federal Courts," *Fordham Law Review*, vol. 54, pp. 413–445, 1985, at 415.

[63] *Neitzke v. Williams*, 490 U.S. 319, 325 (1989).

[64] U.S. Dep't of Justice, *Access to Justice Spotlight: Fines & Fees*, 2023. Available: https://www.justice.gov/d9/2023-03/dojaccess-to-justice-spotlight-fines-and-fees.pdf

[65] Courts Act 2003, c. 39, § 92 (U.K.).

[66] T. Eisenberg and G. P. Miller, "The English Versus the American Rule on Attorney Fees," *Cornell Law Review*, vol. 98.

[67] A. A. S. Zuckerman, "Justice in Crisis," in *Civil Justice in Crisis*, Oxford University Press, 1999, pp. 3–52, at 25.

[68] Id., at 26.

[69] *R (UNISON) v Lord Chancellor* [2017] UKSC 51, p. 68 (U.K.).

[70] Id., p. 78.

[71] Id., p. 64.

[72] Id., p. 80.

[73] Help with Fees, Statutory Instrument 2023/1024 (U.K.).

[74] SI 2023/1024, supra [73], art. 5.

[75] Gerichtskostengesetz (GKG), § 3 (Germany). Available: https://www.gesetze-im-internet.de/gkg_2004/

[76] Zivilprozessordnung (ZPO), § 91 (Germany). Available: https://www.gesetze-im-internet.de/englisch_zpo/

[77] ZPO §§ 114–127 (Germany).

[78] ZPO § 115 (Germany).

[79] ZPO § 114(1) (Germany).

[80] ZPO § 120a (Germany).

[81] Constituição da República Portuguesa (CRP), art. 20 (Portugal).

[82] P. Miranda, *Comentários ao Código de Processo Civil*, vol. 1, 3d ed., Forense, 1995, at 12.

[83] Decreto-Lei No. 34/2008 (RCP) (Portugal). Available: https://dre.pt

[84] Portaria No. 372-B/2024, de 17 de Dezembro (Portugal). Available: https://dre.pt

[85] RCP, Tabela I-A (Portugal).

[86] RCP, art. 6, No. 7 (Portugal).

[87] RCP, art. 6, Nos. 8–9 (Portugal).

[88] Lei No. 41/2013, de 26 de Junho (CPC Portugal), art. 527. Available: https://dre.pt

[89] CPC Portugal, art. 530.

[90] Lei No. 34/2004, de 29 de Julho (Portugal). Available: https://dre.pt/dre/detalhe/lei/34-2004-480688

[91] Lei No. 34/2004, supra [90], art. 8, No. 1.

[92] Lei No. 34/2004, supra [90], art. 8, No. 2.

[93] Lei No. 34/2004, supra [90], art. 4.

[94] Lei No. 34/2004, supra [90], art. 16, No. 4.

[95] CEPEJ, *Evaluation Report on European Judicial Systems—2022 Data*, Council of Europe, 2023. Available: https://www.coe.int/en/web/cepej

[96] European Convention on Human Rights, art. 6(1), Nov. 4, 1950, E.T.S. No. 5.

[97] *Kreuz v. Poland*, No. 28249/95, p. 54 (Eur. Ct. H.R. June 19, 2001). Available: https://hudoc.echr.coe.int

[98] Id., p. 55.

[99] Id., p. 60.

[100] Id., p. 62.

[101] *Weissman & Others v. Romania*, No. 63945/00, p. 40 (Eur. Ct. H.R. May 24, 2006).

[102] *Airey v. Ireland*, App. No. 6289/73, p. 26 (Eur. Ct. H.R. Oct. 9, 1979).

[103] CNJ, *Justiça em Números 2024: Ano-Base 2023*, Brasília, 2024, at 5. Available: https://www.cnj.jus.br/pesquisasjudiciarias/justica-em-numeros/

[104] CNJ, supra [103], at 5.

[105] F. Tenenblat, "Limitar o Acesso ao Poder Judiciário para Ampliar o Acesso à Justiça," *Revista CEJ*, vol. 15, no. 52, pp. 22–34, 2011.

[106] CNJ, supra [103], at 12.

[107] J. C. Marcellino Junior, supra [2], at 185.

[108] R. A. Posner, supra [35], at 438.

[109] M. Weber, *General Economic History*, F. H. Knight, Trans., Dover Publications, 2003, at 277.

[110] T. S. Ferraz Júnior, "Segurança Jurídica e Normas Gerais Tributárias," *Revista de Direito Tributário*, nos. 17–18, pp. 51–56, 1981, at 53.

[111] Id., at 54.

[112] Brazil, Senate Bill No. 2.339, supra [24].

[113] Brazil, Senate Bill No. 429, 2024. Available: https://www25.senado.leg.br

[114] S.B. No. 429/2024, supra [113], art. 3.

[115] Brazil, Law No. 9.289, de 4 de Julho de 1996, art. 1. Available: http://www.planalto.gov.br/ccivil_03/leis/I9289.htm

[116] Law No. 9.289/1996, supra [115], art. 14.

[117] CNJ, supra [103], at 15.

[118] Id.

[119] R. Dworkin, "Is Wealth a Value?" *Journal of Legal Studies*.

[120] R. Alexy, *A Theory of Constitutional Rights*, J. Rivers, Trans., Oxford University Press, Oxford, 2002.

GLOBAL JOURNAL
OF HUMAN SOCIAL SCIENCES - E: ECONOMICS
Volume 26 | Issue 2 | 2026
Article ID: GJHSS-255282
Language: English
CATALOGING
JEL • I38, O12
LCC • HV431
DDC • 362.582

Effects of Social Cash Transfer on the Livelihoods of the Beneficiaries in Kasisi Area of Chongwe District

Article Record

Moonde Mung'andu

Hanson Chishimba [§] [*]

[*]Corresponding Author

[§] University of Zambia, Zambia

RECEIVED	ACCEPTED	ONLINE PUBLISHED	PUBLISHED	PEER REVIEW
2026-03-27	2026-04-16	2026-07-02	2026-09-17	Double Blind

Abstract

This study investigated the effects of the Social Cash Transfer (SCT) program on the livelihoods of beneficiaries in the Kasisi area of Chongwe District. It focused on livelihood activities, expenditure patterns, and systemic challenges. To operationalize it, a mixed methods approach was employed. The findings reveal that the SCT serves as a multi-functional economic catalyst. It is evident that subsistence maize cultivation remains the primary livelihood, the grant enables a critical transition from recycled seeds to hybrid varieties and fertilizers, effectively acting as an informal agricultural subsidy. Beyond farming, beneficiaries have diversified into asset accumulation through small livestock rearing, year-round vegetable gardening (Dimba), and micro-entrepreneurship such as the reselling system while also utilizing the funds to repair tools or re-engage in technical trades like tailoring and charcoal burning. Regarding expenditure composition, the research established that while staple food (mealie meal) is the immediate priority, significant portions of the grant are strategically allocated toward educational requirements, emergency healthcare, and village banking (Chilimba) to build lump-sum capital. However, the net impact of the grant is frequently undermined by informal debt (Kaloba) and high transaction costs, including transport to distant pay points and milling fees. These challenges are compounded by the unpredictability of disbursement schedules, the erosion of purchasing power due to inflation, and technical barriers such as biometric failures for elderly...

Full abstract continues on the metadata continuation sheet.

Chongwe District | Expenditure Composition | financial inclusion | financial literacy | Kasisi | Rural Poverty | Social Cash Transfer

AI USE STATEMENT
No generative AI was used for analysis or results.

FUNDING
No external funding was declared for this work.

CONFLICT OF INTEREST
The authors declare no conflict of interest.

DATA AVAILABILITY
Not applicable for this article.

ETHICS
No ethics committee approval was required for this article type.

CONSENT
Not applicable for this article.

TRIAL REG.
Not applicable.

Crossref DOI: 10.34257/GJHSSE255282

How to Cite: Mung'andu et al. (2026). Effects of Social Cash Transfer on the Livelihoods of the Beneficiaries in Kasisi Area of Chongwe District. Global Journal of Human-Social Science, 26(2), 37-45. DOI: 10.34257/GJHSSE255282

AR Experience Web Page
DOI
Print ISSN 0975-587X
Online ISSN 2249-460X
Under the strict compliance and defined process of

METADATA CONTINUATION

FULL ABSTRACT

This study investigated the effects of the Social Cash Transfer (SCT) program on the livelihoods of beneficiaries in the Kasisi area of Chongwe District. It focused on livelihood activities, expenditure patterns, and systemic challenges. To operationalize it, a mixed methods approach was employed. The findings reveal that the SCT serves as a multi-functional economic catalyst. It is evident that subsistence maize cultivation remains the primary livelihood, the grant enables a critical transition from recycled seeds to hybrid varieties and fertilizers, effectively acting as an informal agricultural subsidy. Beyond farming, beneficiaries have diversified into asset accumulation through small livestock rearing, year-round vegetable gardening (Dimba), and micro-entrepreneurship such as the reselling system while also utilizing the funds to repair tools or re-engage in technical trades like tailoring and charcoal burning. Regarding expenditure composition, the research established that while staple food (mealie meal) is the immediate priority, significant portions of the grant are strategically allocated toward educational requirements, emergency healthcare, and village banking (Chilimba) to build lump-sum capital. However, the net impact of the grant is frequently undermined by informal debt (Kaloba) and high transaction costs, including transport to distant pay points and milling fees. These challenges are compounded by the unpredictability of disbursement schedules, the erosion of purchasing power due to inflation, and technical barriers such as biometric failures for elderly recipients with worn fingerprints. Additionally, the lack of formal communication channels and the high dependency ratios within households where a single grant often supports multiple orphans. The study concludes that while the SCT provides nutritional foundation for households and enables modest investments in productive assets, its effectiveness is constrained by logistical hurdles and a lack of formal graduation strategies. It is recommended that government should should integrate financial literacy training in the grant model to break the cycle of permanent dependency.

ARCHIVAL RECORD

GJHSS · Vol 26 · Issue 2 · 2026

Article ID GJHSS-255282 · DOI 10.34257/GJHSSE255282

Print ISSN 0975-587X · Online ISSN 2249-460X

Global Journal of Human-Social Science - Section E
GJHSS Volume 26 Issue 2

Effects of Social Cash Transfer on the Livelihoods of the Beneficiaries in Kasisi Area of Chongwe District

Moonde Mung'andu§ and Hanson Chishimba§*

Affiliations
§ University of Zambia, Zambia

Abstract

This study investigated the effects of the Social Cash Transfer (SCT) program on the livelihoods of beneficiaries in the Kasisi area of Chongwe District. It focused on livelihood activities, expenditure patterns, and systemic challenges. To operationalize it, a mixed methods approach was employed. The findings reveal that the SCT serves as a multi-functional economic catalyst. It is evident that subsistence maize cultivation remains the primary livelihood, the grant enables a critical transition from recycled seeds to hybrid varieties and fertilizers, effectively acting as an informal agricultural subsidy. Beyond farming, beneficiaries have diversified into asset accumulation through small livestock rearing, year-round vegetable gardening (Dimba), and micro-entrepreneurship such as the reselling system while also utilizing the funds to repair tools or re-engage in technical trades like tailoring and charcoal burning. Regarding expenditure composition, the research established that while staple food (mealie meal) is the immediate priority, significant portions of the grant are strategically allocated toward educational requirements, emergency healthcare, and village banking (Chilimba) to build lump-sum capital. However, the net impact of the grant is frequently undermined by informal debt (Kaloba) and high transaction costs, including transport to distant pay points and milling fees. These challenges are compounded by the unpredictability of disbursement schedules, the erosion of purchasing power due to inflation, and technical barriers such as biometric failures for elderly recipients with worn fingerprints. Additionally, the lack of formal communication channels and the high dependency ratios within households where a single grant often supports multiple orphans. The study concludes that while the SCT provides nutritional foundation for households and enables modest investments in productive assets, its effectiveness is constrained by logistical hurdles and a lack of formal graduation strategies. It is recommended that government should should integrate financial literacy training in the grant model to break the cycle of permanent dependency.

Keywords: *Chongwe District, Expenditure Composition, financial inclusion, financial literacy, Kasisi, Rural Poverty, Social Cash Transfer*

*** Corresponding Author**
Hanson Chishimba

DOI
10.34257/GJHSSE255282

1. Introduction

Social protection programs have expanded globally, with coverage reaching 4.7 billion people in low- and middle-income countries as of 2022 (Global Alliance against Hunger and Poverty, 2024). The broader framework of social protection programs, designed to cushion individuals and communities during financial strain, formally emerged in the early 20th century, particularly in direct response to the economic devastation of the Great Depression and subsequent global economic crises. More recently, global disruptions, including the 2008 financial crisis, the COVID-19 pandemic, and the global food crisis, have unequivocally underscored the critical necessity of robust social safety net programs (Kumar and Sakthivel, 2020).

It is argued that the historical trajectory of social assistance initiatives consistently reflects an evolving and increasing societal recognition of poverty as a systemic issue requiring direct intervention. This has seen the emergence of Social Cash Transfer (SCT) programs among others. UNECA (2010) asserts that SCT represents a critical component of global social protection strategies, designed to alleviate poverty, build resilience, and foster human development. Originating from historical precedents of direct assistance, modern SCTs gained widespread adoption in the Global South from the late 1990s, significantly influenced by early successes in Latin America and accelerated by recent global crises (Arruda and Dubois, 2018).

Furthermore, the perceived success of cash transfer programs in Latin America served as a significant impetus, prompting African governments and development partners to explore similar models for poverty reduction and inequality in their own contexts (Lisa, 2016). It is also argued that the increased focus on social protection in Africa during the late 1980s and 1990s was partly a direct response to the adverse effects of structural adjustment policies. These policies often led to reduced government expenditure on social welfare, leaving vulnerable populations without adequate coping mechanisms during economic shocks (Kilburn et al, 2017, Mwange 2019). Additionally, International Labour Organization (2015) posits that SCTs were widely adopted within the African continent as a strategic response to pervasive high levels of extreme poverty and vulnerability across the continent, frequently exacerbated by factors such as chronic food insecurity and the devastating impacts of the HIV/AIDS pandemic.

These underlying reasons for the emergence of SCT within Africa have contributed to a rise in the number of countries implementing it from 25 in 2005 to 46 as of 2022 (Haushofer and Shapiro, 2022). It is argued that in many of these countries, the primary objective of the program is to reduce monetary poverty and inequality, increase school attendance and reduce child labour improve outcomes by stimulating health service utilization, enhancing dietary diversity, and contributing to reductions in child mortality and morbidity. As regards to Zambia, the Social Cash Transfer (SCT) Programme stands as Zambia's largest and most significant poverty-targeted social protection intervention. Its inception dates back to 2003, when it was launched as a pilot project in the Kalomo district, with foundational support from the Ministry of Community Development and Social Services (MCDSS) in collaboration with German Aid (MCDSS/GTZ) (MCDSS, 2022). The program targets households with a person aged 60 years or above, households with a person(s) with severe disability, medically certified, households with a chronically ill person(s) on palliative care, with medical certification, female-headed households with three or more children (aged 19-64) and Child-headed households (0-18 years) (MCDSS, 2022).

Since its introduction, the program has undergone significant expansion, growing from implementation in 53 districts in 2014 to covering all 116 districts nationwide by 2021. As of August 2024, it served 1,294,185 cash transfer recipient households. By December 2024, this number further increased to 1,311,101 households. More broadly, over 1 million households are currently beneficiaries effectively reaching more than half of Zambia's population classified as poor and over two-thirds of those considered extremely poor (MCDSS, 2024). The standard transfer value is K400 per month, disbursed bi-monthly as a sum of k 800. It is argued that households with a member with severe disability receive a double amount: K400 per month, paid bi-monthly as K800 (MCDSS, 2024).

The overarching objective of the SCT Programme is to reduce extreme poverty and to break the intergenerational cycle of poverty among the targeted households. The program is aimed at achieving specific intended outcomes such as improved household food security, reduction in child mortality and morbidity, improved enrolment and attendance in primary school education for children and enhanced ownership of assets among vulnerable households as well as overall welfare (Marshall and Rossman, 2016).

National evaluation reports indicate that SCT programs have led to reduced poverty (12%), improved school attendance (10%) and increase in household not food insecure (18%) (Ministry of Community Development and Social Services, 2022). While these national evaluations are key in highlighting how the program is fairing, there is lack of contextualized experiences of how the program has affected beneficiary's welfare at household level within a district set up such as Chongwe given the current prevailing social economic situation in the country. Hence, this study seeks to analyze the effects of SCT on the beneficiary's welfare in Chongwe District.

1.1. Methodology

The research employs a mixed method research design with Concurrent Embedded Design to explore and benefit both quantitative patterns (surveys) while nesting qualitative insights (interviews) to answer the 'what',"how" and "why" of SCT effects.

In this design, a secondary qualitative component is "embedded" within a primary quantitative framework to provide a comprehensive analysis of the research problem (Creswell, 2014). The study will simultaneously collect quantitative data through structured surveys to measure livelihood indicators such as household income, asset ownership, and food security levels while gathering qualitative insights through semi-structured interviews and focus group discussions. The quantitative data served as the dominant strand to establish broad patterns of impact, while the qualitative data offered a nested, in-depth perspective on the lived experiences and "pathways of change" for individual beneficiaries.

The justification for adopting a concurrent embedded design lies in its ability to address complex social protection questions that a single method cannot fully capture. While quantitative data can effectively measure the *extent* of poverty reduction and consumption smoothing in Kasisi, it often fails to explain the *mechanisms* or socio-cultural barriers that influence how beneficiaries utilize the funds. By embedding qualitative narratives, this research can explore the "why" behind statistical trends such as why certain households graduate to sustainable livelihoods while others remain trapped in consumption cycles. This approach is particularly relevant in a rural/peri-urban context like Chongwe, where informal financial behaviors and community support systems (like village banking) often mediate the actual impact of formal cash transfers.

Furthermore, this design provides a pragmatic advantage by allowing for data collection within a single phase, which is efficient for field research in localized areas. The integration of these two data sets during the analysis phase specifically through **data triangulation** enhances the validity and reliability of the findings. By comparing the self-reported economic improvements (quantitative) with the qualitative stories of entrepreneurial ventures or external shocks (like drought or inflation), the researcher can provide a more nuanced and "well-rounded" set of recommendations to the Ministry of Community Development and Social Services. This ensures that the study does not just report numbers, but captures the authentic voice of the Kasisi community.

1.2. Contribution of the study

This study holds significant for both local and global development agendas. By establishing the effects of SCT, determining expenditure composition, and identifying challenges faced by beneficiaries, this research will contribute valuable insights crucial for evidence-based policymaking and program refinement. Globally, this study directly aligns with Sustainable Development Goal 1 (SDG 1), which aims to end poverty in all its forms everywhere, by providing empirical data on a key poverty reduction intervention. It sheds light on the effectiveness of SCTs in alleviating extreme poverty and promoting economic inclusion at the household level, a critical step towards achieving SDG 1 targets.

Furthermore, the findings resonate with Agenda 2063: The Africa We Want, particularly its aspirations for a prosperous Africa based on inclusive growth and sustainable development. Understanding how SCT contribute to improved welfare will help inform strategies for building resilient communities and reducing inequalities across the continent.

At the national level, this research is integral to Zambia's development aspirations, as articulated in Vision 2030, which envisions Zambia as a prosperous middle-income nation. By assessing the welfare effects of SCTs, the study will provide critical information on the progress towards poverty reduction and improved living standards, fundamental to achieving this long-term vision. More specifically, the study directly supports the objectives of Zambia's Eighth National Development Plan (8NDP), which prioritizes human development and poverty reduction. The findings will offer concrete data on how SCT is performing in practice, enabling policymakers to refine existing programs and design more effective interventions. Additionally, the study will inform other relevant Zambian policies related to social protection, such as the National Social Protection Policy, by providing a nuanced understanding of the challenges and successes of SCT implementation.

Beyond policy implications, this study will enrich the existing body of knowledge and literature on social protection in developing contexts. By offering empirical evidence from Chongwe District, it will contribute to a more comprehensive understanding of the mechanisms through which cash transfers affect welfare, consumption patterns, and household resilience. This will be invaluable for future research and theoretical advancements in the field.

Finally, the study is crucial for different stakeholders and donors involved in social protection initiatives in Zambia. For the Zambian government and relevant ministries (e.g., Ministry of Community Development and Social Services), the findings will inform program design, resource allocation, and monitoring frameworks. For donors and international organizations funding SCT programs, the research will provide an independent assessment of program effectiveness, ensuring accountability and optimizing investment in poverty reduction efforts. This will enable them to make informed decisions regarding continued support and strategic partnerships, ultimately maximizing the impact of social cash transfers on the lives of vulnerable populations.

2. Methods

2.1. Ethics statement

To uphold research ethics, informed consent procedures were followed. The participants were be encouraged to ask questions throughout the consent process and also throughout their entire participation in the study. Further, the researcher ensured participant confidentiality throughout the study. The researcher maintained strict participant confidentiality by collecting data using an ID number that will only be linkable to the participant's information files and the information that was obtained was kept with utmost confidentiality. Only the researcher, supervisor and other relevant university authorities will have access to participant records.

Furthermore, during recruitment and implementation of interviews, the researcher counselled participants that their participation in the study is voluntary and regardless of the data they provide, their stay and position with reference to the cash transfer interventions will not be impacted in any way. The researcher applied for ethical approval from the University of Zambia humanities and social sciences ethics committee before undertaking the study

2.2. Study design

This research employed a Concurrent embedded design to investigate the effects of Social Cash Transfers (SCT) on the livelihoods of beneficiaries in the Kasisi area of Chongwe District. In this design, a secondary qualitative component is "embedded" within a primary quantitative framework to provide a comprehensive analysis of the research problem (Creswell, 2014). The study will simultaneously collect quantitative data through structured surveys to measure livelihood indicators such as household income, asset ownership, and food security levels while gathering qualitative insights through semi-structured interviews and focus group discussions. The quantitative data served as the dominant strand to establish broad patterns of impact, while the qualitative data offered a nested, in-depth perspective on the lived experiences and "pathways of change" for individual beneficiaries.

The justification for adopting a concurrent embedded design lies in its ability to address complex social protection questions that a single method cannot fully capture. While quantitative data can effectively measure the *extent* of poverty reduction and consumption smoothing in Kasisi, it often fails to explain the *mechanisms* or socio-cultural barriers that influence how beneficiaries utilize the funds. By embedding qualitative narratives, this research can explore the "why" behind statistical trends such as why certain households graduate to sustainable livelihoods while others remain trapped in consumption cycles. This approach is particularly relevant in a rural/peri-urban context like Chongwe, where informal financial behaviours and community support systems (like village banking) often mediate the actual impact of formal cash transfers.

Furthermore, this design provides a pragmatic advantage by allowing for data collection within a single phase, which is efficient for field research in localized areas. The integration of these two data sets during the analysis phase specifically through data triangulation enhances the validity and reliability of the findings. By comparing the self-reported economic improvements (quantitative) with the qualitative stories of entrepreneurial ventures or external shocks (like drought or inflation), the researcher can provide a more nuanced and "well-rounded" set of recommendations to the Ministry of Community Development and Social Services. This ensures that the study does not just report numbers but captures the authentic voice of the Kasisi community.

2.3. Study population

The target population for this study was SCT beneficiaries in Chongwe District. This target group was selected in this study given that their experience of being beneficiaries on the program gives them the much-needed experience and such, can provide information that will help answer the research questions. Currently, there are 12,963 beneficiaries of SCT in the District. Furthermore, the study targeted officials from Ministry of Community Development and Social Services, particularly, Department of Social Welfare at provincial and district level. These will be selected given their day-to-day mandate of superintending over the program and they will be key in providing information on policy direction regarding the program.

2.4. Sampling technique

This study used systematic sampling and purposive sampling techniques. Systematic sampling technique was used to recruit beneficiaries of Social Cash Transfer in Chongwe District. The researcher will obtain a sampling frame from the District Social Welfare Office in Chongwe. From this sampling frame, the respondents were selected systematically using a sampling interval. The sampling interval such as the Kth is some number which tells the researcher how to select elements from a sampling frame by skipping elements in the frame before selecting one for the sample (Ghauri and Gronhaug, 2005). To determine the sampling interval for this study, the formula: $k = N \div n$ was used. Where k is systematic sampling interval, N is the population size and n is the sample size. Upon determining the sampling interval, the researcher will randomly select the first person using simple random technique and subsequent people will be selected at the rate of the interval until the sample size is reached. The reason for using systematic sampling is to give each beneficiary of SCT in Chongwe an equal opportunity to participate in the study.

On the other hand, purposive sampling was used to select 8 key informants from the Ministry of Community Development and Social Services in the Department of Social Welfare. One will be an official at National level, one official from the Provincial social welfare office, one District Social Welfare Officer, and 5 officials operating in different section at the local level in Chongwe District. Purposive sampling was used to select these key informants because it is a technique that allows the researcher to target a particular group or subset of the population that is most likely to provide valuable insights or relevant data that will help answer the research questions. As argued by Patton (2002), purposive sampling is a technique where the researcher deliberately selects specific individuals or units that possess certain characteristics or meet specific criteria relevant to the research question.

2.5. Sample Size

The study will have a total sample size of 107 (99 Beneficiaries of SCT and 8 Key informants). In order to arrive at this sample size, the study used the Slovin's formula. The formula is used to determine the appropriate number of participants in a survey depending on the error tolerance level of the researcher. In this study, the formula was used as it helps in ensuring representativeness of the sample. The formula (sometimes written as Slovin's formula) was formulated by Slovin in 1960.

$$n = \frac{N}{1 + Ne^2} \tag{1}$$

where n is the sample size, N is the population size, and e is the precision level.

The study used a confidence level of 90%. Therefore, in order to calculate the margin of error:

$$100\% - 90\% = 10\%$$
$$\frac{10}{100} = 0.1 \quad \text{(Margin of error)}$$

Substituting into the formula:

$$\begin{aligned} n &= \frac{12{,}963}{1 + 12{,}963 \times 0.01} \\ &= \frac{12{,}963}{1 + 129.63} \\ &= \frac{12{,}963}{130.63} \\ &= 99 \end{aligned}$$

Therefore, the sample size for SCT beneficiaries will be 99.

Altogether, the sample size for the study will be 99 + 8 = 107 (99 SCT beneficiaries and 8 Key informants).

2.6. Data collection tools and methods

In this study, primary data will be obtained from beneficiaries of the SCT program in Chongwe District and key informants from the Ministry of Community Development and Social Services. Primary data was used in this study because it is up to date, accurate and not doctored

The secondary data for this study will be obtained from already existing literature such as books, articles, research papers and policy documents on SCT and beneficiary's welfare from a global, continental, regional and local level. In as far as this study is concerned, secondary data was used as it will help in avoiding duplicating the work of other researchers as well as help in placing the study within the context of existing literature and in providing a background to the study

2.7. Data analysis

Data in this study was analyzed using thematic analysis. The researcher first transcribed the interviews that were conducted with the participants on Microsoft Word software to ease the work of categorizing the data. According to Baard (2015), a qualitative research report will consist primarily of description and accordingly the basis of the analysis is a transcription of conversations reports. The researcher then used thematic analysis to organize the interview data into categories and themes as they emanate from the data that was transcribed (Saunders et al, 2007). The researcher then organized findings as applicable, with attention to how the findings will inform program development across key actors and institutions.

On the other hand, quantitative data was analyzed descriptively. Preliminary analysis of quantitative data will begin with a creation of a database for capturing data in IBM Statistical Package for Social Sciences (IBMSPSS) (Henderson, 2017). Thereafter, post-coding of open-ended questions on the questionnaire and cleaning entries were done. Basic computations will also be done to show regularities and patterns emerging on various aspects in line with research questions. Frequency distribution tables and cross-tabulations will be done and results will be presented in form of tables, graphs and pie charts

2.8. Limitations

The research was done in Kasisi area of Chongwe district and therefore the results may not be generalized to other Districts in Zambia other than Kasisi. Additionally, the lack of available literature contextualized locally on the subject matter.

3. Results

3.1. Demographics of participants

The demographic of the participants includes gender and level of education. The data reveals a significant majority of female participants, who account for 64% of the total group. In contrast, male respondents make up the remaining 36%. This distribution suggests that the study captured a perspectives heavy insight from female beneficiaries, who often play a primary role in managing household livelihoods through such transfer programs. Most respondents, 55%, have attained a Primary level of education, followed by 35% who have reached a Secondary level. A small and equal minority of the group, 5% each, reported having either a Tertiary education or no formal education at all. This data indicates that while most beneficiaries have some level of formal schooling, the demographic is primarily characterized by basic to intermediate education levels.

3.2. Livelihood activities of sct beneficiaries

To determine the livelihood activities of SCT beneficiaries, many beneficiaries revealed that they rely on subsistence farming as their primary livelihood. "I invest part of the money I receive into small gardens, growing maize, vegetables, and groundnuts." These activities not only provide food security but also allow families to sell surplus produce in local markets, thereby generating modest income.

3.3. Expenditure composition of the SCT money by the beneficiaries

To establish the expenditure composition of SCT, the study found that most of the grant is consumed by immediate nutritional needs, where food security specifically Mealie Meal serves as the primary measure of household stability. *"The moment I get the money, the first thing is a 25kg bag of mealie meal; if there is no Nshima in the house, my family cannot survive the month."*

3.4. Challenges faced by beneficiaries of sct

The study revealed that the fixed grant amount is increasingly insufficient as national inflation causes the "real value" of the money to shrink against the rising cost of basic commodities. *"The K400 used to buy many things, but now... the money is finished; it is like the money is shrinking while the prices in the shops are growing every single day."*

4. Discussion

4.1. Livelihood activities of sct beneficiaries

The research findings confirm that the SCT serves as a fundamental "liquidity floor" that transforms beneficiaries from passive aid recipients into active economic agents. This aligns with Chambers & Conway's (1991) framework, which defines livelihoods as the capabilities and assets required for a means of living. In Kasisi, the grant does not merely fund consumption but acts as a catalytic investment tool, allowing the ultra-poor to leverage their minimal assets into more productive ventures.

A primary theme emerging from the study is the role of the SCT as an informal agricultural subsidy. While literature (World Bank, 2024) suggests a 34% increase in input use nationally, the findings in Kasisi provide a granular view of this shift. Beneficiaries are moving away from the "poverty trap" of using recycled, low-yield seeds toward hybrid varieties and fertilizers. This transition is critical because it directly addresses seasonal food insecurity, ensuring that the household's primary productive activity subsistence farming is more resilient.

The conversion of cash into "living savings accounts" through livestock rearing represents a sophisticated risk-management strategy. Both the literature (UNICEF, 2025) and the study findings highlight that poultry and goats serve as liquid assets. In Kasisi, this "biological banking" allows beneficiaries to accumulate wealth that can be liquidated during shocks, such as medical emergencies. This indicates that beneficiaries are not just thinking about current consumption but are actively engaged in long-term asset accumulation and risk buffering.

The study further reveals that the SCT facilitates income diversification through vegetable gardening (Dimba cultivation). While maize is seasonal and prone to climate shocks, the findings show that gardening provides a "petty cash" flow that bridges the two-month gap between SCT payments. This aligns with the literature's emphasis on climate-resilient strategies, as beneficiaries with access to water points utilize the grant as "risk capital" to sustain year-round production, thereby reducing their vulnerability to the traditional rain-fed agricultural cycle.

Interestingly, the findings validate the "time sovereignty" theory proposed by the Transfer Project (2023). Before the SCT, many beneficiaries in Kasisi were trapped in exploitative casual labor (Ganyu), often working while starved. The study finds that the grant provides a nutritional foundation that allows individuals to either opt out of distress labor or negotiate better terms. By securing food first, beneficiaries reclaim the time and physical strength necessary to cultivate their own fields, which is a significant shift from survivalist labor to productive self-employment.

The rise of micro-entrepreneurship in the form of petty trading and "Pamela" (repackaging) retail demonstrates a high level of market literacy. The findings show that beneficiaries strategically use the SCT as start-up capital to provide goods like sugar and soap to the village. This corroborates the MCDSS (2022) assertion that small, regular cash injections provide the requisite working capital for women to initiate trading ventures. These micro-enterprises are vital because they convert a lump-sum government grant into a daily, sustainable income stream. The study highlights a significant integration of social and financial capital through "Chilimbas" or VSLAs. Both the literature and findings suggest that the SCT acts as a "seed" for community-led microfinance. By pooling their transfers, beneficiaries in Kasisi bypass the barriers to formal banking identified in the financial literacy findings. This creates a local multiplier effect where the grant is "grown" within the community, allowing members to access larger loans for business expansion that the ZMW 400 grant could not support individually.

However, a recurring challenge identified in both the literature and the findings is the "adequacy gap." While the grant stimulates various activities, the current amount remains largely at the "survivalist" level. The findings on charcoal production and grass cutting suggest that when payments are delayed or inflation rises (as noted by ZamStats, 2023), beneficiaries revert to environmentally taxing or labor-intensive "distress activities." This suggests that while the SCT stimulates economic activity, its transformative power is limited by the fluctuating purchasing power of the Kwacha. Gender dynamics significantly influence the "menu" of livelihood activities. The findings in Kasisi mirror the literature (MCDSS, 2022) by showing that women prioritize "backyard" livelihoods like frying fritters (vitumbua) or poultry, which allow them to balance economic work with domestic care. Men, conversely, appear more likely to engage in capital-intensive or mobile activities like ox-plowing or fishing. This suggests that for the SCT to be truly transformative, livelihood support must be tailored to the specific time-poverty constraints faced by female-headed households.

Finally, the sustainability of these livelihoods is deeply tied to social reciprocity. The findings on "social safety nets" show that beneficiaries view contributions to community events as a form of informal insurance. By investing SCT funds into the village's social fabric, they ensure a reciprocal support system that protects them when the grant or their small businesses fail. This confirms that for the ultra-poor in Kasisi, financial sustainability is inseparable from social belonging, making the SCT a tool for both economic and social cohesion.

4.2. Expenditure composition of the SCT money by the beneficiaries

The expenditure patterns in Kasisi reveal that the primary "functioning" achieved by the SCT is the stabilization of household food security. This aligns closely with the UNICEF (2025) study in urban Zambia and the Malawi study by Devereux et al. (2006), both of which identify food as the non-negotiable priority. Through the lens of Sen's theory, mealie meal is the "commodity" that beneficiaries convert into the "capability" of being well-nourished. The finding that mealie meal is the standard unit of stability in Kasisi mirrors the literature's assertion that SCTs are first and foremost a tool for "consumption smoothing," ensuring that "the bellies are full" before any other strategic planning can occur.

A significant similarity between the literature and the study findings is the strategic allocation of funds toward human capital, specifically education and health. The UNDP (2025) and Kilburn et al. (2017) highlight how SCTs are used for non-tuition costs to break intergenerational poverty. In Kasisi, beneficiaries echoed this by prioritizing school requirements for dependents over their own personal comfort. According to Sen, this represents an investment in "basic capabilities"—the health and education required for a person to have the freedom to lead a life they value in the future. The grant thus acts as informal health insurance and an educational bridge, transforming a small cash amount into long-term human potential.

Regarding productive investment, the Kasisi findings show a strong correlation with the PSPR (2025) and CALP Network (2018) literature, which notes that beneficiaries use SCT money to strengthen livelihoods. In Kasisi, the purchase of seeds, fertilizer, and small livestock like ducks and chickens serves as a "living savings account." This reflects a high degree of "agency," a core tenet of Sen's theory. Rather than being passive recipients, beneficiaries are active agents who "convert" the cash commodity into productive assets to hedge against future hunger, thereby expanding their future "capability set" beyond the limits of the bi-monthly grant.

However, a notable difference between the general literature and the Kasisi findings is the significant impact of "transaction costs." While global literature often focuses on the net value of the grant, beneficiaries in Kasisi reported a "hidden tax" through transport costs to pay points and the necessity of mobile airtime to coordinate collection. In Sen's framework, these are "environmental conversion factors." A beneficiary living far from a boma has a smaller "capability set" than one living near a pay point, as a portion of their commodity is lost to the physical environment before it can be converted into household utility.

The use of SCT funds to repay informal debts, specifically "Kaloba," highlights a "revolving door" of debt that is less emphasized in the success-oriented literature of Handa et al. (2018). While James (2018) mentions that SCTs can reduce negative coping strategies, the Kasisi findings suggest that debt repayment remains a primary survival mechanism. From a Capability perspective, this debt represents a "limitation on freedom." While the SCT provides the liquidity to clear one's name with shopkeepers, the persistent need for credit suggests that the "financial depth" of the beneficiaries remains shallow, as described by Saeed & Haya (2020).

The findings on "Chilimba" contributions and social obligations, such as funeral tithes, align with the CALP Network (2017) and Hanlon et al. (2010). Both the literature and the study findings validate that spending on social standing is a rational investment. In Sen's view, "social inclusion" is a vital human functioning. By contributing to community ceremonies and savings groups, beneficiaries are investing in "social capital," which serves as their ultimate safety net. This demonstrates that expenditure composition is not just about material goods, but about maintaining the social ties that allow a person to function as a respected member of society.

A similarity in household management is found in the purchase of hygiene products and small assets like buckets. This is supported by the Ministry of Community Development (2025) study, which links SCTs to improved hygiene and dignity. In Kasisi, these "sundry items" are essential for maintaining the capability of "self-respect." Sen argues that being able to appear in public (or at church) without shame is a fundamental capability. Thus, spending on soap and clean clothes is a direct conversion of cash into the functioning of "living with dignity." The focus on energy, lighting, and shelter maintenance in Kasisi mirrors the Case et al. (2005) findings in South Africa regarding housing improvements. In Kasisi, the purchase of charcoal, candles, and plastic roof covers is a preventative "conversion factor." By keeping the house dry and lit, beneficiaries prevent illness and ensure security. This proactive expenditure aligns with the literature's view that predictable transfers allow for "foresight," enabling households to move from absolute deprivation toward a more managed and secure domestic environment.

The findings on water access and milling costs provide a localized nuance that is often missing from broader regional studies like Duflo (2012). In Kasisi, the SCT is the only source of cash to pay for communal borehole maintenance and grinding mill fees. This is a critical "social conversion factor." Even if a household has produced its own maize, they lack the "capability" to eat Nshima unless they have the cash to process the grain. This highlights how the SCT is essential for completing the process of "commodity-to-functioning," turning raw harvest into edible food.

The study confirms the UNICEF (2025) literature regarding "shock-responsive" consumption. While the literature suggests that SCTs help diversify diets, the Kasisi findings show that external shocks like inflation and drought make this difficult. Sen's theory posits that when "conversion factors" (like market prices) change, the same amount of commodity yields fewer functionings. The beneficiaries' struggle to maintain their standard of living amidst rising costs indicates that while the SCT expands their capabilities, these gains are fragile and easily eroded by economic factors beyond their control.

4.3. Challenges faced by beneficiaries of SCT in Kasisi area of Chongwe District

The physical distance to payment points and the subsequent "bicycle tax" in Kasisi represent a significant environmental conversion factor that mirrors the global logistical hurdles cited by Asante et al. (2020). Sen's theory suggests that a person's capability is determined not just by the commodity they possess (the SCT cash), but by the environment in which they must use it. The finding that elderly beneficiaries arrive with "swollen legs" and must spend a portion of their grant on transport highlights an "access un-freedom." This confirms the IMANI (2025) report which notes that for rural households, the geographical distance to agents acts as an automatic reduction of the grant's intended value. A profound similarity between the literature and the study findings is the corrosive effect of unpredictable disbursements. IDinsight (2025) and Namibia (2025) emphasize that irregular payments create financial uncertainty, a reality echoed by Kasisi beneficiaries who describe "waiting by the road" and "losing hope." In the Capability Approach, "protective security" is an instrumental freedom. When the government fails to provide a predictable schedule, it deprives the beneficiaries of the capability to plan, forcing them into a state of "extreme vulnerability" that undermines the program's role as a reliable safety net.

The "shrinking" real value of the grant due to inflation in Kasisi directly aligns with the JCTR (2025) and UNU-WIDER (2018) literature, which argues that fixed transfers are often insufficient to offset rising food prices. From a capability perspective, this represents a "macroeconomic deprivation." While the beneficiary has the same nominal amount of cash, their "entitlement" to basic caloric requirements is diminished as market prices rise. This confirms that without indexing transfers to inflation, the program provides only a ”meager” relief that fails to lift households out of absolute poverty.

The technical challenges with biometric systems in Kasisi provide a unique localized insight into personal conversion factors. While Denis (2023) and IDinsight (2021) focus on digital literacy and forgotten PINs, the finding that ”labor-worn skin” prevents fingerprint recognition reveals a physical barrier to inclusion. Sen argues that the body itself can be a conversion factor; in this case, the history of the beneficiary's manual labor becomes a technical ”un-freedom” that leads to wasted trips and financial loss, effectively marginalizing those who have worked the hardest. The ”debt trap” created by predatory local traders in Kasisi is a direct consequence of the ”Literature Gap” regarding how implementation failures undo positive outcomes. While literature like Baird et al. (2014) highlights asset growth, the Kasisi findings show that delayed payments force recipients to take high-interest credit from shopkeepers. This creates a ”revolving door” of debt where the SCT is ”immediately swallowed” upon arrival. This cycle represents a lack of ”economic entitlement,” where the beneficiary is constantly paying for ”old food” rather than investing in the future.

The absence of a complaint mechanism and the ”fear of retaliation” in Kasisi mirror the findings of IDinsight (2025) in Malawi. This indicates a lack of ”political freedom” and ”transparency guarantees,” two of Sen's core instrumental freedoms. When beneficiaries believe that complaining about a rude officer or missing funds will lead to being ”deleted” from the program, they are deprived of their agency. This power imbalance ensures that recipients remain passive and fearful rather than empowered citizens with a right to social protection.

A significant similarity in social barriers is the ”stigma” and ”social tax” identified both in the Case et al. (2005) literature and the Kasisi findings. Sen emphasizes that ”appearing in public without shame” is a fundamental human functioning. However, being labeled ”Government's Children” and facing pressure from relatives for ”beer money” or loans creates a social conversion factor that drains the grant. This ”social tax” prevents the cash from being converted into the beneficiary's own nutrition or health, prioritizing communal harmony over individual well-being. The perception of ”favoritism” and ”exclusion errors” in Kasisi reinforces the ILO (2023) concerns regarding opaque targeting. When beneficiaries observe neighbors with cattle receiving aid while the blind are excluded, it creates social friction and a sense of ”un-fairness.” In Sen's framework, this is a failure of ”social justice.” The lack of objective merit in the selection process undermines the ”transparency guarantee,” making the grant feel like a ”political gift” rather than a universal social right, as noted in the findings regarding election-season anxiety.

The high dependency ratios found in Kasisi households provide a stark difference from the idealized ”individual” beneficiary often presented in policy literature. The finding that one grant is ”stretched to the breaking point” to support seven people (including orphans) highlights a ”capability gap.” Sen's theory posits that requirements vary; a grandmother caring for six grandchildren has a much higher ”functioning requirement” than a single person. The grant's failure to scale with household size means that ”basic capabilities” like nutrition are never fully realized for the children involved.

Finally, the lack of ”exit” or ”graduation” strategies in the SCT design, as identified in both the literature and the Kasisi findings, suggests a state of ”permanent dependency.” Beneficiaries expressed a desire for tools and training to ”stand on their own feet,” yet the current implementation focuses solely on consumption. Under the Capability Approach, true development is the ”expansion of freedom.” Without links to skills or micro-entrepreneurship, the SCT remains a palliative measure that sustains life but does not expand the substantive freedom of the beneficiaries to escape poverty.

5. Conclusion

The study concludes that the Social Cash Transfer (SCT) serves as more than a mere safety net for beneficiaries in Kasisi; it functions as vital foundational capital that facilitates a strategic shift from passive survival to active economic participation. By providing a predictable ”liquidity floor,” the grant enables households to invest in agricultural productivity, accumulate ”liquid” livestock assets, and initiate micro-enterprises that generate essential daily cash flow. While the ”adequacy gap” and macroeconomic pressures like inflation remain significant hurdles that often confine these activities to the ”survivalist” level, the integration of the grant into informal savings groups and social safety nets underscores a sophisticated level of grassroots resilience. Ultimately, the SCT empowers the ultra-poor to reclaim ”time sovereignty” and leverage their local environment, effectively transforming a social protection measure into a catalyst for diverse and community-embedded livelihood strategies.

On the expenditure composition of the SCT, the grant is dominated by ”consumption smoothing” and the maintenance of basic human dignity. Most of the funds are consumed by immediate nutritional requirements, with mealie meal serving as the primary measure of household stability, alongside essential spending on health, education, and communal water access. However, the study also reveals that beneficiaries are not merely passive consumers; they demonstrate significant ”agency” by strategically allocating a portion of their ”meager” grants toward productive assets, such as agricultural inputs and small livestock, which serve as ”living savings accounts.” Despite this foresight, the net value of the grant is consistently eroded by high ”transactional costs including transport to pay points and grinding mill fees which act as a regressive tax on the poorest households, limiting the grant's ability to move families beyond subsistence living.

Further, the potential impact of the SCT program is severely undermined by a complex web of structural, technical, and social ”un-freedoms.” The most debilitating challenges include the unpredictability of disbursement schedules and the rapid erosion of the grant's purchasing power due to national inflation, both of which push beneficiaries into predatory debt traps with local traders. Furthermore, the physical distance to pay points and the failure of biometric systems to recognize ”labor-worn” fingerprints represent environmental and personal conversion barriers that disproportionately marginalize the elderly and the disabled. These operational hurdles are compounded by a lack of transparent communication and grievance mechanisms, leaving beneficiaries in a state of ”forced gratitude” where they fear that complaining may lead to exclusion. Ultimately, without a deliberate ”graduation strategy” that links cash to skills training, the program remains a palliative measure that sustains life but fails to expand the substantive freedom required for beneficiaries to exit permanent dependency.

REFERENCES

[1] Arnold, C., Conway, T. and Greenslade, M. (2011) *Cash transfers: literature review*. London: Overseas Development Institute.

[2] Arruda, P. and Dubois, L. (2018). A brief history of Zambia's Social Cash Transfer Programme. Brasília: *International Policy Centre for Inclusive Growth*

[3] Barrientos, A. (2010) *Social cash transfers and poverty reduction in Africa.* Working Paper 2010/06. Helsinki: World Institute for Development Economics Research.

[4] CALP Network (2017) *Cash transfers and social networks: A synthesis of evidence*. London: CALP Network.

[5] CALP Network (2018) *The impact of cash transfer programmes on community dynamics in Sub-Saharan Africa*. London: CALP Network.

[6] CALP Network (2021) *The Harmonized Social Cash Transfer Programme in Zimbabwe: Local economy-wide impact evaluation*. London: CALP Network.

[7] Creswell, J. W. (2013). *Qualitative Inquiry and Research Design: Choosing Among Five Approaches* (3rd ed.). Sage Publications.

[8] Davies, L. and Handa, S. (2015) 'Predictable cash transfers and household welfare: Evidence from Zambia', *Journal of Development Effectiveness*, 7(4), pp. 433-448.

[9] Denis, M. (2023) *E-payments in social protection: Lessons from Zambia*. Lusaka: Centre for Social Research.

[10] Devereux, S., Mutevedzi, T., Mazalale, J. and Tchuwa, M. (2006) *The Malawi Social Cash Transfer Pilot Scheme: Quantitative Impact Evaluation Report*. Lilongwe: Ministry of Gender, Child Welfare and Community Services.

[11] FAO (Food and Agriculture Organization of the United Nations) (2014) *The State of Food Insecurity in the World 2014: Strengthening the enabling environment for food security and nutrition*. Rome: FAO.

[12] FAO (Food and Agriculture Organization of the United Nations) (2019) *The State of Food and Agriculture 2019*. Moving forward on food loss and waste reduction. Rome: FAO.

[13] FODEP (Foundation for Democratic Process) (2021) *Annual Report 2021.* Lusaka: FODEP.

[14] Global Alliance against Hunger and Poverty (2024). Governments, development banks and international organizations announce new concerted push to expand cash transfer programmes

[15] GRZ (Government of the Republic of Zambia) (2014) *The Social Cash Transfer Programme: Operational Manual*. Lusaka: Ministry of Community Development, Mother and Child Health.

[16] Haushofer, J. and Shapiro, J. (2022). *The long-term impact of unconditional cash transfers: experimental evidence from Kenya*. Busara Center for Behavioral Economics, Nairobi, Kenya.

[17] IDinsight (2021) *Beneficiary experiences with electronic payments in Malawi's Social Cash Transfer Programme*. Lilongwe: IDinsight.

[18] IDinsight (2025) *Beneficiary perspectives on challenges in Malawi's Social Cash Transfer Programme*. Lilongwe: IDinsight.

[19] IESE (Instituto de Estudos Sociais e Económicos) (2016) *Social Cash Transfers in Mozambique: A review of evidence*. Maputo: IESE.

[20] IJRPR (International Journal of Research Publication and Reviews) (2021) *Impact of social cash transfers on household welfare: A review of evidence*

[21] ILO (International Labour Organization) (2023) *Research design for a qualitative study on barriers to accessing Zambia's Social Cash Transfer for persons with disabilities*. Geneva: ILO.

[22] International Labour Organization (ILO) (2015). *SDG 1.3. Social Protection Systems for all, including and Floors, Key to Eradicating Poverty and Promoting Prosperity*. Geneva, Switzerland.

[23] James, K. (2018) *The role of social cash transfers in reducing negative coping strategies in Southern Africa*.

[24] JCTR (Jesuit Centre for Theological Reflection) (2025) *Basic Needs and Nutrition Basket: January 2025 Report*. Lusaka: JCTR.

[25] Kilburn, K., Handa, S., Angeles, G., Mvula, P. and Tsoka, M. (2017). Short-term impacts of an unconditional cash transfer program on child schooling: *Experimental evidence from Malawi. Economics of education review*, 59,

[26] Kilburn, K., Handa, S., Angeles, G., Mvula, P., Maleke, C., Tsoka, M., Natali, L., Hypher, N. and Tembo, G. (2017) 'The impact of social cash transfers on school enrollment and dropout: Evidence from Zambia and Malawi', *Journal of Development Economics*, 129, pp. 1-13.

[27] Kumar, A. and Sakthivel, R. (2020). The Impact of Social Cash Transfer on Rural Livelihood in Zambia. *Shanlax International Journal of Management*, 8(1),pp.1-7

[28] Lisa, H. (2016) 'The Impact of Cash Transfers on Food Security'. UNICEF Office of Research–Innocenti Florence, Italy. *Economic Development and Cultural Change* 55(1), 3–42

[29] Malawi (2020) *National Social Protection Policy 2020*. Lilongwe: Government of Malawi.

[30] Marshall, C., & Rossman, G.B. (2016). *Designing Qualitative Research* (6th ed.). Sage Publications.

[31] MCDSS (Ministry of Community Development and Social Services) (2017) *National Social Protection Policy.* Lusaka: MCDSS.

[32] Ministry of Community Development (2019) *Social Cash Transfer Programme Report 2019*. Lusaka: Ministry of Community Development.

[33] Ministry of Community Development (2025) *The impact of social cash transfers on household expenditures in Zambia*. Lusaka: Ministry of Community Development.

[34] Ministry of Community Development and Social Services (2022). *Social cash transfer factsheet*

[35] Ministry of Community Development and Social Services, Government of Zambia (MCDSS). (2022) '*Manual of Operations for Social Cash Transfer Schemes, Department of Social Welfare Headquarters'*, Lusaka

[36] Mwange, M. (2019). Assessment Of Effectiveness Of Social Cash Transfer For The People With Disabilities In Nakonde District. *The International Journal of Multi-Disciplinary Research*

[37] Owusu-Addo, N. (2018) *The impact of social cash transfer programmes on health outcomes in Sub-Saharan Africa: A systematic review*. [Publisher/Organisation, if known].

[38] Pozarny, P. and O'Brien, C. (2015) *The impact of Malawi's Social Cash Transfer Programme: Evidence from a qualitative study*. Lilongwe: Oxford Policy Management.

[39] PSPR (Poverty and Social Protection Research) (2025) *Social Cash Transfers and productive investments in Zambia*. Lusaka: PSPR.

[40] Transfer Project (2021) *Evidence on the impact of social cash transfer programmes in Sub- Saharan Africa: A synthesis of eight impact evaluations*. Chapel Hill, NC: The Transfer Project.

[41] UNDP (United Nations Development Programme) (2019) *Human Development Report 2019: Beyond income, beyond averages, beyond today: Inequalities in human development in the 21st century*. New York: UNDP.

[42] UNDP (United Nations Development Programme) (2025) *Social protection and human capital development in Zambia*. Lusaka: UNDP.

[43] UNECA (2010). *The Impact of Social Cash Transfers on Household Economic Decision Making and Development in Eastern and Southern Africa*

[44] UNICEF (2025). *Qualitative Study of the Social Cash Transfer Programme in Urban Zambia*.

[45] UNICEF (United Nations Children's Fund) (2014) *The impact of social cash transfers on child well-being: A review of the evidence.* New York: UNICEF.

[46] UNICEF (United Nations Children's Fund) (2015) *Botswana's Social Cash Transfer Programme: Impact evaluation report*. [Cited in IJRPR, 2021]. New York: UNICEF.

[47] UNICEF (United Nations Children's Fund) (2020) UNICEF *Social Protection Programme Guidance.* New York: UNICEF.

[48] UNICEF (United Nations Children's Fund) (2025) *The effects of urban social cash transfers on food security and consumption in Zambia: A qualitative study*. Lusaka: UNICEF.

[49] United Nations University World Institute for Development Economics Research (2019) *Financing the Zambia social cash transfer scale-up*. WIDER Working Paper

[50] UNU-WIDER (United Nations University World Institute for Development Economics Research) (2024) *Social protection and poverty reduction in Zambia*. Helsinki: UNU- WIDER.

[51] UNZA Repository (2019) *Challenges in the implementation of the Social Cash Transfer programme in rural Zambia*. Lusaka: University of Zambia Repository.

[52] UNZA Repository (2022) *The role of social cash transfers in women's economic empowerment in Zambia*. Lusaka: University of Zambia Repository.

[53] UNZA Repository (n.d.) *The impact of the Social Cash Transfer programme on household well-being in Mwanachingwala, Mazabuka District, Zambia*. Lusaka: University of Zambia Repository.

[54] World Bank (2021) *The Zambia Social Cash Transfer Programme: Impact evaluation report*. Washington, D.C.: The World Bank.Lusaka: World Food Programme.

[55] World Bank (2022). *Social Protection in Zambia:* A Hand up Not a Handout

[56] Yemen (2025) *The impact of social cash*

GLOBAL JOURNAL
OF HUMAN SOCIAL SCIENCES - E: ECONOMICS
Volume 26 | Issue 2 | 2026 Article ID: GJHSS-179291 Language: Portuguese

Argentina: Antecedentes do Mileísmo

Argentina: Background of Mileísmo

Article Record

Professora Associada (Livre Docente) Angelita Matos Souza [§] [*]

ORCID 0000-0001-7199-9999

[*]Corresponding Author

[§] Departamento de Geociências e Ciências Exatas, Instituto de Geociências e Ciências Exatas, Universidade Estadual Paulista, Rio Claro, Brazil [(OA)]

RECEIVED	ACCEPTED	ONLINE PUBLISHED	PUBLISHED	PEER REVIEW
2026-01-17	2026-01-24	2026-08-04	2026-09-17	Double Blind

Abstract

This article presents partial results of ongoing research on Argentina, focusing on the Kirchner governments (Néstor, 2003-2007, e Cristina, 2007-2015). Before addressing this period, we review key moments in the country's economic history, including the last military dictatorship (1976-1983), the governments of Raúl Alfonsín (1983–1989) and, above all, Carlos Menem (1989–1999), the crisis of 2001, and finally the Kirchner administrations, understood as relative interruptions of neoliberal policies, which would later return under the government of Mauricio Macri (2015–2019). We show how past development trajectories shaped the conditions under which the progressive camp governed when it came to power in Argentina, as well as the degree of foreignization of the economy, which translated into political and ideological strength and against which it is difficult to achieve lasting victories. This reflection is based mainly on bibliographic research.

Argentina | Dependence | Development | Kirchner governments

AI USE STATEMENT
No generative AI was used for analysis or results.

FUNDING
FAPESP (processo n. 2023/12293-4)

CONFLICT OF INTEREST
The authors declare no conflict of interest.

DATA AVAILABILITY
Not applicable for this article.

ETHICS
No ethics committee approval was required for this article type.

CONSENT
Not applicable for this article.

TRIAL REG.
Not applicable.

Crossref DOI: 10.34257/GJHSSE179291

How to Cite: Souza (2026). Argentina: Antecedentes do Mileísmo. Global Journal of Human-Social Science, 26(2), 47-56. DOI: 10.34257/GJHSSE179291

AR Experience Web Page DOI

Print ISSN 0975-587X

Online ISSN 2249-460X

Under the strict compliance and defined process of

Global Journal of Human-Social Science - Section E
GJHSS Volume 26 Issue 2

Argentina: Antecedentes do Mileísmo

Professora Associada (Livre Docente) Angelita Matos Souza§ * iD

Affiliations
§ Departamento de Geociências e Ciências Exatas, Instituto de Geociências e Ciências Exatas, Universidade Estadual Paulista, Rio Claro, Brazil (OA)

Abstract

Este artigo apresenta resultados parciais da pesquisa em andamento sobre a Argentina, com foco na Era Kirchner (Néstor, 2003-2007, e Cristina, 2007-2015). Antes de discorrermos sobre o período em foco, retomamos momentos da história econômica, passando pela última ditadura militar (1976-1983), pelos governos de Raúl Alfonsín (1983-1989) e sobretudo de Carlos Menem (1989-1999), pela crise de 2001, para finalmente tratarmos dos governos Kirchner como pausas relativas na solução (neo)liberal, que voltaria no governo de Mauricio Macri (20152019). Indicamos como o passado condicionou as circunstâncias, quando governos progressistas alcançaram o poder na Argentina, também o nível de estrangeirização da economia, certamente traduzido em força político-ideológica, contra a qual vitórias duradouras são difíceis. A reflexão é fruto essencialmente de pesquisa bibliográfica.

Keywords: *argentina, Dependência, Desenvolvimento, Era Kirchner*

* **Corresponding Author**
Professora Associada (Livre Docente) Angelita Matos Souza

DOI
10.34257/GJHSSE179291

1. Introdução

Neste texto, o objetivo é apresentar resultados parciais da pesquisa em andamento sobre Estado e dependência na Argentina, de 2003 a 2019, com ênfase na Era Kirchner ou Era K (2003–2015). Para isso, recorre-se ao século passado, sendo inevitáveis algumas comparações com o caso brasileiro, especialmente com os governos do PT.

Quando estudamos a história da Argentina desde a última ditadura militar (1976–1983), o papel do país na cadeia imperialista (para usar uma expressão antiga) parece ser o de se endividar, quebrar, adotar políticas duras de ajuste fiscal; voltar a se endividar, quebrar, ajustar e assim sucessivamente. Claro, antes da quebra, há sempre a fuga de capitais, daí o sugestivo título da obra organizada por Basualdo (2017): *Endeudar y fugar.*[1] É como se a perversidade da lógica do modelo agroexportador voltasse sempre ao centro da cena, à diferença que, durante aquele modelo, a economia argentina esteve entre as maiores do mundo, sendo a indústria uma atividade relevante em termos regionais.

Durante a vigência do modelo agroexportador, até 1930, a Argentina era o país mais avançado da América Latina. Zícari (2020) apresenta indicadores econômicos sólidos nesse sentido, sobre urbanização e crescimento da atividade industrial, no entanto mencione as ressalvas de Kulfas (2016), relacionadas ao déficit estatístico. Segundo o autor (Kulfas, 2016), quando o país figurava entre os dez mais ricos do mundo, eram contabilizados em torno de 39 países; à medida que a amostra se ampliava, a Argentina ia perdendo posições antes mesmo da crise de 1929. É certo que a intenção dos autores (Zícari, 2020; Kulfas, 2016) parece ser a de rechaçar a tese de que as vantagens comparativas seriam capazes de elevar um país agroexportador à lista das potências econômicas. Concordamos, mesmo assim, é preciso reconhecer que figurar entre os poucos países que dispunham de bons levantamentos estatísticos talvez seja um sinal do passado glorioso argentino, tão enfatizado pelos liberais.

Contudo, já no período da denominada Belle Époque argentina, aproximadamente de 1860 até a Primeira Guerra Mundial, ocorreu uma crise financeira grave envolvendo o país: a crise Barings. Em 1890, a casa bancária Barings Brothers de Londres, à época a principal fornecedora de créditos ao país, quase foi à falência devido ao movimento especulativo que vinha liderando em torno de empréstimos à nação sul-americana. A crise emergiu, sobretudo, por causa da desconfiança relacionada ao endividamento excessivo do Estado, o que levou à fuga dos títulos e papéis argentinos, movimento não restrito ao país, também afetou o Brasil e outras economias da região. No caso brasileiro, a denominada crise do Encilhamento está relacionada ao movimento de fuga de capitais vinculado ao caso Barings (Filomeno, 2010; Lenz, 2006). Ou seja, a política de emissão de moeda não pode ser responsabilizada pela crise interna de maneira descolada daquela que talvez tenha sido a primeira crise financeira mundial do capitalismo em sua etapa superior, atingindo bolsas de todo o mundo.

Com a mudança do modelo econômico, de voltado para fora (agroexportador) para mais centrado no mercado interno, as crises econômicas diminuíram, porém não as crises políticas, que nem sempre convergem com as econômicas. Zícari (2020) analisou dezesseis crises econômicas no período de 1860 a 2020: seis no modelo agroexportador; quatro sob o modelo de industrialização por substituição de importações; e seis desde o início da última ditadura militar (1976) até 2020. Conforme o autor, houve, em média, uma crise econômica a cada década, e ele não está se referindo à mera

[1]Versão ampliada do texto apresentado no Encontro Anual da ANPOCS (2025), que expõe resultados parciais da pesquisa em andamento sobre a Argentina, com foco na Era Kirchner e apoiada pela Fundação de Amparo à Pesquisa do Estado de São Paulo (FAPESP, processo n. 2023/12293-4)

falta de crescimento, e sim a hecatombes, mais intensas nos últimos quarenta e cinco anos. O estudo enfoca as crises econômicas; no campo político, vale registrar uma diferença em relação ao Brasil, apontada por Perissinotto (2023): as instabilidades/crises políticas tiveram impactos muito negativos sobre a capacidade do Estado argentino de conduzir o processo de industrialização de maneira mais contínua, como ocorreu no Brasil depois de 1930.[2] Por várias razões, o consenso desenvolvimentista contou com mais adesão e estabilidade no Brasil, avançando bastante de meados dos anos 1950 ao final dos anos 1970.

Falamos em três modelos na história econômica da Argentina (também do Brasil): o agroexportador; o desenvolvimentista (de industrialização por substituição de importações); e o modelo financeirizado/neoliberal. Por regime de acumulação, queremos indicar a característica dominante em cada modelo — dependente do mercado mundial e do crédito externo no modelo agroexportador; voltada para o mercado interno no modelo dependente e associado de industrialização por substituição de importações (ISI); impulsionado pela busca da valorização financeira no modelo vigente, que abarca vários mecanismos especulativos visando à renda futura, sem gerar riqueza social nova (rentismo).

A seguir, abordaremos um pouco da história político-econômica argentina desde a última ditadura militar e trataremos da transição para o modelo neoliberal; na sequência, indicaremos traços da nova fase nas relações de dependência e questionamos a hipótese de desenvolvimentismo na qualificação da Era K; por fim, trataremos dos conflitos com o campo e com os *fondos buitre* (fundos abutres). Nas considerações finais, apresentamos brevíssimos comentários sobre como definir os anos Kirchner.

2. Momentos da História Política e Econômica da Argentina desde 1976

Não é possível compreender este início de século sem mencionar os rumos das políticas econômicas adotadas no século passado, desde 1976, responsáveis por limitar as possibilidades de condução da política econômica nos anos subsequentes. Durante a última ditadura argentina (1976–1983), diferentemente do que ocorria no Brasil, no vizinho já se buscou praticar as reformas pró-mercado recomendadas pelo campo ideológico neoliberal. Em seus estudos sobre Martínez de Hoz, o poderoso ministro da Economia no governo do general Jorge Videla (1976–1981), Zícari (2025, 2023) discorre sobre como, posteriormente, o ministro lamentou o gradualismo na implementação das reformas devido às resistências políticas enfrentadas.[3] A rapidez e radicalidade desejadas pelo ministro e pelo presidente do Banco Central, o *Chicago-boy* Adolfo Diz, teria esbarrado na resistência de representantes de grupos econômicos importantes e membros dos círculos estatais-militares, além da resistência dos trabalhadores.

Agentes estatais, em especial segmentos dos militares, eram contrários às reformas por estarem envolvidos em atividades industriais ou por representarem interesses de grupos produtivos privados, além de temerem um acirramento dos conflitos sociais em decorrência do aumento do desemprego. O peronismo era forte no mundo sindical, porém não era visto como terrorismo pelos militares, contra o qual a força coercitiva estatal já havia sido usada brutalmente antes do golpe de 1976, especialmente após a morte de Juan Domingo Perón, em julho de 1974, com a repressão acentuada durante a ditadura (1976–1983). De todo modo, na explicação de Martínez de Hoz, havia ainda um risco alto de o “terrorismo” penetrar nos sindicatos e isso causava preocupação, na hipótese de a indústria decair muito rapidamente e o desemprego aumentar (Zícari, 2023).[4]

Com relação a evitar o desemprego, Palermo e Novaro (1996) também sustentam que Martínez de Hoz esbarrou na oposição militar, que temia os efeitos sociais de uma situação de desemprego para a legitimidade do regime. Entretanto, na visão deles, haveria “uma claríssima linha de continuidade (inclusive com os piores estilos opacos de vinculação entre empresários e Estado na velha ordem), e não ruptura com as orientações prevalecentes antes do golpe de 1976” (Palermo & Novaro, 1996, p. 7-[5]8, tradução nossa). Os autores concebem o período da ditadura militar como um último suspiro da ISI, com investimentos estatais em plantas siderúrgicas, petroquímicas, de cimento, refinarias de petróleo etc. Cabe ainda registrar que foram realizadas obras para a Copa do Mundo de 1978, acompanhadas de denúncias de superfaturamento (Águila, 2023).[6]

À luz das leituras realizadas, entendemos que houve ruptura com o modelo de industrialização por substituição de importações (ISI), sendo praticado o neoliberalismo possível naquele contexto inicial de transição para um novo modelo, com a adoção gradual de mudanças econômicas, mas que produziram grandes transformações, como a queda dos salários dos trabalhadores e a maior concentração de riqueza. A ruptura com a fase de substituição de importações ocorreu principalmente após a Reforma Financeira de 1977, que introduziu alterações na lógica de acumulação, orientada desde então para a valorização financeira e marcada pela monopolização e estrangeirização no setor produtivo, com o fortalecimento do segmento dedicado às exportações de bens primários. Ademais, os níveis altos de endividamento externo, mais adiante, se traduziram em estatização da dívida contraída pelo setor privado e em fuga de capitais, antes atraídos pelas taxas de juros altas (Basualdo & Bona, 2017; Brenta, 2019; Ostiguy, 1990; Rougier & Schorr, 2012; Zícari, 2023, 2025).

Ao final de 1978 entrou em vigor a “tablita”, com o objetivo de controlar a inflação com valorização da moeda local e redução de tarifas de importações, o que prejudicaria ainda mais a atividade industrial (a produção, não a acumulação especulativa por parte de grandes industriais) e a balança comercial, sem conter a escalada da inflação. A partir de meados de 1979, as críticas ao governo, em especial à política econômica, aumentaram e vinham de todos os setores: entidades empresariais, partidos políticos, sindicatos, novos

[2]Há diferença entre situações de instabilidade e de crise política. Nesta, existem forças sociais em disputa, com capacidade de promover mudanças nas relações de poder, provocando crises de governo, do regime político e da forma de Estado ou, em situações de conflitos intensos, do próprio tipo de Estado (MARTUSCELLI, 2018; SOUZA; MARTUSCELLI, 2025). As situações de instabilidade política são comuns e, embora possam evoluir para situações críticas (de crise), caso isso não ocorra, geralmente têm baixo impacto. Por exemplo, anos eleitorais podem trazer instabilidades políticas, com retração de investimentos, a depender do quadro de indefinição, o que é diferente de uma situação de crise política.

[3]Antes do extenso livro sobre o ministro [*Martinez De Hoz. El Jefe Civil De La Dictadura. Continente*, 2025], Julián Zícari havia escrito um artigo (2023), no qual também analisou escritos, entrevistas e discursos oficiais de Martinez de Hoz.

[4]Do nosso ponto de vista, simplesmente não havia lutas de classes. Agora, a interpretação de que o terrorismo não havia penetrado nos sindicatos não significou que o terror de Estado poupou o movimento operário. Zícari (2020, n. p., tradução nossa) indica que, segundo os registros da Conadep (Comisión Nacional sobre la Desaparición de Personas), no informe *Nunca Más*, entre os desaparecidos havia 30,2% de operários, 21% de estudantes e 17,9% outros trabalhadores. Por faixa etária, os dados são os seguintes: 43,23% tinham entre 16 e 25 anos; 38,16%, entre 26 e 35 anos.

[5]Podemos ainda lembrar o tempo levado para o pêndulo pender para o neoliberalismo, na disputa hegemônica contra o capitalismo administrado pelo Estado do pós-guerra, desde a publicação do livro *O Caminho da Servidão* de Hayek, em 1944, passando pela criação da *Mont Pèlerin Society* (MPS) em 1947, até o final dos anos 1970 (Brown, 2019; Harvey, 2008). O documentário dirigido por Ken Loach, *O Espírito de 45*, mostra Winston Churchill defendendo o caminho neoliberal, mas seu partido foi derrotado nas eleições gerais de 1945. O momento era de social-democracia.

[6]O ano de 1978 também foi marcado pelo conflito com o Chile (pelo canal Beagle e algumas ilhas), que quase levou as duas ditaduras sul-americanas à guerra. Acabou prevalecendo a saída diplomática, mas a contenda reforçou o nacionalismo já aflorado com a vitória no Mundial de Futebol e, assim, a popularidade do regime ditatorial, como mostra Gabriela Águila (2023).

movimentos sociais e setores da Igreja Católica. Os trabalhadores passaram a desafiar o regime com a retomada das greves, ao mesmo tempo em que as denúncias de violação dos direitos humanos pela ditadura argentina ganharam repercussão internacional com relatos chocantes.

Em 1980, o Prêmio Nobel da Paz foi concedido ao ativista Adolfo Pérez Esquivel, grande opositor da ditadura; em 1981, no quarto aniversário do movimento Madres de la Plaza de Mayo, uma multidão foi à praça apoiar a iniciativa. As manifestações contra o regime espalhavam-se pelo país, quando a guerra das Malvinas trouxe algum alívio com o aflorar do sentimento nacionalista. Porém, após a derrota na guerra (de abril a junho de 1982), os protestos explodiram (Águila, 2023). Por sua vez, a conjuntura internacional também se deteriorou, com a quebra do México em 1982, que decretou a moratória da dívida externa em agosto, desencadeando uma crise financeira que afetaria vários países da América Latina. Começava, efetivamente, a década perdida (anos 1980).

Conforme Basualdo e Bona (2017), a implantação de um regime de acumulação baseado na valorização financeira não respondia ao esgotamento econômico do modelo de industrialização por substituição de importações, foi uma ruptura política, justamente quando esse modelo estava em seu auge. Como entendemos, esta é a razão principal do porquê de a ditadura militar não ter conseguido exterminar o grande capital industrial nacional, cuja atividade saiu do período ditatorial diminuída, mas não extinta (Ostiguy, 1990; Rougier & Schorr, 2012). De fato, vários dos grandes grupos industriais locais obtiveram mais poder econômico e político durante a ditadura, ao buscaram a diversificação (rumo a atividades ligadas às exportações de produtos primários), parcerias ou associações com capitais estrangeiros, além de terem sido beneficiados pelo modelo de valorização financeira (Zícari, 2025, 2020, 2020b). O endividamento do setor privado, facilitado pelo contexto externo e pela política econômica interna, menos voltado a investimentos produtivos, foi direcionado às atividades especulativas.

Ao final da ditadura, além do vexame da derrota na Guerra das Malvinas, os resultados econômicos eram calamitosos, conforme Zícari (2020, 2020b), após sete anos: a dívida externa era impagável; a inflação havia passado de 164% em 1982 para 344% em 1983;[7] os dólares haviam fugido e as reservas do BCRA estavam muito baixas; a participação da atividade industrial no PIB tinha diminuído; os salários estavam vergonhosamente desvalorizados e a pobreza, que era de 2,6% em 1974, em 1982 passou a 25,3%. No front externo, houve o choque dos juros em 1979 nos EUA, com a consequente valorização do dólar levando, nos anos 1980, à quebradeira geral dos países periféricos endividados.

A presidência de Raúl Alfonsín (1983–1989) foi bastante complicada, culminando na decretação da moratória da dívida externa em 1988 — uma decisão impossível sem o apoio de representantes do grande capital argentino. Nesse ano, também chama a atenção a transferência da dívida externa do setor privado para o setor público, que vinha ocorrendo desde o final da ditadura militar. O governo Alfonsín, apesar do contexto mais dramático, lembra o governo de José Sarney (1985–1990) no Brasil: um momento inicial que parecia promissor, sucedido por políticas fracassadas de estabilização monetária, em grande parte devido ao peso dos serviços da dívida externa (certo alívio viria apenas mais adiante, com o Plano Brady).

Cabe sublinhar que, durante a ditadura e sob o governo Alfonsín, as políticas de ajuste e as privatizações de empresas estatais não

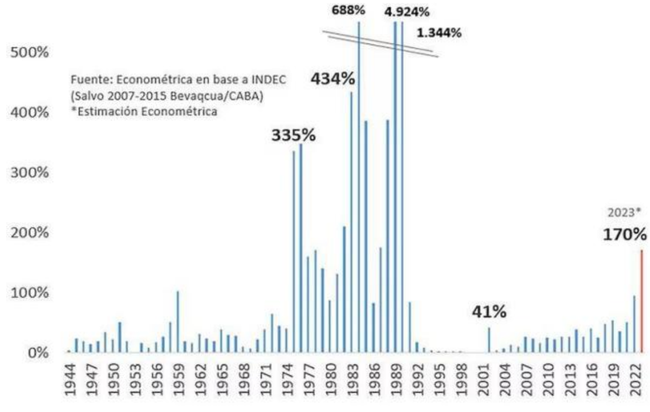


Figure 1. Inflación en Argentina 1944–2023 var % interanual Dic/Dic. Fonte: Infobae (2023).

avançaram como recomendado pelo FMI e Banco Mundial, sobretudo por causa das resistências de forças sociais locais. O que durou até a crise cambiária de 1989 e a hiperinflação desencadeada (ver Gráfico 1 acima), contexto que levaria o presidente Alfonsín a passar o poder para Carlos Menem cinco meses antes do término do seu mandato. A virada neoliberal nada gradual se daria nos governos Menem (Basualdo & Bona, 2017; Zícari, 2020b).

Mencionamos a questão do gradualismo porque Martínez de Hoz a culparia pelo fracasso da sua gestão como ministro da Economia (Zícari, 2025). Como entendemos, na sua interpretação, não teria sido fácil copiar o Chile porque, diferentemente do vizinho, a Argentina contava com uma indústria robusta para os padrões sul-americanos. Ou seja, a tarefa de destruição era mais difícil. Neste século, Mauricio Macri usaria o mesmo argumento para explicar o insucesso do seu governo (2015–2019), a ponto de sequer tentar a reeleição: teria errado ao adotar o gradualismo na implementação das reformas pró-mercado (sobretudo na reversão do que havia sido realizado nos governos Kirchner). Daí a promessa de radicalidade advinda de Javier Milei, na esteira da autocrítica de Macri (Balsa, 2024) e de sua admiração declarada por Carlos Menem.

Voltando ainda à gestão de Martínez de Hoz, pensamos que talvez tivesse sido politicamente mais produtivo tentar copiar o Brasil, e não o Chile de Pinochet. Apenas para destacar uma diferença: no período da ditadura militar brasileira (1964–1985) não houve uma ruptura com o nacional-desenvolvimentismo, notavelmente reafirmado no governo Geisel (1974–1979); o rompimento (pela força) foi com a dimensão popular do nacional-desenvolvimentismo de matriz varguista. No entanto, como no caso argentino, durante a ditadura militar brasileira houve monopolização e estrangeirização no setor produtivo, endividamento externo excessivo, estatização da dívida externa do setor privado e financeirização da lógica da acumulação; mas cresceu a presença do Estado na economia: o chamado Estado-empresarial, no Brasil, agigantou-se.

O governo Geisel, assim como os governos Vargas (1930–1945; 1951–1954) e o de Kubitschek (1956–1961), representa um momento importante no processo de industrialização por substituição de importações (ISI), ou do nacional-desenvolvimentismo. Não obstante, a lógica da financeirização foi gestada no governo Geisel, cuja meta era transformar o Brasil em uma grande economia industrial (Souza, 2009, 2021), objetivo em boa medida alcançado no que concerne aos avanços da segunda revolução industrial. O problema principal foi a forma de financiamento, via captação de recursos no mercado financeiro internacional, o que encaminhou a última experiência desenvolvimentista brasileira à crise da dívida externa

[7] Índice similar ao alcançado após o *Rodrigazo*, em alusão ao ministro da Economia Celestino Rodrigo durante a presidência de María Estela (Isabel) Martínez de Perón, quando a inflação saltou de 40% em 1975 para 335% em 1976, devido ao conjunto de medidas econômicas ortodoxas adotadas por ele.

nos anos 1980. Diferentemente do caso argentino, no Brasil houve um plano ambicioso, o II PND, com metas industrializantes, enquanto no país vizinho as políticas industriais praticadas foram mais respostas pontuais a resistências de forças locais frente aos sonhos liberalizantes do ministro Martínez de Hoz, resistência inclusive por parte de setores militares.

Apesar de objetivos governamentais distintos, o resultado das políticas econômicas adotadas nas duas últimas ditaduras, na Argentina e no Brasil, foi a crise da dívida externa devido ao endividamento contraído nos anos 1970, ainda que o processo de industrialização tenha robustecido a estrutura econômica brasileira em níveis sem paralelos na região. Na América do Sul, o Brasil era o país em condições de reagir de forma menos subalterna às terapias de choque recomendadas pelos credores internacionais (pois estava entre as maiores economias do mundo em termos de PIB), a sujeição foi uma escolha política interna, no período democrático, sobretudo dos anos 1990 (Souza, 2021; Braga & Souza, 2025).

A Argentina, em nossa opinião, se tivesse se inspirado no modelo brasileiro, teria fortalecido sua estrutura industrial com oligopólios estatais e, como os seus trabalhadores sempre se destacaram pela capacidade de mobilização e pressão política, essas duas condições (burguesia estatal e movimentos sociais fortes) talvez tivessem permitido ao país resistir às recomendações dos credores em melhores condições do que o Brasil, que nos anos 1990 abdicou da resistência (Souza, 2021; Braga & Souza, 2025).

3. Nova Fase nas Relações de Dependência e os Ritmos da Transição para o Neoliberalismo

O processo de endividamento externo da década de 1970 abriu caminho para as chamadas reformas pró-mercado no Brasil e para a sua radicalização na Argentina, nos anos 1990, consolidando-se em ambos os países a fase da novíssima dependência. Embora a oferta no mercado financeiro internacional tenha estimulado a demanda por empréstimos da parte de países periféricos na segunda metade da década de 1970, no caso da Argentina e do Brasil, foi a vida política doméstica que determinou em larga medida o volume e o ritmo do endividamento externo. Zícari (2025) afirma que Martínez de Hoz se vangloriava de suas boas relações com banqueiros estrangeiros, da confiança que teriam nele para o acesso a financiamentos no exterior. Pode ser verdade, mas o contexto era de liquidez (petrodólares) e os grandes bancos buscavam aplicar os recursos disponíveis. Em outras palavras, havia oferta abundante e, para que se criasse demanda, os países periféricos; o fim da fase da nova dependência (de meados dos anos 1950 ao final dos anos 1970) começa com o aumento do endividamento a partir da segunda metade dos anos 1970.

Logo saberíamos que o capitalismo administrado pelo Estado do pós-guerra transitava para o neoliberalismo. Independentemente da forma de Estado ou do regime político, um processo conflitivo, embora uma ditadura possa facilitar/acelerar a transição. Saes (2024 [2001]), após sintetizar os eixos centrais de uma política neoliberal (desmonte de políticas industrializantes, de proteção social e de pleno emprego), argumenta que é difícil seguir fielmente as doutrinas neoliberais e conduzir a mudança de maneira não gradual. Isso porque a atuação estatal não se dá em um "espaço social vazio, destituído de qualquer historicidade, mas em sociedades capitalistas históricas, nas quais a política estatal repercute, há décadas, a influência de outros princípios econômicos" (Saes, 2024, p. 278).

Quer dizer, a adoção das contrarreformas neoliberais tende a ser gradualista, apesar dos meios similares: a) privatizações de empresas públicas, produtoras de mercadorias ou ofertadores de serviços, desestatização e terceirização de atividades estatais; b) políticas de desregulamentação, o que equivale à diminuição do papel fiscalizador do Estado na economia em geral e das relações capital-trabalho em particular; c) políticas de abertura da economia, de juros atrativos, visando atrair capitais estrangeiros. Este seria o percurso básico, porém os ritmos dependem da conjuntura sociopolítica e econômica de cada país, além do contexto externo, sendo fundamental destacar que os representantes de diferentes setores capitalistas e da classe trabalhadora costumam reagir às medidas que consideram prejudiciais aos seus interesses, daí o caráter conflitivo e não harmonioso dessas transformações.

Como salienta Saes (2024, p. 278-279), a maior dificuldade, mesmo em um contexto no qual as ideias econômicas liberais conquistaram apoio amplo, reside nas resistências dos que se julgam prejudicados, especialmente capitalistas, mas também segmentos das camadas médias e do proletariado. Diante dessas resistências, o resultado seria o "neoliberalismo possível" nas condições socioeconômicas e políticas vigentes, geralmente reformas em um ritmo gradual.[8] Na visão do autor, seriam poucos os governos capazes de implementar *de uma vez* as principais diretrizes neoliberais: abertura econômica, privatizações de empresas e serviços públicos e desregulamentações.

Quer dizer, a terapia é de choque (Weber, 2021), pois a mudança é significativa, mas o seu compasso dificilmente é acelerado, sobretudo em países de desenvolvimento capitalista mais elevado. No contexto sul-americano, no Brasil e na Argentina. No vizinho foi a crise socioeconômica e política durante o governo de Raúl Alfonsín (12/1983 a 07/1989) que permitiu acelerar o ritmo. O processo inflacionário e problemas sociais correlatos (com saques a estabelecimentos comerciais) favoreceram a vitória de Carlos Menem na eleição de 1989. No governo dele (1989–1999), com o denominado Plano Cavallo — em referência ao seu ministro da Economia — o gradualismo foi abandonado ao máximo possível, de maneira especial a partir de 1991, com a política de paridade com o dólar, a maior abertura econômica e mais privatizações. Nos primeiros anos, medidas exitosas no combate à inflação galopante, mas que depois trouxeram efeitos muito negativos para a economia, principalmente para o setor industrial e à geração e manutenção de empregos.

A lei de convertibilidade, que estabeleceu o regime de câmbio fixo, o "uno a uno" (um peso igual a um dólar), foi o instrumento decisivo para a derrubada dos preços. Ao Banco Central coube o papel de respaldar por meio das reservas tal paridade; a compra de dólares foi liberalizada, bem como contas bancárias e créditos nessa moeda. O fenômeno da preferência pelo dólar como comportamento social, iniciado durante a ditadura, tornou-se padrão e uma armadilha para os governos seguintes (Basualdo & Bona, 2017; Zícari, 2020, 2020b).

Com a adesão da Argentina ao Plano Brady em abril de 1992 (o Brasil aderiu em 1994), além das privatizações e da maior abertura da economia, cresceu a atração de capitais estrangeiros, inclusive argentinos aplicados no exterior. Uma condição para a manutenção do câmbio apreciado, favorecendo as importações, o que barateia o consumo popular e dos capitalistas, e a volta dos investimentos ainda estimulou certa modernização da economia, além do aumento da produtividade e da empregabilidade. A pobreza, que atingira cerca de 50% da população no período mais agudo da hiperinflação, também

[8] Conforme Saes (2024 [2001], p. 280): "Na Alemanha, a resistência ao processo de privatização das empresas estatais tem partido de dentro do próprio Estado. Mais especificamente, alguns governos estaduais, poderosos financeiramente, têm se apresentado como compradores de empresas colocadas à venda pelo governo federal. Nesses casos, o processo de 'devolução' de empresas estatais ao capital privado é substituído por um processo de 'circulação' de empresas por entre esferas diversas (regional, federal) do aparelho de Estado." O texto foi escrito na virada do século XX para o XXI; atualmente, muitos Estados já nacionalizaram empresas de serviços públicos que haviam sido privatizadas.

começou a diminuir em ritmo animador (Basualdo & Bona, 2017; Zícari, 2020, 2020b).

O Plano Brady, assim chamado por causa do secretário do Tesouro dos EUA, Nicholas Brady, idealizador da proposta, visava *ajudar*, por meio de programas de renegociação, os países endividados da periferia, que tinham passado a década de 1980 (a chamada década perdida) garroteados pelos serviços da dívida externa; a contrapartida era a adoção ou aprofundamento das reformas pró-mercado (SOUZA, 2021). À essa altura, o conjunto dos representantes do grande capital argentino já estava convencido da falta de alternativas e o apoio às contrarreformas era amplo. O resultado mais *solidificado* das mudanças foi a adoção do dólar como *moeda-padrão* em vários tipos de transações econômicas, notadamente entre a média e alta burguesia argentina e camadas médias privilegiadas, mas todos que podiam passaram a poupar em dólares.[9] (BASUALDO; BONA, 2017; ZÍCARI, 2020, 2020b)

4. Era Kirchner: Desenvolvimentista?

Em seu balanço sobre a Era K, bem mais favorável à gestão de Néstor Kirchner, Kulfas (2016) defende que a estrutura produtiva do país permaneceu quase a mesma, que teria faltado um projeto de desenvolvimento voltado para investimentos em setores econômicos inovadores ou mesmo no sentido da reindustrialização como objetivo principal. Na sua avaliação, houve distribuição de renda mediante políticas sociais, o que contribuiu para dinamizar o mercado interno, pôr em operação a capacidade ociosa da indústria e gerar empregos, mas não se logrou um modelo de desenvolvimento alternativo ao neoliberalismo mundialmente hegemônico. Ou seja, salta à vista a semelhança com o caso do Brasil durante os governos liderados pelo PT; por isso, retomamos aspectos do que escrevemos sobre a hipótese de desenvolvimentismo nos governos Lula e Dilma, qualificação que colocamos em dúvida (Souza, 2021).

Inicialmente, é importante oferecer uma definição de desenvolvimentismo. A nossa é a de Fonseca (2015), para quem o coração do conceito de desenvolvimentismo está no intervencionismo estatal guiado por uma estratégia cujo objetivo deliberado é incrementar a produção e a produtividade sob a liderança do setor industrial. A primazia da atividade industrial é o elemento-chave da definição de desenvolvimentismo, presente em todos os autores e experiências históricas mencionados por Fonseca (2015). Os formuladores e executores são os agentes estatais, não sendo possível equiparar desenvolvimento a mero crescimento econômico, muito menos encarar o setor primário como prioritário. Embora faça parte da estratégia, esta tem por meta a evolução do setor industrial. Como entendemos, se o eixo dinâmico da economia for a atividade exportadora de produtos primários, por mais que envolva o setor industrial e promova crescimento econômico, não é possível falar em desenvolvimentismo.

Recentemente, Belluzzo (2025, n. p.) também discorreu sobre uma concepção algo equivocada das relações entre os três setores: agricultura, indústria e serviços. O seu argumento é o de que a indústria não seria apenas mais um setor, ao lado da agricultura e dos serviços, já que o incremento da produtividade geral da economia seria inimaginável "sem a dominância do sistema industrial no desenvolvimento transformador dos demais setores". Ou seja, o avanço industrial é o provedor dos meios de produção necessários ao aumento da "produtividade social do trabalho", sem os quais o setor primário seguiria totalmente subordinado "aos caprichos da natureza" e o setor de serviços não poderia ser revolucionado continuamente. "Aí estão a internet e suas as redes de comunicação que permitem o comércio eletrônico e o ensino à distância", escreveu o autor. Um fenômeno de "hiperindustrialização" que descartaria a hipótese de o setor de serviços ser concebido "como a vanguarda das economias de hoje", ou de o setor primário liderar um processo de desenvolvimento, uma vez que dependem do avanço tecnológico industrial, associado aos investimentos científico-tecnológicos (Belluzzo, 2025, n. p.).

Neste sentido, é possível afirmar que, na Argentina (e no Brasil), em vez de hiperindustrialização, houve desindustrialização precoce. Isto é, o peso menor da atividade industrial no PIB dos países centrais (refletido na menor geração de empregos no setor) foi determinado pelos ganhos de produtividade advindos dos avanços tecnológicos, além da transformação de países asiáticos em fábricas do mundo, China à frente. Na Argentina, menos que aos ganhos de produtividade obtidos por meio de avanços tecnológicos (que não deixaram de ocorrer, com tecnologia sobretudo importada), a queda da participação da atividade industrial no PIB está relacionada às políticas econômicas adotadas desde a última ditadura militar e nos anos 1990, que inibiram investimentos em um contexto cada vez mais marcado pela perda de competitividade em relação aos produtos oriundos da Ásia, políticas que estimularam a substituição da produção local de manufaturados por importações e o desmonte parcial da indústria doméstica.

Portanto, não podem ser definidas de desenvolvimentistas políticas econômicas cujos resultados foram o fortalecimento do setor exportador de commodities, acompanhadas ou não de grandes obras de infraestrutura, que visam sobretudo atender demandas desse setor (por exemplo, de energia). Tais políticas podem gerar bons resultados na balança comercial, empregos e renda, expansão do mercado interno, do setor de serviços, inclusive avanços na instalação do capital fixo. Contudo, tendo como parâmetro as definições acima (Fonseca, 2015; Belluzzo, 2025, 2019), se o setor industrial — a revolução dos meios de produção ou ao menos a capacidade de copiá-la relativamente bem — não ocupar o centro do palco, o conjunto da política econômica, ou o governo, não pode ser considerado desenvolvimentista. Ainda mais se os produtos industriais forem maiormente importados ou apenas montados nos países receptores de investimentos diretos estrangeiros.[10]

Indiscutivelmente, não se pode identificar desenvolvimento a avanço tecnológico, desde o setor industrial disseminado para os demais setores. Neste século, mais do que nunca, o desenvolvimento precisa ser ambientalmente sustentável; a infraestrutura social, sobretudo saneamento básico, é imprescindível. Além disso, a infraestrutura social como um todo fomenta o *desenvolvimento das forças produtivas* (educação, saúde, habitação, transportes públicos) e a proteção do meio ambiente deve ocupar o centro de qualquer estratégia desenvolvimentista, incluindo a proteção das populações originárias, seus direitos territoriais e suas formas de vida. Tudo óbvio.[11]

[9] No Brasil, a dolarização da economia como na Argentina não ocorreu, e a paridade não chegou exatamente ao "uno a uno", apesar de várias similaridades nos processos de contrarreformas após a adesão ao Plano Brady (SOUZA, 2021).

[10] Defender que não houve um projeto desenvolvimentista (como, por exemplo, existiu no Brasil durante os governos Kubitschek e Geisel) não implica em defender a ausência de políticas setoriais de cunho desenvolvimentista. Como argumentamos em outra oportunidade (Souza, 2021), nos governos do PT, a Petrobras, por exemplo, robusteceu, puxando a economia como um todo, e desenvolveu tecnologias inovadoras de extração de petróleo em águas profundas. Se fôssemos falar em tendências desenvolvimentistas durante esses governos, seria, sobretudo, por causa da estatal, que, em 2015, recebeu o prêmio OTC Distinguished Achievement Award for Companies, Organizations and Institutions, considerado o mais importante que uma empresa de petróleo pode receber na qualidade de operadora offshore. Outros grupos também avançaram, a JBS tornou-se uma grande multinacional no segmento da indústria alimentícia. O caso argentino ainda está sendo investigado.

[11] Nos governos do PT, é inegável que houve avanços na infraestrutura social, insuficientes diante das carências do país, mas ocorreram; entretanto, também obras nefastas ao meio ambiente (como as usinas na Amazônia, com destaque para Belo Monte) e obras desnecessárias ou inúteis, como estádios para eventos esportivos cujos recursos poderiam ter sido direcionados a obras de saneamento básico, por exemplo. No país

Voltando ao caso argentino, López e Insua (2018), ao tratarem da "pesada herança da dependência", nos fornecem argumentos para defender que o aprofundamento, desde os anos 1990, dos níveis de concentração do capital e da estrangeirização na economia era difícil de reverter na conjuntura pós-crise de 2001. Embora possamos afirmar que a crise conferiu alguma autonomia aos governos de Eduardo Duhalde e de Néstor Kirchner durante o processo de renegociação da dívida pública,[12] o movimento de estrangeirização da economia chama a atenção. Entre o grande capital, que ao final do século XX se aproximava dos 85%; no período de 2002 a 2015 se manteria na média de 80% e, em 2015, ano em que o kirchnerismo foi derrotado nas eleições, situava-se em torno de 76%. Ou seja, alterações pequenas (López & Insua, 2018).

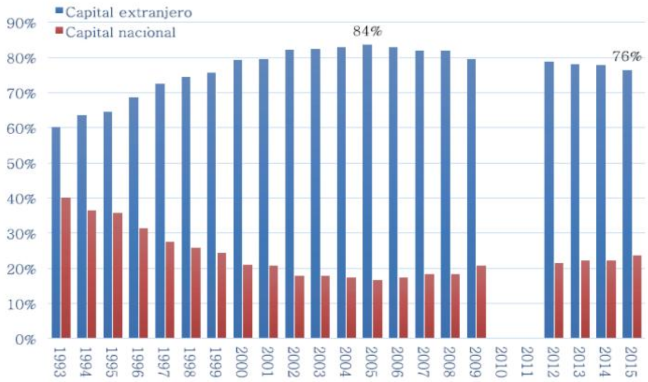


Figure 2. Extranjerización del gran capital en la economía argentina. Porcentaje de empresas de capital nacional y extranjero entre las 500 de mayores ventas (1993–2015). Fuente: Elaboración propia con base en datos de la ENGE-INDEC (López & Barrera Insua, 2018).

Em suma, hesitamos em endossar a tese do neodesenvolvimentismo para os governos Kirchner e para os governos liderados pelo PT, com o "neo" usado por alguns autores (Boito Jr., 2018; Boito & Berringer, 2014) para indicar a mudança do eixo dinâmico, da indústria de transformação para os setores ligados às exportações de commodities, o que seria o "desenvolvimentismo possível dentro dos limites dados pelo modelo capitalista neoliberal" (Boito Jr., 2018, p. 107). Tampouco podemos concordar com Oliveira (2022), que vê o denominado neodesenvolvimentismo desses governos como uma versão da teoria da dependência de Cardoso e Faletto (2004), baseada em uma visão distorcida do Estado, o qual seria visto como capaz de conduzir ao desenvolvimento via conciliação de interesses de classes.

Oliveira (2022), aliás, lembra que, na resposta às críticas de Cardoso e Serra (1979), Marini (1978) usou o termo neodesenvolvimentismo. Na visão dele (Oliveira, 2022), os governos dos Kirchner e os do PT estiveram aprisionados na dicotomia neoliberalismo e desenvolvimentismo, abandonando qualquer alternativa de desenvolvimento que enfrentasse as enormes desigualdades na distribuição da riqueza e o fenômeno da superexploração. Teriam sido governos que conceberam o neodesenvolvimentismo como progressista, em oposição ao neoliberalismo, uma dicotomia equivocada na visão do autor (Oliveira, 2022).

A perspectiva de Oliveira (2022) é instigante, mas distinta da nossa, pois acreditamos ser possível a conformação de capacidades estatais por meio da construção de consensos sociais; e talvez se tenha apostado nisso durante o governo de Dilma Rousseff e de Cristina Kirchner (Souza, 2021; Souza & Martuscelli, 2025; Braga & Souza, 2025b). Ao contrário do autor (Oliveira, 2022), duvidamos que forças progressistas, ao alcançarem o poder do Estado pela via eleitoral, sobretudo em formações sociais dependentes, possam implementar propostas radicais, a não ser que a conjuntura seja de conflitos sociais intensos (luta de classes) e/ou haja apoio de grandes capitalistas com força política para sustentar estratégias mais ousadas. Os governos Kirchner e os liderados pelo PT foram governos progressistas dentro dos limites do modelo neoliberal, que implica em sérias dificuldades para se combinar dependência com desenvolvimento industrial, como ocorreu na fase da nova dependência, durante o modelo de industrialização por substituição de importações.

A dimensão progressista expressou-se sobretudo nos indicadores sociais, que melhoraram. Isso nos leva ao tema do social-desenvolvimentismo. Não há espaço aqui para analisá-lo, mas um social-desenvolvimentismo, rumo à social-democracia (Ianoni, 2013), teria de ter uma natureza institucionalizada que nos parece não ter sido alcançada nos dois países durante os governos Kirchner e nos governos do PT.

5. Os Governos de Cristina Kirchner: Conflito com o Campo e com os *Fondos Buitre*

Após a tragédia que foi a crise de 2001, houve um novo ciclo de crescimento econômico; mais uma vez, "parecia que a economia argentina não se cansava de morrer para ressuscitar" (Zícari, 2020, n. p., tradução nossa). Entretanto, em março de 2008, o Ministério da Economia emitiu a Resolução 125, que estabelecia uma fórmula móvel para o cálculo da porcentagem de retenções sobre as exportações de alguns produtos agrícolas. Semán escreveu a respeito: "É difícil imaginar como uma resolução de conteúdo tão técnico tenha sido um divisor de águas na história" (2021, p. 229, tradução e grifo nossos). Foi o famoso "cutucar onças com varas curtas", que levou a uma onda de protestos: fechamento de estradas, desabastecimento de alimentos nos centros urbanos, cacerolazos, alianças com transportadoras. Os quais a presidente Cristina Kirchner chamaria de "piquetes da abundância", em contraposição aos "piquetes da miséria" de 2001. Do ponto de vista territorial, a Plaza de Mayo converteu-se em espaço preferencial das manifestações pró-governo, enquanto o campo agrário e seus aliados das camadas médias se concentraram na cidade de Rosário (Varesi, 2014).

O conflito serviu à conformação da coalizão política de oposição que chegou ao poder em 2015, com a eleição de Mauricio Macri. Além disso, o discurso do "nós" (os interesses do povo) contra "eles" (os oligarcas, os capitalistas) ganhou força a partir daí, com a qualificação de populista carimbada no governo de Cristina, vinda de várias direções (entidades empresariais e mídia dominante, acadêmicos, think tanks neoliberais). Ileana Ibáñez e Ximena Cabral (2008) discutem como a atuação dos meios de comunicação foi fundamental para desestabilizar o governo, ao criar uma visão positiva do "agro" em contraposição às medidas estatais. Conforme Basualdo (2008), o mais peculiar é que o conflito se desenrolou em um contexto de alta rentabilidade no setor exportador, para grandes, médios e pequenos produtores, devido ao abandono da paridade e desvalorização da moeda em 2002 e ao incremento dos preços no mercado internacional. As retenções móveis não afetaram significativamente este cenário;

vizinho, investigamos se houve avanços na infraestrutura social; por enquanto, parece que as grandes obras foram inviabilizadas, principalmente após 2008, com a irrupção do conflito com o campo, com os fundos abutres e mudança no cenário internacional. No quesito políticas de distribuição de renda, não há dúvidas de que a Era Kirchner foi um período positivamente diferenciado.

[12] Roberto Lavagna (2013) descreve o processo de renegociação da dívida externa argentina. Por certo, a narrativa é simpática ao seu papel nesse processo; mesmo assim, vale a leitura para conhecer o nível de dificuldades que o país atravessou.

foi a alta dos preços internacionais a motivação da Resolução 125 (Basualdo, 2008).

O mais importante, à luz da análise de Basualdo (2008), foi a transformação da economia argentina nas décadas anteriores (sobretudo nos anos Menem), marcada pela modernização tecnológica da produção agrária pampeana, cuja rentabilidade passou a ser inclusive maior que a da pecuária e cada vez mais articulada ao circuito financeiro internacional. Conforme o autor (Basualdo, 2008), a partir de meados dos anos 1970, iniciou-se uma estrondosa expansão da produção agrícola, com novas tecnologias, aumento da produtividade e das áreas destinadas à plantação. Houve também alteração na composição do setor, com a agricultura superando a pecuária e no que concerne à liderança da soja (embora a agricultura argentina tenha se mantido diversificada). Nos anos 1990, a privatização de empresas públicas propiciou oportunidades de negócios excelentes para grandes grupos argentinos (em boa parte, terratenientes), por meio da participação nos consórcios que passaram a controlar as empresas privatizadas. Nessa década, ocorreu outra mudança relevante: avançou a estrangeirização da economia, quando grupos locais venderam para grupos estrangeiros parte (ou a totalidade) de suas participações em empresas produtivas-industriais e nos consórcios prestadores de serviços públicos (ver nível de estrangeirização da economia no Gráfico 2).

Voltando à Resolução 125, o setor industrial nacional, no começo, apoiou a medida via Unión Industrial Argentina (UIA); porém, à medida que o conflito se acirrava, a entidade mudou de posição, inclusive por causa dos desabastecimentos promovidos pelas empresas do agronegócio, que afetaram setores da indústria pela falta de insumos oriundos do campo (Souza & Martuscelli, 2025). Na interpretação de Martuscelli (2017), a disputa entre os interesses de duas frações do grande capital, a burguesia mais associada ao imperialismo (agro) e a grande burguesia interna (industriais), foi vencida pelos primeiros.

A Resolução 125 acabou não sendo aprovada por causa do voto minerva do próprio vice-presidente da República e presidente do Senado, Julio Cobos. Era uma medida crucial para as finanças públicas, para a expansão das políticas de distribuição de renda e para o "ensaio desenvolvimentista" que visava impulsionar a atividade industrial-urbana por meio do gasto estatal articulado ao investimento privado. Entretanto, foi difundida pelos meios de comunicação como mais transferência de renda do setor agroexportador (que sustentava o país trabalhando duro) para setores urbanos-industriais parasitários do Estado. Para piorar, a forte reação das entidades representativas do grande capital ligado ao agronegócio, por meio da "Mesa de Enlace", atraiu entidades de pequenos e médios produtores, uma vez que a Resolução 125 tinha caráter universalista, sendo tardia a tentativa do governo de poupar os pequenos e médios produtores (Basualdo, 2008; Varesi, 2014; Zícari, 2020).

De maneira geral, à luz das leituras realizadas, parece-nos que foi uma decisão malconduzida, sem negociações com os representantes do setor, sem diferenciação entre grandes, médio e pequeno capital, e faltou uma campanha massiva de esclarecimento à sociedade sobre a sua importância, em vez do discurso político do "nós" contra "eles".

De 2003 a 2007, o desempenho da economia contou com uma expansão média anual entre 8% e 9%, acompanhada de quedas expressivas nos níveis de pobreza, do desemprego, ganhos salariais reais, acúmulo de reservas, reativação da atividade industrial (em grande parte da capacidade ociosa), redução do peso da dívida pública e pagamento desta sem comprometer a saúde fiscal do Estado. A tendência da inflação era ascendente, mas razoável, sobretudo se comparada a momentos anteriores: em 2003: 3,7%; em 2004: 6,1%; em 2005: 12,3%; em 2007: 25,2% (Zícari, 2020, n.p.).

6. Considerações Finais

A alta nos preços dos bens primários no mercado mundial permitiu à Argentina superávits comerciais facilitadores do crescimento econômico durante o governo de Néstor Kirchner, que pôde expandir gastos também com alterações na política fiscal via taxação das importações e criação de novos impostos. Entretanto, a mudança do cenário externo, após a eclosão da crise financeira internacional em 2008, afetaria o governo de Cristina Kirchner a partir de 2012. Antes, ainda em 2008, o conflito com o campo já havia introduzido uma cisão no consenso entre capitalistas e governo, alcançado no governo de Néstor Kirchner devido à grave crise que o país atravessava. O imbróglio com os *fondos buitres* jogaria mais lenha na fogueira; em meio a uma campanha midiática feroz contra o governo de Cristina (tão ou mais intensa que a empreendida contra o governo de Dilma Rousseff).

A crise política ascendente acentuou dificuldades econômicas no segundo mandato de Cristina Kirchner, em especial nos dois últimos anos, mas sem evidência de que o país estivesse na iminência de um colapso, como apregoava a oposição, que insistia na atração de investimentos estrangeiros como solução para uma suposta crise fatal inexistente (Tzeiman, 2017). A eleição de Mauricio Macri representou uma aposta na solução pelo endividamento, e seu governo foi o que provocou uma crise aguda. Primeiro, contraiu dívida para pagar os abutres; depois, o endividamento externo excessivo em pouco tempo abalou a confiança na capacidade de pagamento da Argentina e veio a fuga de capitais. Por fim, em 2018, a Argentina teve de recorrer ao FMI, contraindo uma dívida absurda.

Gostaríamos de encerrar tentando responder à questão: se os governos Kirchner não foram desenvolvimentistas, como classificá-los? O colapso em 2001 propiciou margem de manobra para os governos de Eduardo Duhalde e de Néstor Kirchner, e este último foi agraciado pelo boom das commodities, fatores facilitadores da conciliação de classes, entre frações das classes dominantes e entre classes antagônicas; foi o que ocorreu, em especial, no governo de Néstor, mais abonado devido aos bons ventos no comércio internacional. Os governos de Cristina Kirchner tentaram ousar um pouco mais e, para avaliá-los, parece-nos apropriada a ideia de "ensaio desenvolvimentista" de Singer (2015), usada para analisar o primeiro governo de Dilma Rousseff. Um ensaio destinado ao fracasso em uma conjuntura na qual a conciliação de classes foi bloqueada pelo acirramento da luta política interna, em um contexto internacional tornado adverso.

Talvez Centeno (2017) esteja correto ao defender como condição para se enfrentar a dependência, a existência de um Estado desenvolvimentista apoiado por grandes capitalistas interessados em uma estratégia de desenvolvimento razoavelmente autóctone. Para o autor, na ausência dessa condição, os movimentos sociais podem pouco; ele ainda destaca um fator que aprisiona a América Latina: a elite intelectual formada nos centros universitários dos países centrais, com a qual é difícil contar para processos de mudanças que almejam superar/reduzir os limites impostos pelas relações de dependência.

Na Argentina, como no Brasil, sobram intelectuais e economistas neoliberais com força político-ideológica. No que concerne à mobilização popular, no país vizinho, não costuma faltar, o que parece confirmar o argumento de Centeno (2017): trata-se de um fator insuficiente. Uma explicação pode ser a de Horowicz (2013): há classes em luta, porém não lutas de classes (crises revolucionárias); por isso, entendemos que os avanços (ou mudanças radicais como defende Oliveira, 2022) eram inviáveis, se pretendidos pelo kirchnerismo. Além do mais, lutas de classes podem desencadear reações violentas de grandes proporções e retrocessos enormes; se na ausência dessas, o país passou por 1976, o golpe que instaurou a ditadura mais sangrenta da região, imagine se pudéssemos falar em lutas de classes.[13]

Por fim, caso tivéssemos de categorizar os governos Kirchner, descartadas as qualificações de (neo)desenvolvimentistas e outras formulações — como governos pós-neoliberais; neoextrativistas ou neocoloniais "benévolos" —,[14] restaria a definição de que, do ponto de vista político, foram governos fracamente populistas.

Em termos sintéticos e partindo da distinção entre populismo político e populismo econômico, diríamos que o primeiro, no plano discursivo, recorre de modo frequente à oposição entre o povo (ou pobres) e os ricos (os poderosos), evitando falar em divisão de classes ou lutas de classes. Outra característica do populismo político costuma ser a centralidade de um líder carismático, que estabelece uma relação direta com as massas, considerada mais relevante do que sua mediação por partidos políticos, programas partidários ou via Poder Legislativo. Já o populismo econômico caracteriza-se por praticar políticas de distribuição de renda em detrimento da distribuição da riqueza e costuma ser mais flexível em relação à política fiscal e ao controle da inflação.

Iturvide e Salomão (2022), ao analisarem a política econômica dos governos Kirchner (2003–2015), argumentam que a gestão Néstor foi desenvolvimentista, ao passo que os governos de Cristina teriam praticado o populismo econômico. Se bem entendemos, os autores identificam desenvolvimentismo a crescimento econômico com responsabilidade fiscal; ao passo que o populismo econômico buscaria promover crescimento e distribuição de renda por meio de políticas fiscais frouxas (populistas).

Como vemos, apenas poderíamos classificar os governos de Néstor e de Cristina Kirchner como populistas na economia se nos limitarmos a identificar o populismo econômico como preferência pelas políticas de distribuição de renda, em vez da distribuição da riqueza. Um governo mais flexível com relação à política fiscal e ao controle da inflação pode ser desenvolvimentista sem ser populista. No caso do governo de Néstor Kirchner, não diríamos que foi desenvolvimentista ou populista, e sim um governo de reorganização, exitoso na condução das negociações da reestruturação da dívida pública e na contenção da lógica especulativa do regime de acumulação, um governo que promoveu aumentos salariais e a reativação do mercado interno, sem ser desenvolvimentista, nem havia condições para tanto.[15]

Como argumenta Saes (2007), as reformas neoliberais dos anos Menem produziram desindustrialização e desemprego, em um contexto no qual a industrialização anterior (ISI) não havia gerado capitalistas nem burocracias fortes o suficiente para resistir às exigências do capital financeiro internacional (como gerou no Brasil); e parte expressiva da classe trabalhadora e das camadas médias aderiu às promessas de Menem de que as reformas pró-mercado trariam empregos via investimentos estrangeiros. Diante do esgotamento do modelo de substituição de importações e da entrada em cena da fase da novíssima dependência, algo improvável ou de duração curta. O autor também relativiza a ideia de ruptura (com o neoliberalismo), interpretando as medidas de intervenção do governo de Néstor Kirchner como necessárias para reconstruir uma economia devastada. Como entendemos, algo que interessava aos representantes do próprio capital estrangeiro no país.

Concordamos com as ponderações do autor sobre o governo de Néstor Kirchner (Saes, 2007); já sobre os governos de Cristina, consideramos provável a hipótese de "ensaio desenvolvimentista" (em favor da atividade industrial), que fracassou porque se "cutucou onças com varas curtas" em um contexto no qual as condições internas e externas se tornaram negativas.[16] Todavia, não foram governos irresponsáveis, tanto que não promoveram endividamento externo excessivo, como costumam fazer os governos que merecem ser assim qualificados. Do ponto de vista político, parece-nos que seria possível classificar o governo de Néstor Kirchner como próximo a um populismo moderado na ordem dos discursos, em especial no tratamento da dívida externa, até como meio para se conquistar melhores condições de negociação; menos moderado nos governos de Cristina Kirchner, nos quais a contraposição povo versus elite/oligarquia se fez mais presente.[17] Estamos tecendo considerações que carecem de desenvolvimento; como dissemos no início do capítulo, aqui apresentamos resultados parciais de pesquisa em curso, ainda há muito a avançar.

Finalmente, como no Brasil, no país vizinho há debates sobre o peso dos fatores dinamizadores do crescimento econômico verificado na Era Kirchner: se as políticas internas adotadas ou a fortuna das commodities. A alta nos preços internacionais dos produtos primários foi um fator decisivo, assim como a gestão da política socioeconômica, com distribuição de renda e ativação do mercado interno. No entanto, os governos de Cristina Kirchner enfrentaram conflitos políticos internos exasperados, os fundos abutres, os efeitos da crise financeira mundial e decorrentes reorganizações nos capitalismos centrais. Neste ponto, importa pouco se falamos em "ensaio desenvolvimentista" ou em "medidas eleitoreiras" para se enfrentar o contexto tornado mais adverso após 2012; o fato é que as medidas adotadas despertaram boicotes radicalizados, sendo acusadas de provocar déficits fiscais, inflação, de populistas e irresponsáveis.

■ REFERÊNCIAS BIBLIOGRÁFICAS

[1] ÁGUILA, G. *Historia de la última dictadura militar. Argentina, 1976-1983.* Siglo Veintiuno Editores, 2023.

[2] AMIN, S. *Au-delà du capitalisme sénile. Pour un XX siècle non-américain.* Actuel Marx Confrontations/PUF, 2002.

[3] BALSA, J. *¿Por qué ganó Milei?: Disputas por la hegemonía y la ideología en Argentina.* Fondo de Cultura Económica Argentina, 2024.

[4] BALSA, J. *Discurso, política y acumulación en el kirchnerismo* (Vol. 7). Centro Cultural de la Cooperación Floreal Gorini, 2013.

[5] BASUALDO, E. M. (Org.). *Endeudar y fugar: Un análisis de la historia económica argentina, desde Martínez de Hoz hasta Macri.* Siglo XXI editores, 2017.

[6] BASUALDO, E.; BONA, L. M. La deuda externa (pública y privada) y la fuga de capitales durante la valorización financiera. In: BASUALDO, E. M. (Org.). *Endeudar y fugar: Un análisis de*

[13] Sobre como entendemos a luta de classes, ver Souza (2023).

[14] Não discutiremos aqui essas formulações; veja Tzeiman, 2021.

[15] Vale anotar que o neodesenvolvimentismo não é o mesmo que novo desenvolvimentismo, ligado às proposições de Bresser Pereira (2024; 2019). Na visão de Bresser Pereira, o novo desenvolvimentismo seria uma teoria econômica distinta do desenvolvimentismo praticado por alguns países latino-americanos "depois do evidente fracasso das reformas neoliberais da década de 1990 que derivaram do Consenso de Washington", que o autor define como uma "combinação de desenvolvimentismo clássico e populismo econômico, em suas duas versões: populismo fiscal e populismo cambial" (Bresser Pereira, 2019, p. 229). Bresser Pereira (1991) organizou uma coletânea na qual as suas contribuições (dois capítulos) e de outros autores abordam o populismo econômico.

[16] A hipótese de "ensaio desenvolvimentista" foi extraída de André Singer (2015), usada para avaliar o primeiro governo Dilma (Souza, 2021).

[17] Sobre *a ordem do discurso* na Era K, *populista* ou não, ver Balsa (Org., 2013); na obra, analisa-se também a relação entre kirchnerismo e peronismo.

la historia económica argentina, desde Martínez de Hoz hasta Macri. Siglo XXI editores, 2017.

[7] BASUALDO, E. M. El agro pampeano: sustento económico y social del actual conflicto en la Argentina. *Cuadernos del CENDES*, 25(68), 31-56, 2008.

[8] BELLUZZO, L. G. Indústria e progresso (02/04/2025). Disponível em: https://aterraeredonda.com.br/industria-e-progresso/, acesso em 20/12/2025.

[9] BELLUZZO, L. G. Uneven and combined globalization. *Revista Brasileira de Economia Social e do Trabalho*, v. 1, 2019.

[10] BELLUZZO, L. G.; GALÍPOLO, G. *A escassez na abundância capitalista*. Contracorrente, 2019.

[11] BELLUZZO, L. G. *O capital e suas metamorfoses*. Unesp, 2013.

[12] BOITO JR., A. *Reforma e crise política no Brasil: os conflitos de classe nos governos do PT*. UNICAMP-UNESP, 2018.

[13] BOITO, Armando; BERRINGER, Tatiana. Social classes, neodevelopmentalism, and Brazilian foreign policy under presidents Lula and Dilma. *Latin American Perspectives*, v. 41, n. 5, p. 94-109, 2014.

[14] BRAGA, S.; SOUZA, A. M. As relações Brasil-China sob a ótica da teoria da dependência. *Caderno CRH*, v. 38, 2025.

[15] BRAGA, S.; SOUZA, A. M. Estado, capacidades estatais e coalizões políticas: Argentina, Brasil e China no século XXI. *Revista REDCAEM*, n. 47, 2025b. Disponível em: https://chinayamericalatina.com/wp-content/uploads/2025/10/WP47-Setembro-2025-REDCAEM-.pdf, acesso em 20/12/2025.

[16] BRENTA, N. *Historia de la Deuda Externa Argentina: de Martínez de Hoz a Macri*. Capital Intelectual, 2019.

[17] BRESSER-PEREIRA, L. C. *Novo Desenvolvimentismo: introduzindo uma nova teoria econômica e economia política*. Contracorrente, 2024.

[18] BRESSER-PEREIRA, L. C. Do desenvolvimentismo clássico e da macroeconomia pós-keynesiana ao novo desenvolvimentismo. *Brazilian Journal of Political Economy*, v. 39, p. 187-210, 2019.

[19] BRESSER-PEREIRA, L. C. (Org.). *Populismo econômico: ortodoxia, desenvolvimentismo e populismo na América Latina*. Nobel, 1991.

[20] BROWN, W. *Nas ruínas do neoliberalismo: a ascensão da política antidemocrática no ocidente*. São Paulo: Politéia, 2019.

[21] CARDOSO, F. H.; FALETTO, E. *Dependência e desenvolvimento na América Latina*. Civilização Brasileira, 2004.

[22] CARDOSO, F. H.; SERRA, J. As desventuras da dialética da dependência. *Estudos CEBRAP*, n. 23, p. 33-80, 1979.

[23] CENTENO, M. A. Interview. In: KUFAKURINANI, U. et al. (editors). *Dialogues on Development. On Dependency*. Institute for New Economic Thinking, vol I, 2017.

[24] FILOMENO, F. A. A crise Baring e a crise do Encilhamento nos quadros da economia-mundo capitalista. *Economia e Sociedade*, 19, 135-171, 2010.

[25] FIORI, J. L. A globalização e a novíssima dependência. In: FIORI, José Luís. *Em busca do dissenso perdido*. Rio de Janeiro: Insight, 1995.

[26] FONSECA, P. C. D. Desenvolvimentismo: a construção do conceito. *Texto para Discussão*, 2015.

[27] HARVEY, D. *O neoliberalismo: história e implicações*. Edições Loyola, 2012.

[28] HARVEY, D. *O novo imperialismo*. Edições Loyola, 2004.

[29] HOROWICZ, A. *Los cuatro peronismos*. Edhasa, 2013.

[30] IANONI, M. Autonomia do Estado e desenvolvimento no capitalismo democrático. *Revista de Economia Política*, vol. 33 (4), outubro/dezembro 2013.

[31] IBÁÑEZ, I.; CABRAL, X. Entre apuntadores y guionistas: el papel de los medios en el conflicto campo/gobierno. *Boletín Onteaiken*, v. 5, p. 5-10, 2008.

[32] ITURVIDE, J. S. C.; SALOMÃO, I. C. A era K: o populismo argentino em questão (2003-2015). *Geosul*, 37(84), 310-333, 2022.

[33] KATZ, C. *A teoria da dependência: 50 anos depois*. São Paulo: Expressão Popular, 2020.

[34] KUFAKURINANI, U.; KVANGRAVEN, I. H.; SANTANA, F.; STYVE, M. D. *Dialogues on Development. Volume 1: On Dependency*, 2017.

[35] KULFAS, M. *Los tres kirchnerismos: una historia de la economía argentina, 2003-2015*. Siglo Veintiuno, 2016.

[36] LAVAGNA, R. *O desafio da vontade. Treze meses cruciais na história argentina (abril de 2002-maio de 2003)*. Editora 34, 2013.

[37] LENZ, M. H. *Crescimento econômico e crise na Argentina de 1870 a 1930: a Belle Époque*. Editora da UFRGS / Fundação de Economia e Estatística Sigfried Emanuel Heuser, 2004.

[38] LÓPEZ, E.; BARRERA INSUA, F. La pesada herencia de la dependencia. Competencia capitalista y ganancias extraordinarias en Argentina (2002-2015). *América Latina Hoy*, v. 80, 2018.

[39] MARINI, Ruy Mauro. Las razones del neodesarrollismo (respuesta a F. H. Cardoso y J. Serra). *Revista Mexicana de Sociología*, número especial, Facultad de Ciencias Políticas y Sociales, UNAM, 1978.

[40] MARTUSCELLI, D. E. O conceito marxista de crise política. In: MARTUSCELLI, D. E. *Classes dominantes, política e capitalismo contemporâneo*. Florianópolis: Em Debate/UFSC, 2018.

[41] MARTUSCELLI, D. E. Estado e bloco no poder na Argentina (2003-2015). Relatório final de pesquisa de pós-doutorado. Buenos Aires: Universidad de Buenos Aires, 2017.

[42] OLIVEIRA, F. A. Lost and found: Bourgeois dependency theory and the forgotten roots of neodevelopmentalism. *Latin American Perspectives*, v. 49, n. 1, p. 36-56, 2022.

[43] OSTIGUY, P. *Los capitanes de la industria: grandes empresarios, política y economía en la Argentina de los años 80*. Legasa, 1990.

[44] PALERMO, V.; NOVARO, M. *Política y poder en el gobierno de Menem*. Grupo Editorial Norma, 1996.

[45] PAULANI, L. M. A Dependência revisitada: relações de mercado, a fase 4.0 e o caso do Brasil. *Revista da Sociedade Brasileira de Economia Política*, n. 64, 2022.

[46] PERISSINOTTO, R. M. *Ideas, burocracia e industrialización en Argentina y Brasil*. Lenguaje Claro Editora, 2023.

[47] ROUGIER, M.; SCHORR, M. *La industria en los cuatro peronismos: estrategias, políticas y resultados*. Capital Intelectual, 2012.

[48] SAES, D. A. M. *República do capital: capitalismo e processo político no Brasil*. 2.ª Ed. Boitempo, 2024.

[49] SAES, D. A. M. Modelos políticos latino-americanos na nova fase da dependência. In: Nogueira, F. M. G.; Rizotto, M. L. *Políticas sociais e desenvolvimento: América Latina e Brasil*. Xamã, 2007.

[50] SEMÁN, E. *Breve historia del antipopulismo: Los intentos por domesticar a la Argentina plebeya, de 1810 a Macri*. Siglo XXI Editores, 2021.

[51] SINGER, A. Cutucando onças com varas curtas. O ensaio desenvolvimentista no primeiro mandato de Dilma Rousseff (2011-2014). *Revista Novos Estudos*, n. 102, julho, 2015.

[52] SOUZA, A. M.; MARTUSCELLI, D. E. Crise política e movimento pendular da burguesia interna industrial nos governos de Dilma Rousseff e Cristina Kirchner. In: BOITO JR., A.; MARTUSCELLI, D. E.; GUILMO, N. (Orgs.). *Instabilidade e crise na política brasileira*. Marília: Lutas Anticapital, 2025.

[53] SOUZA, A. M. Capitalismo: totalidade social e lutas de classe. *Crítica Marxista*, 31(57), 109-116, 2023.

[54] SOUZA, A. M. *Dependência e governos do PT*. Appris, 2021.

[55] STALLINGS, B. *Dependency in the twenty-first century?: The political economy of China-Latin America relations*. Cambridge University Press, 2020.

[56] TENEMBAUM, E. *¿Qué les pasó?* 2.ª Ed. Sudamericana, 2010.

[57] TZEIMAN, A. *Radiografía política del macrismo. La derecha argentina: entre la nación excluyente y el desafío democrático*. Caterva, 2017.

[58] VARESI, G. A. El "conflicto del campo" de 2008 en Argentina: Hegemonía, acumulación y territorios. *Geograficando*, 10(2), 2014.

[59] WEBER, I. *How China escaped shock therapy: the market reform debate*. London: Routledge, 2021.

[60] ZÍCARI, J. N. *Martínez de Hoz. El jefe civil de la dictadura*. Ediciones Continente, 2025.

[61] ZÍCARI, J. N. Cambiar la mentalidad: Martínez de Hoz y su relato sobre las estrategias utilizadas para combatir la inflación (1976-1981), 2023.

[62] ZÍCARI, J. *Crisis económicas argentinas: de Mitre a Macri*. Ediciones Continente, 2020.

[63] ZÍCARI, J. *Camino al colapso: Cómo llegamos los argentinos al 2001*. Ediciones Continente, 2020b.

GLOBAL JOURNAL
OF HUMAN SOCIAL SCIENCES - E: ECONOMICS

Volume 26 | Issue 2 | 2026 | Article ID: GJHSS-258710 | Language: English

The Impact of Production Loan Towards Productivity of Corn Farmers in Sarangani Province

Article Record

Penie Louie C. Panuncillo *

*Corresponding Author

Keno Jay M. Balogbog §

§ Mindanao State University - General Santos City (OA)

RECEIVED	ACCEPTED	ONLINE PUBLISHED	PUBLISHED	PEER REVIEW
2026-06-17	2026-06-26	2026-08-04	2026-09-17	Double Blind

Abstract

This study examined the impact of production loans on the productivity of corn farmers in Sarangani Province, Philippines. It specifically investigated the socio-economic characteristics of farmers, the reasons for availing production loans, the factors influencing corn productivity, the effect of production loans on yield, and the profitability of corn production. A descriptive-correlational design was employed, and data were collected from 315 farmer respondents using structured questionnaires. Frequency and percentage analyses were used to describe socio-economic profiles, while ranking and thematic analysis identified the primary reasons for loan utilization. Factors affecting productivity were analyzed using Ordinary Least Squares (OLS) regression and Generalized Linear Models (GLM), while the impact of production loans was explored using an impact pathway approach. Cost and return analysis determined the economic viability of corn farming. Results revealed that age, educational attainment, farm size, monthly income, loan amount and frequency, and participation in corn production and financial management training significantly influenced productivity. Gender, marital status, and number of dependents had no significant effect. Production loans enabled farmers to access essential inputs, conduct timely farming activities, and improve overall farm management, which contributed to higher yields and profitability. The study highlights the importance of integrating financial support with technical training and resource management to enhance smallholder corn productivity in...

Full abstract continues on the metadata continuation sheet.

agricultural finance | Corn productivity | farm profitability | impact pathway | production loans | Sarangani Province | smallholder farmers

AI USE STATEMENT
No generative AI was used for analysis or results.

FUNDING
No external funding was declared for this work.

CONFLICT OF INTEREST
The authors declare no conflict of interest.

DATA AVAILABILITY
Not applicable for this article.

ETHICS
Ethical approval was secured prior to data collection

CONSENT
informed consent from respondents to ensure confidentiality

TRIAL REG.
Not applicable.

Crossref DOI: 10.34257/GJHSSE258710

How to Cite: Panuncillo et al. (2026). The Impact of Production Loan Towards Productivity of Corn Farmers in Sarangani Province. Global Journal of Human-Social Science, 26(2), 57-81. DOI: 10.34257/GJHSSE258710

AR Experience Web Page DOI

Print ISSN 0975-587X

Online ISSN 2249-460X

METADATA CONTINUATION

FULL ABSTRACT

This study examined the impact of production loans on the productivity of corn farmers in Sarangani Province, Philippines. It specifically investigated the socio-economic characteristics of farmers, the reasons for availing production loans, the factors influencing corn productivity, the effect of production loans on yield, and the profitability of corn production. A descriptive-correlational design was employed, and data were collected from 315 farmer respondents using structured questionnaires. Frequency and percentage analyses were used to describe socio-economic profiles, while ranking and thematic analysis identified the primary reasons for loan utilization. Factors affecting productivity were analyzed using Ordinary Least Squares (OLS) regression and Generalized Linear Models (GLM), while the impact of production loans was explored using an impact pathway approach. Cost and return analysis determined the economic viability of corn farming. Results revealed that age, educational attainment, farm size, monthly income, loan amount and frequency, and participation in corn production and financial management training significantly influenced productivity. Gender, marital status, and number of dependents had no significant effect. Production loans enabled farmers to access essential inputs, conduct timely farming activities, and improve overall farm management, which contributed to higher yields and profitability. The study highlights the importance of integrating financial support with technical training and resource management to enhance smallholder corn productivity in the province.

ARCHIVAL RECORD

GJHSS · Vol 26 · Issue 2 · 2026

Article ID GJHSS-258710 · DOI 10.34257/GJHSSE258710

Print ISSN 0975-587X · Online ISSN 2249-460X

Global Journal of Human-Social Science - Section E
GJHSS Volume 26 Issue 2

The Impact of Production Loan Towards Productivity of Corn Farmers in Sarangani Province

Penie Louie C. Panuncillo§ * and Keno Jay M. Balogbog§

Affiliations
§ Mindanao State University - General Santos City (OA)

Abstract

This study examined the impact of production loans on the productivity of corn farmers in Sarangani Province, Philippines. It specifically investigated the socio-economic characteristics of farmers, the reasons for availing production loans, the factors influencing corn productivity, the effect of production loans on yield, and the profitability of corn production. A descriptive-correlational design was employed, and data were collected from 315 farmer respondents using structured questionnaires. Frequency and percentage analyses were used to describe socio-economic profiles, while ranking and thematic analysis identified the primary reasons for loan utilization. Factors affecting productivity were analyzed using Ordinary Least Squares (OLS) regression and Generalized Linear Models (GLM), while the impact of production loans was explored using an impact pathway approach. Cost and return analysis determined the economic viability of corn farming. Results revealed that age, educational attainment, farm size, monthly income, loan amount and frequency, and participation in corn production and financial management training significantly influenced productivity. Gender, marital status, and number of dependents had no significant effect. Production loans enabled farmers to access essential inputs, conduct timely farming activities, and improve overall farm management, which contributed to higher yields and profitability. The study highlights the importance of integrating financial support with technical training and resource management to enhance smallholder corn productivity in the province.

Keywords: *agricultural finance, Corn productivity, farm profitability, impact pathway, production loans, Sarangani Province, smallholder farmers, Socio-economic factors*

*** Corresponding Author**
Penie Louie C. Panuncillo

DOI
10.34257/GJHSSE258710

1. Introduction

Smallholder farmers are dealing with reduced amounts of available production resources coupled with increasing input costs that have led to lower productivity and profitability levels (Robinson, 2025). Production loans can alleviate the capital limitations experienced by these Farmers; however, capital access in a majority of new market areas continues to be a challenge (Varangis, 2025). Even in some of the highest corn-producing countries like the United States, smallholder farmers still have limited access to timely capital resources and are experiencing greater financial pressures because of large-scale competition (National Family Farm Coalition, 2023; Kopp, 2024).

Corn is one of the principal agricultural crops of the Philippines and serves as a primary source of farmer livelihoods; however, farmers in the Philippines continue to struggle with high production costs and limited access to financing (AgFlow, 2023; FPA, 2024). The island of Mindanao accounts for a substantial portion of the Philippines' total corn production with Sarangani being a major corn-producing province supporting the growth of the corn industry in Mindanao (MinDA, 2024; PSA Region XII; 2024). Despite their contribution to total corn production in Sarangani, many farmers remain economically disadvantaged due largely to limited access to capital support programs (PhilSEED, 2023).

Through these conditions, one research gap exists in regards to how the use of production loans affects farmers' corn production in Sarangani Province. The purpose of this study was to investigate how production loans impact corn production and examine the challenges faced by farmers in obtaining and utilizing production loans as a source of financing.

This study aimed to answer the following questions:

1. What are the socio-economic characteristics of the farmer beneficiaries in terms of age, gender, marital status, educational attainment, years of farming experience, farm size in hectare, average monthly net income from farming, number of dependents, amount of loan availed, number of times loan availed, corn production training attendance, and attendance in financial management training?

2. What are the reasons for availing production loans?

3. What are the factors affecting corn productivity?

4. What is the impact of production loans on corn productivity?

5. What is the profitability of corn production?

2. Review of Related Literatures

2.1. Corn Farming

Worldwide, corn or maize is one essential food crop that provides energy for humans and animals. Corn maize continues to be consumed in great quantities because of its nutritional value (Abayomi et al., 2023). In many western countries, corn is a principal source of carbohydrates, protein, fats, minerals, and vitamins used to feed both people and animals (Sudheesh et al., 2022). Corn is also the largest volume of feed grain traded worldwide, with the United States being the largest exporter (Bond, 2025). Corn or maize ranks third in the amount produced behind wheat and rice and not only has great nutritional value but is very adaptable to different environments (Kumar et al., 2022; Lopez-Nicora et al., 2023). In more developed parts of the world, it is also used as a biofuel source, which helps support alternative energy production (Lopez-Nicora et al., 2023). In addition to its environmental and nutritional value, maize has a very positive effect on economic development. In the United States, corn will continue to be a key contributor to agricultural output, provide a large part of U.S. GDP, and create a lot of jobs in rural areas (Swanson, 2025). Unfortunately, corn farmers are experiencing challenges meeting growing global food demand due to limited access to resources and financial support.

2.2. Corn Farmers in the Philippines

Philippines is known to be an agricultural country with its tropical climate conducive for many crops to grow which contributes to the total Gross Domestic Product of the Philippines and providing jobs to many Filipinos (Patacsil et al., 2023). One of the major crops produced all over the archipelago is the corn that ranks number three in terms of productivity and land area (Poonon, 2023). While rice is considered as the most important staple food in the Philippines because of Filipinos love for rice culture, the corn product ranks second as it is consumed by many Filipinos as an alternative for rice or as a snack.

Corn production has shown significant growth over the years due to the introduction of new technologies and machineries which makes farming faster and easier. The development of hybrid varieties also helped in increasing production and profitability, while government support programs which all aims to enhance the farmers production and profitability (Colminas et al., 2024).

While according to Becher et al. (2024), crop establishment methods and fertilizer applications are another important element to emphasize when farming as this both contributes to productivity and sustainability. In their study on the effect of crop establishment method on field performance in Leyte, Philippines, a significant contribution in corn farming was discovered. In all treatments of different crop method, the treatment number 5 which is a direct seeding method resulted in a more marketable crop with big corn ears and higher fresh stover yield. While transplanting did not result in a better output than direct seeding method. Fertilizer management also have big impact on the average days from sowing to tasseling, and on the quality of the green cob produced. This emphasize the importance of experimenting which crop establishment is best, and paying attention on fertilizer management. This further implies that corn farmers need financial support to fully execute proper crop and fertilizer management from sowing to tasseling.

2.3. Socio-Demographic and Economic Profile of Corn Farmers

Philippine agriculture is facing the challenge of ageing farmers population despite the rise in technology used in farming (Manigo, 2021). In (Quilit, 2025) study on local farmers in Apayao, majority of the workforce belong to older age groups.

Consistent with the findings of Asis (2019) and Colminas et al. (2024), which revealed that young generations are becoming less interested in agriculture because they perceive farming as an unattractive industry. Similarly, a report from Asis (2019) showed that there is a less percentage of young Filipinos participating in agriculture as these young Filipinos with higher level of education tend to migrate and look for careers outside farming. The same problem was highlighted by Lauengco (2022) indicating a growing concern in farming workforce with declining rate of young people joining the farming industry. Consistent with Colipano (2024) and Asis (2019), showing that most of the farmers are those in middle-aged. However, this result contradicts the result in the study of Colipano (2024) on the corn farmers in Kibawe, Bukidnon, most are middle-aged, with some young corn farmers who rank third in the survey.

The result in the study of Mayo and Villarta (2023) revealed that majority of corn farmers in Palimbang, Sultan Kudarat have been farming for more than six years, indicating expertise in corn farming in this area. While most of the farmers are cultivating land which are less than 3 hectares, many of them are relying on tenancy where they pay the rent land that they cultivate. One of the findings also revealed that half of the studied farmers have an income of less than Php 5,000.00 with 39 percent having monthly income of Php 5000.00 to Php 1000.00. This means that financial support is largely needed by these farmers whose income in not enough to cover the cost of corn farming. While in the study of Quilit (2025) among white corn farmers in Lower Apayao, majority of farmers have been farming for more than 10 years, which indicates that majority of the respondents have substantial experience in farming.

Another common observation among corn farmers is the predominance of male farmers than female. In Quilit (2025) study in Lower Apayao, showed that majority of the corn farmers are male, while half of the respondents were married which implying that farming is a way to support the needs of their family. According to Ani (2020), females have less representation in farming and do not have equal access to agricultural opportunities such as land ownership and agricultural loan. Another significant finding is the less wage given to women than men due to the limited amount of labor that women can do. This discrepancy has encouraged government to craft programs that include women education. This program may encourage inclusivity as well as increase in efficiency and sufficiency. The ability and willingness to venture new strategies in farming strategies and crop diversification was less evident in females (Ge et al., 2023) due to less education and less contribution in family decisions compared to males. While in Ilocos Norte, women participated more in production and farmhouse tasks doing less leg work such as selling produce in the market and cleaning the surroundings compared to men doing more of the field tasks (Aquino et al., 2025). In contrast with Ge et al. (2023), women in Ilocos Norte have achieved higher education than men, hence they are expected to head the operation and are discouraged to do any farming tasks.

The difference between men and women, education levels, and other socio-economic factors of among farmers were studied by many authors. Though existing studies showed inconsistent result, this study will determine the socio-economic profile of corn farmers in Sarangani Province. Delving into the socio-economic characteristics of corn farmer will help to craft strategies to improve their status of farmers in Sarangani Province.

2.4. Profitability of Corn Farming

Most of the corn farmers in Palimbang, Sultan Kudarat, who were investigated in the study of Mayo and Villarta (2023), generate 50 cavans and above of yield per hectare, with twice-a-year cropping frequency for many farmers. This indicates high production and profitability, suggesting that further study of the genetic traits and characteristics of the corn variety can help many corn farmers in the Philippines. However, this contradicts the report generated by the Philigppine Statistics Authority in 2024, showing a decline of corn production of 0.6 percent. Similarly, in the published report by Balita (2025), the total GDP contribution of the agriculture, together with foresty, and fishing sector has shown a declining rate since 2020.

As suggested by Lauengco (2022), there is a need for intensive monitoring of the financial support coming from the government to ensure that this resource is equitably shared up to the local levels. This will not just help the farmers increase perceive farming but will change the perspective of young generation that farming is profitable and sustainable.

2.5. Production Loan Mechanisms

Production loans are financial support provided to farmers allowing them to finance farming inputs and production processes. This is a short-term loan that aims to assist smallholder farmers to procure needed materials to sustain to farming from production to distribution. These loans are in a form of cash, vehicles, materials, pesticides, or fertilizer depending on the need of the farmer. All these aims to help in maximizing the produce without being constrained by financial challenges (Chen, 2021).

As mentioned, loan products differ depending on purpose. Rural Bank of Pagadian in Western Mindanao provides pre-harvest and post-harvest loans, high value crops, and livestock loans which are given to rice, coconut, and livestock farmers in Pagadian. The Department of Agriculture – Agricultural Credit Policy Council (DA-ACPC) launched a program called Production Loan Easy Access (PLEA) which provides support to marginal and small farmers and fisherfolks with the aim of providing a convenient, non-collateralized, and with low interest rate.

Different types of production loans are provided to farmers especially to small farmers who are owning just small amount of land. This is to provide opportunities for them to maximize product outputs. Philippine government through Department of Agriculture, a department responsible in promoting programs for farmers have been crafting strategies to help aid small farmers in their agricultural practices.

2.6. Availment of Production Loan

Farming inputs such as labor, pesticides, herbicides, and fertilizers significantly impact the farming productivity (Diallo et al., 2020). This inputs however, requires capital to ensure the smooth process from planting to harvesting.

The longitudinal study of AT et al. (2022) in Nigeria which delved into the effect of farmers credit on agricultural productivity revealed that bank credit significantly influences productivity which further suggest that government must initiate savings and bank credit to farmers. This will not just enhance productivity but profitability in farming as well. The study of Diallo et al. (2020) in the country of Senegal using inefficiency model revealed an increase of almost thirty-seven percent is observed for those farmers who were given access to credit. This big increase in production in Senegal only proves that the importance of financial access through credit plays an important role in agricultural farming.

In the study of Mayo and Villarta (2023), on the challenges faced by smallholder farmers in South Central Philippines particularly in Palimbang, Sultan Kudarat, one of the findings highlighted the lack of financial access and support from government. This limits the corn farmers ability to maximize their produce as they rely on their personal capital to sustain their livelihood which is not enough to cover the expenses.

Lack of credit access is the usual battle cry of many farmers. Thus, access to production loan may help many farmers who lack the resources to finance the farming cost all by themselves.

3. Research Design

This study employed a mixed-method research design, combining quantitative and qualitative approaches to comprehensively analyze the socio-economic characteristics of corn farmers, their reasons for availing production loans, productivity factors, loan impact, and profitability.

The study was conducted in Sarangani Province, a major corn-producing area in the Philippines composed of seven municipalities. The respondents were corn farmers who are members of Agrarian Reform Beneficiaries Organizations (ARBOs). From a total population of 1,498 farmers, a sample size of 315 was determined using the Slovin formula at a 5% margin of error and 95% confidence level. Respondents were selected through simple random sampling to ensure equal representation and minimize bias.

Data were gathered through survey questionnaires and interviews, supplemented by secondary sources such as journals and reports. Ethical approval was secured prior to data collection, followed by informed consent from respondents to ensure confidentiality and voluntary participation.

The research instrument was a validated and pilot-tested questionnaire consisting of five sections covering socio-economic profile, reasons for loan availing, factors affecting loan access, impact on productivity, and profitability. Validation was conducted by experts, while reliability was tested through a pilot study involving 30 respondents.

4. Results and Discussions

Table 1. Age Profile of Corn Farmers in Sarangani Province

Age Group	Counts	% of Total
18–29 years	20	6.3%
30–39 years	75	23.8%
40–49 years	107	34.0%
50–59 years	76	24.1%
60 years and above	37	11.7%
Total	**315**	**100%**

The age distribution of corn farmers shows that the largest group is 40-49 years old. This group consists of 107 respondents (34%). The 50-59 age group follows with 76 respondents (24.1%). Farmers aged 30-39 make up 75 respondents (23.8%), and 37 respondents (11.7%) are aged 60 and above. The smallest group is those aged

18-29, with 20 respondents (6.3%). The result indicates that corn farming in Sarangani is dominated by middle-aged individuals who are physically capable of doing farming activities. The large proportion of farmers aged 40 and above indicates that many have acquired sufficient knowledge and experience in farming techniques. While the low representation of young farmers may indicate that some are venturing into other career opportunities beyond farming as a livelihood.

This finding is consistent with Manigo (2021), Quilit (2025), Asis (2019), Lauengco (2022), and Colipano (2024), who reported that farming is increasingly dominated by middle-aged or older farmers, while younger individuals show lower participation in agriculture. However, it partly contradicts Colipano's (2024) study in Kibawe, Bukidnon, where young corn farmers still ranked third in the age distribution.

Access to production loans must consider farmers with practical experience who need productivity support programs to purchase farming inputs. This will help farmers improve their cultivation practices and produce better outputs. Moreover, the low number of young farmers underscores the need to create programs that encourage their participation in farming through training and technology-based farming practices. They can also be provided with loan access to help them start exploring farming opportunities. These initiatives will help sustain corn-farming operations and ensure that agriculture in Sarangani remains productive.

Table 2. Gender Profile of Corn Farmers in Sarangani Province

Gender	Counts	% of Total
Female	86	27.3%
Male	227	72.1%
Prefer not to say	2	0.6%
Total	**315**	**100%**

The data in Table 2 shows the frequency distribution of Gender. The largest group of respondents is male farmers with 227 counts (71.1%). This is followed by female farmers, who were represented by only 86 respondents (27.3%). While 2 respondents (0.6%) preferred not to disclose their gender.

The physically demanding activities of corn production, from land preparation to harvesting and other farming activities, explain why male farmers dominate corn farming in Sarangani Province. The presence of female respondents also indicates that they are involved in some corn farming activities they can manage, such as planting, fertilizer application, harvesting, and decision-making and farm management.

The results on gender distribution imply that production loan programs should address the needs of male farmers, such as machinery and farm inputs. The presence of female farmers underscores the need to offer gender-inclusive programs to increase their participation in corn farming, including financial literacy training and farming support services. This is especially important so female farmers can contribute to farm decision-making, such as budgeting and allocation of loan proceeds. Their role also helps in ensuring the productivity and financial stability of their households.

This finding is consistent with Quilit (2025), Ani (2020), and Ge et al. (2023), who reported that farming is commonly dominated by male farmers and that women often have lower representation and access to agricultural opportunities. However, it partly differs from Aquino et al. (2025), who found that women in Ilocos Norte participated more in production and farmhouse tasks, although men still handled more field-intensive activities.

Table 3. Marital Status of Corn Farmers in Sarangani Province

Civil Status	Counts	% of Total
Married	237	75.2%
Separated	17	5.4%
Single	37	11.7%
Widowed	24	7.6%
Total	**315**	**100%**

Table 3 presents the results on the marital distribution of corn farmers in Sarangani Province. Most of the corn farmers are married, with 237 respondents (75.2%). This is followed by single farmers with 37 respondents (11.7%), widowed farmers with 24 respondents (7.6%), and the least frequent group are those who were separated from their partners with 17 respondents (5.4%).

The result on marital status supports previous findings in age distribution; farmers are dominated by middle-aged adults. This suggests that farming activities serve as a source of income to support their family. Hence, the availment of production loans is associated with sustaining farm operations, increasing income, and fulfilling household responsibilities, such as providing food for the family, paying for children's education, and covering other daily expenses.

This implies that production loans should consider the family obligations of corn farmers by providing flexible payment terms to help them manage both production and family expenses. Financial management training must also be provided to help farmers become efficient with loan allocation and budgeting. Spouses' participation must also be encouraged to support in the budgeting and decision making especially loan allocation and repayment planning.

This finding is consistent with Quilit (2025), who found that many corn farmers were married, suggesting that farming serves as a source of livelihood to support family needs. It also supports the discussion that production loan programs should consider household responsibilities because family obligations can affect how farmers use and repay their loans.

Table 4. Frequencies of Educational Attainment

Highest Educational Attainment:	Counts	% of Total
College Graduate	22	7.0%
College Level	54	17.1%
Elementary Graduate	42	13.3%
Elementary Level	30	9.5%
High School Graduate	92	29.2%
High School Level	46	14.6%
No Formal Education	7	2.2%
Total	**315**	**100%**

The data on educational attainment of corn farmers in Sarangani Province shows that most of the farmers have acquired high school diploma, with 92 respondents (29.2%). This is followed by farmers who reached the college level, with 54 respondents (17.1%) and 46 respondents (14.6%), who reached high school level. There are 42 respondents (13.3%) completed elementary education, while 20 respondents (13.3%) cited that they only reached elementary level. There are also 22 respondents (7%) who acquired college degree, however the least in number are those farmers with no formal education comprising the remaining 7 respondents (2.2%).

The result shows the mixed composition of corn farmers with majority who completed basic education. This suggest that some farmers have basic literacy skills to understand loan instructions especially on interest and payment terms. However, the presence of farmers who were up to elementary-level and no formal education also indicates that some respondents may lack the understanding of some technical terms especially on productivity record and financial management.

This implies that corn farmers in Sarangani Province must be provided with instructions that is simple and clear that can be understood by all farmers. This is important especially when communicating loan terms and interest. Furthermore, the result highlights the need to provide financial management and literacy training to farmers to maximize the use of production loans in increasing corn productivity and reducing the risk of repayment difficulty.

This finding is related to the discussion of Ge et al. (2023), which emphasized that education can affect farmers' willingness and capacity to adopt new farming strategies and make informed decisions. It also supports the need for simple loan instructions and financial literacy training, especially since the respondents have mixed educational backgrounds and some have only elementary-level education or no formal education.

Table 5. Frequencies of Years of Farming Experience

Years of Farming Experience	Counts	% of Total
11–20 years	131	41.6%
5–10 years	70	22.2%
Less than 5 years	20	6.3%
More than 20 years	94	29.8%
Total	315	100%

The result on the years of farming experience shows that 131 respondents (41.6%) have been farming for 11 to 20 years. This is followed by those with more than 20 years of farming experience, with 94 respondents (29.8%). While 70 respondents (22.2%) are in their 5 to 10 years of farming, and the least number of respondents are those with less than 5 years in farming experience.

The large proportion of farmers with more than 10 years of farming suggests that they are already experienced with farming methods and techniques. This also indicates that their knowledge and skills is built from their practical experience in the field of farming. While the low number of farmers with less than 5 years' experience suggest there is somewhat a decrease in the number of farming participation, especially for new generations who may be looking for opportunities beyond farming.

This finding is consistent with Mayo and Villarta (2023), who found that most corn farmers in Palimbang, Sultan Kudarat had been farming for more than six years, indicating farming expertise. It also agrees with Quilit (2025), whose study among white corn farmers in Lower Apayao found that most farmers had more than 10 years of farming experience, showing substantial experience in farming.

This implies the need to provide loan access to corn farmers to maximize the opportunity in increasing their production output. Farmers practical experience coupled with adequate production inputs will help generate more opportunity for farmers and elevate the overall economic status of farmers in Sarangani Province.

The result on the farm size in hectares revealed that most of corn farmers in Sarangani Province own 1 to 2 hectares, with 141 counts (44.8%). This is followed by 103 respondents (32.7) with 3-4 hectares of land and 41 (13%) respondents who cultivate less than one hectare of land. While only 30 farmers (9.5) have more than 4 hectares land. This indicates that corn farming in Sarangani Province is dominated by small to medium scale farmers who have limited land area to cultivate. Hence, proper utilization of inputs and budgeting of financial resources are necessary to increase corn yield. This finding is consistent with Mayo and Villarta (2023), who reported that most corn farmers in Palimbang, Sultan Kudarat cultivated land areas of less than 3 hectares, indicating the dominance of small-scale farming.

Table 6. Frequencies of Farm Size (hectares)

Farm Size (hectares)	Counts	% of Total
1–2	141	44.8%
3–4	103	32.7%
Less than 1 hectare	41	13.0%
More than 4	30	9.5%
Total	315	100%

The dominance of small to medium sized farmers implies that production loan programs must consider the land size cultivated by farmers. The amount of loan must be enough to cover the cost needed for buying inputs and materials, while also taking into account the yield and the capacity of the farmer to pay. This initiative will help farmers to cover production cost without excessive repayment burden.

Table 7. Frequencies of Average Monthly Net Income from Farming (after expenses)

Average Monthly Net Income from Farming (after expenses)	Counts	% of Total
Above ₱20,000	40	12.7%
₱10,001–₱20,000	112	35.6%
₱5,001–₱10,000	105	33.3%
Below ₱5,000	58	18.4%
Total	**315**	**100%**

The result on the income distribution shows that most of the farmers have average monthly net income of ₱10,001–₱20,000, with 112 respondents (35.6%). This is followed by those earning between ₱5,001–₱10,000, with 105 respondents (33.3%). While 58 farmers (18.4%) have average monthly income below ₱5,000, and 40 farmers (12.7%) earns more than ₱20,000 per month.

The result on the average monthly income after expenses shows that majority of the corn farmers in Sarangani Province earns low to moderate income range from corn farming. The high number of farmers having net income of ₱10,001–₱20,000 means the income they earn is still limited considering the months of production from land preparation to harvesting. The presence of farmers earning less than ₱5,000 also shows that some farmers are struggling financially which can affect their ability to purchase farming inputs to improve their productivity.

This finding is consistent with Mayo and Villarta (2023), who reported that many corn farmers in Palimbang, Sultan Kudarat had low monthly income, with several earning below ₱5,000, indicating the financial limitations faced by smallholder corn farmers.

This implies that access to production loan must be provided to corn farmers who are struggling with sustaining farming activities. Access to loan will help low-income farmers to purchase farming inputs needed to maximize their productivity. However, trainings on financial management especially on proper budgeting must be conducted to help farmers utilize their resources effectively. Lending institutions must also design loan products with reasonable interest and repayment terms to support farmers who have limited net income from corn farming.

Table 8. Frequencies of Number of Dependents

Number of Dependents	Counts	% of Total
1–2	77	24.4%
3–4	160	50.8%
More than 4	69	21.9%
None	9	2.9%
Total	315	100%

The result for the number of dependents that corn farmers have showed that most of the farmers have 3 to 4 dependents, with 160 respondents (50.8%). This is followed by 77 farmers (24.4%) with 1 to 2 dependents, 69 farmers (21.9%) with more than 4 dependents, while 9 farmers (2.9%) have no dependents.

This supports the previous finding in marital status where majority of the farmers are married and with family responsibilities. The number of farmers having 3 to 4 dependents means that their income from corn farming are not only used to cover another production costs but also to support the needs of the family.

This finding is related to Quilit (2025), who noted that many corn farmers are married, suggesting that farming serves as a source of livelihood for family needs. It also supports Mayo and Villarta (2023), who emphasized that limited farm income increases the need for financial support, especially when farmers also carry household responsibilities and dependents.

This implies that production loan programs must consider that farmers capacity to pay is affected by their obligation to cover family expenses. Hence, familial obligations must be considered in introducing loan programs and when approving a loan application. Orientation of proper budgeting and resource allocation must also be conducted before granting a loan approval to guide farmers in budgeting loans proceeds, considering household expenses and production costs. This will help not just in improving yield but also in reducing financial burden among farmers.

Table 9. Frequencies of Amount of loan availed (latest)

Amount of loan availed (latest)	Counts	% of Total
below ₱10,000	40	12.7%
₱10,001- ₱20,000	131	41.6%
₱20,001- ₱50,000	115	36.5%
above ₱50,001	29	9.2%
Total	**315**	**100%**

The frequency distribution of the latest total amount availed by respondents. Majority of the farmers availed a loan between ₱10,001- ₱20,000, with 131 respondents (41.6%). This is followed those who availed a production loan of ₱20,001- ₱50,000, with 115 respondents (36.5%), and below ₱10,000, with 40 counts (12.7%). While there are 29 farmers (9.2%) were granted of more than ₱50,001 worth of production loan.

The result shows that many farmers apply for a low to moderate production loan range. The highest response in ₱10,001–₱20,000 bracket indicates that application and approval of loans are enough to cover the cost for production such as buying of seeds, payment for the labor, and other farming inputs. The small frequency who availed more than ₱50,001 indicates that only few farmers were qualified for larger production capital which can be associated with farm size, repayment capacity, number of dependents, and after expense income of corn farmers.

This suggest that approval of loans must be consistently aligned to the repayment capacity of farmers. While low production can help farmers to cover farming expenses, this may still not be enough to cover all materials needed. While those with larger production loans, need careful budgeting and planning in paying for repayment terms. Hence, financial management seminar must include techniques on proper budget and loan allocation. This will ensure that loan production creates greater positive impact on corn farmers in Sarangani Province.

This finding is consistent with Chen (2021), who described production loans as short-term financial support used by smallholder farmers to finance farm inputs and production activities. It also supports Mayo and Villarta (2023), who emphasized that farmers with limited income need financial assistance to cover corn farming costs, although the low to moderate loan amounts in this study suggest that loan approval should still be matched with farm size, input costs, and repayment capacity.

Table 10. Frequencies of Production Loan Availment

Number of times loan availed	Counts	% of Total
3–4 times	92	29.2%
More than 4	32	10.2%
Once	68	21.6%
Twice	123	39.0%
Total	**315**	**100%**

The frequency distribution on the number of times farmers availed a production loan is presented on Table 10. Most of corn farmers in Sarangani Province have availed a production loan twice, with 123 respondents (39%). This is followed by those who availed a production loan for 3-4 times, with 92 respondents (29.2%) and those who have availed for the first time, with 68 respondents (21.6%). While the lowest group of farmers are those who availed production loan for more than four times, with 32 respondents (10.2%).

This indicates the important role of production loans for corn farmers in Sarangani Province as a capital for purchasing farming inputs and sustaining farming operations every crop cycle. While the number of farmers who availed loan for more than three times emphasized that production loan has been part of the regular farming initiatives for corn farmers in Sarangani Province.

This finding is consistent with Chen (2021), who described production loans as short-term financial support used by farmers to finance recurring production inputs and farming activities. It also supports AT et al. (2022), Diallo et al. (2020), and Mayo and Villarta (2023), who emphasized that access to credit or financial support helps farmers sustain production and improve productivity.

This implies the need to ensure that production loan programs remain accessible and sustainable allowing farmers to finance farming operations. However, lending institutions must constantly provide orientation to prevent debt accumulation among farmers who rely on loan renewals for their crop production. This will ensure that production loans will not lead to additional financial burden but a tool to improve productivity.

The data on table 11 shows the frequency of attendance in corn production training among corn farmers in Sarangani Province. The result shows that more than half of the farmers population accounting for 186 respondents (59%) have attended corn production training. Meanwhile, 129 respondents (41%) have not attendance any training related to corn production.

Table 11. Frequencies of Corn Production Training Attendance

Corn Production Training Attendance	Counts	% of Total
No	129	41.0%
Yes	186	59.0%
Total	**315**	**100%**

This indicates that large group of respondents have received technical guidance on corn farming which an help improve their knowledge and skills in efficient and effective farming strategies. While 41% of respondents indicates a substantial number of farmers that have not received training on latest development and technologies used for improving farming practices.

This finding supports Becher et al. (2024), who highlighted the importance of crop establishment and fertilizer management, which means that corn production training is necessary, especially for the 41 percent of farmers who have not attended any training.

Hence, this result implies the need to strengthen training programs and require farmers participation as part of the process before granting loan approval. This will help ensure that farmers learn the new farming practices and allocate production loan accordingly. This process can help in preventing loan misuse and ensure that production creates positive impact on yield and economic status of corn farmers in Sarangani Province.

Table 12. Frequencies of Have you attended financial management training?

Have you attended financial management training?	Counts	% of Total
No	182	57.8%
Yes	133	42.2%
Total	**315**	**100%**

The data on table 12 shows the attendance of corn farmers in Financial Management training. The result shows that most group of farmers have not attended financial management training, with 182 respondents (57.8%). While only 133 respondents (42.2%) have attended training on financial management.

The result indicates that most farmers have not received any formal training regarding Financial Management. This further shows the lack knowledge on financial budgeting and proper allocation of borrowed capital. Meanwhile, the number of farmers with financial training indicates that they have acquired experience on how to manage farming expenses and income which allows them to manage their loan obligations effectively.

This finding supports Lauengco (2022), who emphasized the need for intensive monitoring of financial support to ensure that assistance given to farmers is properly used. It is also related to Chen (2021), who described production loans as financial support for farm inputs and production processes, which highlights the need for financial management training so farmers can properly allocate borrowed capital and manage repayment.

This suggest that financial lending institutions must provide financial management training on farmers before granting loan assistance. This training must be required to all farmers to ensure that they are equipped with the financial knowledge on proper loan allocation and budgeting. Providing training programs will help farmers plan their budget and ensure proper allocation of loan assistance.

Table 13 contains the frequency ranking of the reasons for availing production loans among corn farmers. Since the respondents were allowed to check all applicable reasons, the counts represent the number of times each reason was selected, while the rank identifies which reasons were most and least commonly chosen.

Table 13. Reasons for Availing Production Loan

Reasons for Availing Production Loan	Counts	Rank
Purchase Of Seeds and Planting Materials	202	1
Fertilizer Expenses	196	2
Land Preparation	195	3
Hired Labor Cost	158	4
Hired Labor Cost	158	4
Pesticide Expenses	150	5
Encouraged By Fellow Farmers	97	6
It Was Simpler and Faster to Avail Compared to banks or other lenders	87	7
Loan Offered By ARBO	86	8
Encouraged By ARBO Staff	83	9
No Other Funding Sources Available	76	10
Transportation Of Farm Inputs To Field	63	11
Transportation Of Produce	63	11
Transportation Of Farm Inputs To Field	63	11
Transportation Of Produce	63	11
Equipment Rental (e.g., Tractor, Sprayer, Thresher)	62	12
Emergency Education-Related Needs (e.g., Tuition, School Supplies)	39	13
Emergency Health-Related Needs (e.g., Hospitalization, Medicine)	39	13
Lack Of Income During Off-Season	38	14
To Repay Previous Debts or Loans	38	14
To Support Household Expenses During Planting Season	32	15

The data reveal that the purchase of seeds and planting materials ranked first, with 202 responses, followed by fertilizer expenses with 196 responses, and land preparation with 195 responses. These results indicate that corn farmers mainly avail production loans to finance direct production needs, particularly the basic inputs and field preparation activities required before and during the cropping season.

Other highly ranked reasons include hired labor cost, with 158 responses, and pesticide expenses, with 150 responses. This further shows that production loans serve as working capital for the actual farming process, including labor and crop protection. Meanwhile, the lowest-ranked reason was to support household expenses during planting season, with 32 responses, followed by lack of income during off-season and repayment of previous debts or loans, each with 38 responses. This suggests that although some farmers also consider household and financial pressures, their main reason for availing production loans remains focused on farm production.

This result is consistent with Chen (2021), who described production loans as financial support used by farmers to finance farm inputs and production processes. It also agrees with Diallo et al. (2020) and AT et al. (2022), who emphasized that access to credit improves agricultural productivity because farmers need capital for inputs such as seeds, fertilizer, pesticides, labor, and land preparation.

The result implies that production loan programs should prioritize the actual production expenses of corn farmers, especially seeds, fertilizer, land preparation, pesticides, and hired labor. Since these reasons obtained the highest ranks, ARBOs, cooperatives, and lending institutions should ensure that the approved loan amount and release schedule are aligned with the cropping calendar and current farm input prices.

Table 14. Factors Affecting the Availment of Production Loans

Major Themes	Subthemes
Loan Application Process	Documentary requirements Approval waiting time
Loan Term Clarity	Interest rate understanding Repayment schedule awareness
Organizational Trust and Support	ARBO/cooperative assistance Officer approachability Membership familiarity
Loan Program Accessibility	Local availability Simple requirements
Repayment and Financial Capacity	Harvest price fluctuation Household financial demands Rising production costs

Major Theme 1: Loan Application Process

The first major theme that was identified as one of the factors in availing production loan is the application process. This was further elaborated to two subthemes which are documentary requirements and approval waiting time. These subthemes are discussed in the following sections:

Subtheme 1.1: Documentary Requirements

Documentary requirements were identified as one of the factors in availing production loan. Some on the participants shared the assistance provided by the ARBO help with their application for production loan. Arnel mentioned that complying with documentary requirements was very organized with an officer who guides until the process ends:

> *[...] okay kaayo ang dagan kay kabalo na ang ARBO sa proseso. Gipangayo lang nila ang basic requirements, then gi-assist mi sa pag-fill out. Dili kaayo ko na-stress kay naay officer nga naggiya from start hangtod release sa loan (CF_01)*
> The process went very well because the ARBO already knew the procedure. They only asked for the basic requirements, then assisted us in filling out the forms. I was not really stressed because there was an officer who guided me from the start until the release of the loan.

However, some participants shared that they experienced delay in processing especially when requirements are incomplete. Cardo submitted incomplete documentary requirements that caused the delay of the loan processing:

> *[...] naa koy kulang nga document mao nadugay gamay (CF-03)*
> I had a missing document, so the process was slightly delayed.

Grace also shared that her application was difficult as she was unaware of the required documents for production loan:

> *Medyo lisod akong application experience kay dili ko kabalo dayon unsa nga papers ang kailangan. Nabalik pa ko usa ka beses kay naa koy kulang (CF-07)*
> My application experience was somewhat difficult because I did not immediately know what papers were needed. I had to go back once because I had a missing requirement.

The result indicates corn farmers must comply with the necessary documentary requirement for the fast approval of their production loan. Hence, ARBOs, cooperatives, and lending institution must provide a checklist of requirements together with an orientation to farmers to provide clear instruction to avoid delay in application.

This finding is consistent with the discussion on the DA-ACPC Production Loan Easy Access (PLEA) program, which describes production loan support as convenient, non-collateralized, and intended for marginal and small farmers. The experience of Arnel, who was assisted by the ARBO in completing basic requirements, supports the idea that accessible loan mechanisms become easier for farmers when organizations provide direct guidance.

Subtheme 1.2: Approval waiting time

The waiting time for loan approval was another factor for availing production loan among corn farmers. Several participants emphasized that altough the process was manageable, they still struggle with the waiting period for the loan approval and release. This affects their plan especially that corn farming needs to follow specific timing especially during planting season. Arnel shared that sometimes they need to wait for the final approval of the loan:

> *[...] Usahay medyo maghulat pa sa final approval. Maayo unta kung mas maaga ang release kay ang corn farming naa gyud timing. (CF_01)*
> Sometimes, we still have to wait for the final approval. It would be better if the release were earlier because corn farming really depends on proper timing.

Similarly, Sonia shared that although the application process was easy, she still experienced waiting period for the loan approval:

> *Ang application experience nako okay ra, although naghulat pa ko gamay sa approval. (CF_01)*
> Sometimes we still have to wait for the final approval. It would be better if the release were earlier because corn farming really depends on timing.

These responses suggests that timely approval is important for corn farmers as it affects their ability to prepare for corn production activities on time. Corn farming follows specific timing for land preparation and planting, hence delay in the purchase of inputs and materials can impact farmers ability to maximize their production output.

This finding is consistent with Chen (2021), who explained that production loans help smallholder farmers finance farming inputs and production processes. It also supports Becher et al. (2024), who emphasized the importance of crop establishment and fertilizer management in corn productivity, since delayed loan approval can affect land preparation, planting schedule, and input application.

This implies that ARBOs, cooperatives, and lending institutions must improve their approval scheduling and ensure to align their loan approvals and release with planting season to ensure that the loan amount is maximize to increase productivity.

Major Theme 2: Loan Term Clarity

Loan clarity emerged as another factor for availing production loan. This is further elaborated into two subthemes which are Interest rate understanding and repayment schedule awareness. These subthemes are discussed in the following sections:

Subtheme 2.1: Interest Rate Understanding

Another emerging factor for availing production loan is farmers' understanding of the interest rate. Clear explanation of the interest rate, terms, and schedules are important considerations for farmers to proceed with production loan:

> *[...] Gi-explain man gyud ang interest ug kanus-a magbayad (CF-01)*
> The interest and the schedule of payment were properly explained to us.

Similarly, Dante also shared that aside from the explaination on the interest, due date, and payment schedule, a sample computation was also provided:

> *[...] Gipakita pud nila ang sample computation, mao mas dali nako nasabtan [...] (CF-05)*
> The loan rules were very clear to me because they explained the interest, due date, and payment schedule one by one. They also showed a sample computation, which made it easier for me to understand.

Hence, farmers are pushed to apply for a production when they are provided with clear expectations on how much they need to pay together with the payment schedules. However, several participants demonstrate basic understanding of the details of their loan especially on interest rates:

> *Dili kaayo klaro sa akoa ang interest computation. Kabalo ko kanus-a magbayad, pero ang detalye sa penalty medyo libog (CF-03)*
> I am not very clear about the interest computation. I know when to pay, but the details of the penalty are somewhat confusing

Nestor also shared that the interest was explained but there was no clear breakdown of the details. Similary, Pedro recommended to explain the details in vernacular language particularly in bisaya or tagalog to effectively translate the details of interest:

> *Mas gusto nako nga i-explain nila in Bisaya or Tagalog nga simple. Lahi ra gyud kung klaro ang example sa interest ug bayad.(CF-15)*
> I prefer that they explain it in simple Bisaya or Tagalog. It is really different when the examples of the interest and payment are clear

The statements indicate the corn farmers understand that their production loan also includes their obligation to pay for the interest. However, there should be clearer explanation on how repayments and interest are computed.

This related to Chen (2021), who explained that production loans are intended to help smallholder farmers finance production needs, but the present finding extends this by showing that farmers still need clearer explanations of interest computation, penalties, and payment examples to fully understand their loan obligations.

Hence, it is important for lending institutions, cooperatives, and ARBOs to provide clear orientation using simple and localized terms that can be understood by the corn farmers. providing clear explanation on interest breakdown will help farmers plan their repayment properly and avoid misunderstanding during repayment schedules.

Subtheme 2.2: Repayment Schedule Awareness

Repayment schedule awareness is another factor in availing production loan among corn farmers. Some participants mentioned that knowing the schedule of payments help with their decision if they can manage with their loan obligation. Dante shared that he understood the rules of production loans because the details on interest, due date, and payment schedules were explained one by one:

> *Klaro kaayo sa akoa ang loan rules kay giisa-isa nila ang interest, due date, ug payment schedule. (CF-04)*
> The loan rules were very clear to me because they explained the interest, due date, and payment schedule one by one.

Sonia also shared that it understanding of repayment after harvest is important which shows the importance of timing of payment before availing loan. Similarly, Felix emphasized that the importance of setting aside the budget for loan payment after harvest. Having clear understanding of repayment data is necessary to carefully manage the cash flows:

> *Kabalo ko sa interest, repayment date, ug kinahanglan nga bayaran after selling. Ang clarity sa terms nakatabang nga maka-plan ko sa cash flow. (CF-19)*
> I know the interest, repayment date, and the requirement to pay after selling. The clarity of the terms helped me plan my cash flow.

The responses suggest that awareness of repayment schedules helps corn farmers decide to proceed with the loan, plan their loan obligations, and prevent confusion during payment time.

This finding is consistent with Chen (2021), who described production loans as short-term financial support for farmers, since repayment timing is an important part of managing borrowed capital for production needs. It also supports the discussion on accessible agricultural credit programs such as DA-ACPC's PLEA, where clear and farmer-friendly loan terms are necessary for small farmers to confidently avail and manage production loans.

Therefore, cooperatives, ARBOs, and lending institutions should clearly provide details on due dates and consequences for delayed payment. Since, farmers depend on their income from harvest to pay for their loans, it is necessary to provide farmers with payment options to help farmers manage their finances and avoid paying penalties resulting from delayed payment.

Major Theme 3: Organizational Trust and Support

Organizational support emerged as another factor that encourages corn farmers to avail production loan. This is further elaborated into three subthemes which are ARBO/cooperative assistance, Officer approachability, and Membership familiarity.

Subtheme 3.1: ARBO/cooperative assistance

The assistance provided by the ARBO or cooperative emerged as a factor that encourage farmers to apply for production loan. Several participants shared that the officers helped in preparing their documents providing guidance if they have missing requirements:

> *Kung naa koy kulang nga requirement, ginapahibalo nila ko dayon. (CF-02)*
> If I have lacking requirements, they inform me immediately.

Similarly, Mila shared the ARBO help is important especially with processing of the documents:

> *Ang ARBO supportive man, labi na sa pagtabang sa documents […] overall, okay akong experience. (CF-12)*
> The ARBO is supportive, especially in helping with the documents. Overall, my experience was okay.

The assistance provided by the officers during the application, processing, and release of production loan, they also provide after service which includes providing follow-ups to check the crops condition:

> *Maayo ang suporta sa organization kay naa silay follow-up sa field. Dili lang sila mangayo ug payment; ginatan-aw pud nila kung okay ba ang crop. Kana nakatabang sa among confidence. (CF-11)*
> The organization's support is good because they conduct field follow-ups. They do not only ask for payment; they also check whether the crops are doing well. That helped build our confidence.

This subtheme suggests that the assistance provided by the ARBOs, cooperatives, and lending institutions all throughout the production process provides confidence to farmers in availing production loans.

This finding is consistent with the discussion on production loan mechanisms, particularly the DA-ACPC Production Loan Easy Access (PLEA) program, which emphasizes convenient, non-collateralized, and accessible credit support for small farmers. It also supports Lauengco (2022), who emphasized the need for intensive monitoring of financial support, since the participants shared that ARBOs and cooperatives do not only assist in processing documents but also conduct field follow-ups to check crop conditions.

Hence, ARBOs and cooperatives should consistently provide farmers with assistance in loan application, document assistance, application updates, and field monitoring so build farmers confidence in production loans.

Subtheme 3.2: Officer approachability

Another emerging factor for availing loan production is officers' approachability. Several participants shared that they feel comfortable with asking questions and raising concerns to officers:

> *Kung naa mi pangutana, dali ra pud sila maduolan. (CF-01)*
> Whenever we have questions, they are easy to approach.

Similarly, Ben shared that the officers were approachable and immediately informed farmers if there is lacking requirements:

> *Okay akong experience sa cooperative kay approachable ang mga tao didto. Kung naa koy kulang nga requirement, ginapahibalo nila ko dayon. (CF-02)*
> My experience with the cooperative was good because the people there are approachable. If I have lacking requirements, they inform me immediately.

Applying for a loan production requires a lot of documents to process and forms to fill-out which may be confusing to corn farmers, but the presence of approach officers helps in reducing this confusion, making the loan process less intimidating to farmers.

However, some participants shared that they are hesitant sometimes to ask questions because officers are sometimes busy.

> *[…] pero dili pa kaayo ko close sa officers. Usahay maulaw ko mangutana kay basin busy sila. (CF-07)*
> But I am not yet very close to the officers. Sometimes, I feel shy to ask questions because they might be busy.
> *Okay man sila makigstorya, pero usahay busy pud ang officers. (CF-03)*
> They are okay to talk to, but sometimes the officers are also busy.

The statements suggest that approachability must be accompanied with the officer's availability to assist farmers proactively so corn farmers will become more confident in asking questions. It further extends the reviewed literature by showing that accessibility is not only about simple requirements or available credit, but also about the approachability and availability of officers who guide farmers, answer questions, and reduce confusion during the loan process.This implies that ARBOs, cooperatives, and lending institutions should provide consultations or assign contact persons to make the process more accessible to corn farmers.

Subtheme 3.3: Membership familiarity

Membership familiarity on the loan processes emerged as another factor that encourages farmers to avail for production loan among corn farmers. Their prior experience and familiarity with how the process works, the officers handling their loan applications, and the service provided by the organizations gives corn farmers the confidence to avail for the loan:

> *Dako akong salig sa among ARBO kay dugay na mi nga miyembro ug kaila na namo ang officers. (CF-01)*
> I have great trust in our ARBO because we have been members for a long time and we already know the officers.
> *Dali ra akong application kay regular member ko ug maayo akong record. (CF-19)*
> My application was processed easily because I am a regular member and I have a good record.

This suggest that prior experience and familiarity with the loan process build trust and confidence among farmers. However, farmers who are new with the process and are not close to officers are hesitant to approach and ask questions. This implies the ARBOs and cooperatives should provide consistent communication and guidance to both new and regular members.

Major Theme 4: Loan Program Accessibility

Loan program accessibility was revealed to be another factor that impacts production loan availment. This is further categorized into local availability and simple requirements. These subthemes are discussed in the following sections.

Subtheme 4.1: Local availability

The availability of production loan in the locality of farmers makes it more practical and attainable. As expressed by Arnel, the presence of ARBOs and cooperative within the community makes it easier and convenient for corn farmers to access. As shared by Cardo:

> *Accessible siya kay naa ra sa barangay ang contact person. (CF-03)*
> It is accessible because the contact person is already within the barangay.

Similarly, Edgar and Jun expressed the convenience they get from having available ARBOs and cooperatives in their community especially for farmers who are pressed for time and tied with their farming activities. Ben also emphasized that the process was easier because the organization was already familiar with the farmers situation. This suggest that while accessibility is important, the added familiarity on farmers situation make it more convenient for farmers since the organization understood their farming background.

Furthermore, Mila added that the organization showed their willingness to help by reaching out to the farmers first:

> *Accessible siya kay giduol mismo sa organization ang members. Dili na kinahanglan nga farmer pa ang mangita ug lender. (CF-12)*
> It is accessible because the organization itself reaches out to the members. Farmers no longer need to look for a lender themselves

This was supported by Sonia who mentioned that the loan process was accessible because it is easier for them to ask questions and submit their application compared to outside lending:

> *Accessible siya kay dali ra mag-inquire ug mag-submit. Compared sa lending sa gawas, mas komportable ko diri.(CF-17)*
> It is accessible because it is easy to inquire and submit requirements. Compared to outside lending institutions, I feel more comfortable here.

However, Pedro recommended that aside from providing accessibility, organization must also provide clear explanations and handouts especially on payment terms. Hence, ARBO/cooperative must provide clear orientation and initiate conversation to clarify information that are unclear to corn farmers. Overall, the presence of ARBO/cooperative within the community is more practical and convenient for many farmers reducing their travel and hesitation.

This finding extends existing literature showing that accessibility is strengthened when the loan program is available within the barangay, when contact persons are nearby, and when ARBOs or cooperatives actively reach out to farmers. This suggests that local availability makes production loans more practical and less intimidating for corn farmers compared with outside lending institutions.

Subtheme 4.2: Simple requirements

The simple documentary requirements are another emerging factor that encourages farmers to avail production loan. Several participants emphasized the simplicity of requirements needed to apply for a loan compared with banks:

> *Mas accessible ni siya kumpara sa banko kay dili na kinahanglan daghan kaayo nga papeles. (CF-01)*
> It is more accessible compared to banks because it does not require too many documents.

Similarly, Jun and Ramon both mentioned that the requirements are easier to comply and the process is not too strict compared with bank applications. Wilma also highlighted the importance of not requiring collateral compared with formal bank loans:

> *Accessible siya kay local ug mas dali kaysa formal bank. Dili na kinahanglan collateral nga wala man pud mi. Para sa small farmer, mao ni ang mas realistic nga option. (CF-20)*
> It is accessible because it is local and easier compared to formal banks. Collateral is no longer required, which we also do not have. For small farmers, this is the more realistic option.

These subthemes emphasize that simpler documentary requirements with no complex paper works reduce farmers hesitation in applying for production loan. Hence, cooperatives, ARBOs, and lending institutions should maintain requiring simple documentary requirements to farmers especially that corn farming in Sarangani Province is dominated by small to medium scale farmers.

Keeping the loan requirements simple and realistic

Major Theme 5: Repayment and Financial Capacity

Another factor that was identified that influences the decision to apply for a production loan among corn farmers was the repayment and financial capacity. This was further elaborated into harvest price fluctuation and household financial demands.

Subtheme 5.1: Harvest price fluctuation

Several participants expressed that while loan was helpful with sustaining their farming activities, repayment obligations become difficult especially with low selling price of corn during harvest.

> *Pinaka-challenge nako ang repayment kay usahay ubos ang presyo inig harvest. Maayo unta kung naay option nga installment after selling. (CF-05)*
> My biggest challenge in repayment is that the price during harvest is sometimes low. It would be better if there were an installment option after selling

Wilma shared the same sentiment and suggested to initiate farm to market linkage to help farmers with the low selling price of corn:

> *Ang challenge kay kung ubos ang presyo sa mais, lisod gihapon ang repayment. Suggest nako nga naa market linkage support para mas maayo ang selling price. (CF-20)*
> The challenge is that when the price of corn is low, repayment also becomes difficult. My suggestion is to provide market linkage support so farmers can have a better selling price.

Jun also shared that paying for the interest is manageable but the price fluctuation makes the interest burdensome for them.

> *Ang concern nako kay ang interest bisan manageable, dako gihapon kung ubos ang presyo sa mais. Suggest nako nga kung production loan, mas ubos unta ang interest. (CF-10)*
> My concern is that even though the interest is manageable, it still becomes heavy when the price of corn is low. I suggest that for production loans, the interest should be lower.

Dante suggested that repayment must be adjusted to align with the selling period of corn. These statements demonstrates that farmers are not only concern with loan accessibility but also consider the price fluctuations and their capacity to pay for their loan obligations.

This finding is related to Mayo and Villarta (2023), who reported that corn farming can generate high production and profitability, because the present finding shows that profitability and repayment capacity are still affected by the selling price during harvest. It also supports Lauengco (2022), who emphasized the need for stronger monitoring of financial support, since farmers' ability to repay production loans becomes difficult when corn prices are low, even if the loan helped sustain farming activities.

Therefore, cooperatives, ARBOs, and lending institutions should provide flexible payment options and installment schemes especially with price fluctuations during harvest to reduce financial concerns of corn farmers during harvest.

Subtheme 5.2: Household financial demands

Household financial demands emerged as another factor affecting production loan of corn farmers in Sarangani Province. This supports the marital distribution of corn farmers where majority are married with family obligations. Several participants mentioned that their loan obligations are sometimes not used mainly for crop production but on household associated expenses such as food, school expenses, and health needs.

> *Akong challenge kay ang loan nagamit pud sa household expenses kay wala mi income ato nga time. Mao pag-abot sa farm inputs, kulang na ang nahabilin. (CF-07)*
> My challenge is that the loan was also used for household expenses because we had no income at that time. So when it was time to buy farm inputs, the remaining amount was already insufficient.

Nestor shared that their loan amount is sometimes used for the education expense with their kids suggesting to provide financial coaching to manage loan amount focusing on farm inputs.

> *Ang challenge nako kay pag-release sa loan, naa pud mi bayranan sa school sa bata. Naapektuhan ang budget para sa fertilizer. Suggest nako nga naay financial coaching aron ma-prioritize ang farm inputs. (CF-13)*
> My challenge was that when the loan was released, we also had school expenses for the children to pay. This affected the budget intended for fertilizer. I suggest having financial coaching so farm inputs can be prioritized.

Income from farming follow certain seasons and sometimes farmers are confronted with urgent financial needs that pushes them to used part of their loan amount:

> *[...] daghan kaayo kinahanglan sa balay ug sa uma. Naay parte nga nagamit sa emergency health needs kay nasakit akong anak. (CF-03)*
> There were many needs at home and on the farm. Part of the loan was used for emergency health needs because my child got sick.

Similarly, Teresa shared the same sentiment, saying that their loan amount is compromised especially when there is an emergency health expense in the family.

> *Ang pinaka-challenge nako kay naay emergency health expense sa pamilya. Naapektuhan ang paggamit sa loan kay dili tanan napunta sa farm. (CF-18)*
> My biggest challenge was the emergency health expense in the family. The use of the loan was affected because not all of it went to the farm.

This suggest that household demands can divert the budget for crop production among corn farmers. Furthermore, these demands can affect farmers loan utilization and farmers productivity which violates the purpose of production loan. This implies that ARBOs, cooperatives, and lending institutions must provide financial management supports and emergency assistance so that the budget intended for crop production will be utilized mainly to finance farming activities.

4.1. Impact Of Production Loans on Corn Productivity

This section discussed the analyzed theme pertaining to impact of production loans on corn productivity. The analysis reveals six major which are improved access to production inputs, timely farm operations, and better crop growth and harvest output. This suggests the production loan in general p help in sustaining farming operations, improved crop quality, and production. These themes are discussed in the following sections together with its corresponding subthemes.

Table 15. Impact of Production Loans on Corn Productivity

Major Themes	Subthemes
Improved Access to Production Inputs	Seeds and fertilizer availability Pesticide and herbicide purchase Land preparation and equipment rental
Timely Farm Operations	On-time planting Timely fertilizer and pest control application
Better Crop Growth and Harvest Output	Increased harvest volume Better corn quality

Major Theme 1: Improved Access to Production Inputs

Improved access to production inputs emerged as one of the impacts of production loans among corn farmers. This was further elaborated into three subthemes which are Seeds and fertilizer availability, Pesticide and herbicide purchase, and Land preparation and equipment rental.

Subtheme 1.1: Seeds and fertilizer availability

One of the impacts of production loan on corn productivity is the availability of seeds and fertilizer. Participants mentioned that they utilized their loan mainly to buy corn seeds and fertilizers:

> *Akong gigamit ang loan mainly sa fertilizer ug seeds. Naa pud gamay nga napunta sa plowing kay kailangan na gyud andam ang yuta. (CF-02)*
> I mainly used the loan for fertilizer and seeds. A small portion also went to plowing because the land really needed to be prepared already.
> *Pagdawat nako sa loan, diretso nako siya gigamit sa seeds, fertilizer, ug land preparation. (CF-01)*
> When I received the loan, I immediately used it for seeds, fertilizer, and land preparation.
> *Gigamit nako ang loan according sa farm plan: seeds first, then fertilizer, then labor. (CF-06)*
> I used the loan for fertilizer, seeds, and payment for labor during planting.

These responses allowed farmers to access capital needed for initial production of corn farming not just in purchasing of corn seeds, but in procuring needed fertilizers and paying for paying for labor costs. The availability of corn seeds and fertilizers also allowed corn farmers to begin production with better preparation.

> *Nakatabang gyud ang loan kay nakapalit ko ug mas maayong seeds ug sakto nga fertilizer [...] Karon mas kompleto ang inputs, mao mas tarong ang tubo sa mais. (CF-01)*
> The loan really helped because I was able to buy better seeds and the proper fertilizer [...] Now the inputs are more complete, so the corn growth is better.

Similarly, Felix shared that access to production loan allowed to procure needed quantity for the fertilizers. June also mentioned that adequate fertilizer application helped to improve crop growth.

This finding is consistent with Chen (2021), who explained that production loans help smallholder farmers procure farm inputs and sustain production activities. It also supports Diallo et al. (2020) and AT et al. (2022), who emphasized that access to credit improves agricultural productivity because farmers need capital for inputs such as seeds, fertilizers, labor, pesticides, and other production needs.Hence, access to loan production not just helped in procuring quality seeds but also in buying sufficient fertilizer to support better crop growth and production output.

Subtheme 1.2: Pesticide and Herbicide Purchase

The ability to purchase pesticide and herbicide emerged as another positive impact of production loans among corn farmers.

> *Nakapalit pud ko ug herbicide. Mas limpyo ang field ug mas maayo ang crop stand. (CF-04)*
> I was also able to buy herbicide. The field became cleaner and the crop stand improved.

This emphasizes the additional benefit provided by production loan to maintain clean farm area and sustain crop growth. Inday shared the same experience that the loan amount helped in buying herbicide on time that improved weed control.

> *Overall, ang loan nakatabang sa productivity ug income. Naminusan ang losses kay na-control ang weeds ug pests earlier. (CF-09)*
> Overall, the loan helped improve productivity and income. Losses were reduced because weeds and pests were controlled earlier.

This statement indicates how production loan helped in early control of weeds and pests before the can cause greater damage to farmers. This suggests the loan production helps in corn productivity by allowing farmers to immediately respond to the damage caused by weed and pests by purchasing necessary by purchasing the needed herbicides and pesticides when needed. The result agrees with AT et al. (2022) and Diallo et al. (2020), who found that access to credit improves agricultural productivity, since the participants in this study were able to control weeds and pests earlier because loan proceeds allowed them to buy herbicides and pesticides on time.Therefore, production loan not only helps in purchasing farm inputs but helps in sustaining crop maintenance ensuring crop growth and quality until harvest.

Subtheme 1.3: Land preparation and equipment rental

Land preparation and equipment rental was identified as another impact of production loan on farmers productivity. Participants shared that aside from buying the seeds and fertilizers, some loan amount was used in pre-farming activities such as land preparation, plowing, and labor expenses which are important before the start of cultivation.

> *Naa pud gamay nga napunta sa plowing kay kailangan na gyud andam ang yuta. Naka-prepare ko sa yuta ug naka-plant within season. (CF-02)*

Similarly, Arnel mentioned that upon receiving the loan, part of the amount was spent for land preparation which indicates that this is one of farmers allocation for loan proceeds. This land preparation requires for machinery and fuel which could be another burden for farmers with limited cash, but with production loan, farmers were able to secure necessary machineries and pay for labor costs at the start of production without delays. Inday also mentioned that part of the loan proceeds was used for tractor rental highlighting the used of loan for operational expenses.

Overall, land preparation and equipment used are part of farmers allocation of the loan proceeds. Hence, production loan helps in timely and productive farming among corn farmers. The finding relates to Colminas et al. (2024), who noted that machineries contribute to faster and easier corn production.

Major Theme 2: Timely Farm Operations

The access to production loan support the time farm operations of corn farmers. These are further categorized into three subthemes which are on-time land preparation, on-time planning, timely fertilizer and pest control application. These subthemes are further discussed in the following sub-sections.

Subtheme 2.1: On-time planting

On-time planting emerged as another benefit of production loan for corn farmers. Corn farmers follow specific planting schedule and having available cash when needed is necessary to purchase seeds and pay for the labor within the appropriate period. Arnel emphasized that production loan is important especially during planting season as it prevents delays in farming:

> *Oo, nakatabang siya nga ma-timing nako ang land preparation ug planting [...] Kung naa ang kwarta on time, dili ma-delay ang trabaho sa uma.*
> Yes, it helped me time the land preparation and planting properly [...] When the money is available on time, the work on the farm is not delayed.

Similarly, Ben shared that he was able to prepare the land and plant withing the season which helps in with better crop growth and quality output. Additionally, he shared that without the loan the activity would be delayed for two weeks.

This subtheme shows that loan application helped farmers with timely farming activities especially during planting season. This implies that ARBOs and cooperatives must ensure that production loans are processed and released before the planting season to allow farmers to procure necessary inputs needed for the initial corn production. These organizations can prepare a loan release calendar which patterned to the farming cycle for earlier processing of needed documents and prevent delays in loan approval.

Subtheme 2.2: Timely fertilizer and pest control application

Timely purchase of fertilizer and pest control application emerged as another impact of production loan on corn farming productivity. Production loan helped farmers to purchase fertilizers and pesticides at certain period of crop growth. This has allowed corn farmers to manage weeds and pests the soonest preventing further damage on crops which could lead to poor quality and low income. As shared by Arnel, the loan amount helped with buying needed inputs to ensure better crop growth:

> *Nakatabang gyud ang loan kay nakapalit ko ug [...] sakto nga fertilizer. Before, magkulang ko sa abono kay hulaton pa nako ang kwarta gikan sa lain. Karon mas kompleto ang inputs, mao mas tarong ang tubo sa mais. (CF-01)*
> The loan really helped because I was able to buy the proper fertilizer. Before, I would lack fertilizer because I still had to wait for money from other sources. Now the inputs are more complete, so the corn growth is better.

This indicates that the capacity to purchase need farm inputs helps to improved the condition of crops that leads to better quality upon harvest. Additionally, Dante shared that loan assistance helped to purchase herbicide to maintain cleaner field and better crop stand. Inday also mentioned that losses were reduced due to immediate control of pests and weeds:

> *Naminusan ang losses kay na-control ang weeds ug pests earlier. Para nako, kung disciplined ang paggamit sa loan, makita gyud ang positive result. (CF-09)*
> Losses were reduced because weeds and pests were controlled earlier. For me, if the loan is used in a disciplined manner, positive results can really be seen.

This highlights the importance of timely application of fertilizer, pesticide, and herbicide to protect crop quality and increase productivity. This indicates that access to production loan not only helps with purchasing farm inputs but helps in the overall farm management practices.

This supports Diallo et al. (2020), who noted that farming inputs such as fertilizers, pesticides, herbicides, and labor significantly affect productivity. This implies that ARBOs, cooperatives, and lending institution provides timely release of loan approval to help farmers with timely application of pesticides and herbicides to promote overall productivity. Constant monitoring must also be done to ensure that loan proceeds are used for farming-related activities.

Major Theme 3: Better Crop Growth and Harvest Output

Better crop growth and harvest output emerged as another positive impact of production loan on corn productivity. This is further elaborated into three subthemes which are improved crop stand, increased harvest volume, and better corn quality.

Subtheme 3.1: Increased harvest volume

Increased harvest volume was identified as one of the impacts of production loan on corn productivity. Several participants shared that loan production helps with purchasing necessary farm inputs and perform farm activities on time which helps protect crop and leads to better production output. Production loan helped with the effective farm management by allowing farmers to purchase needed seeds, fertilizers, pesticides, and herbicides and pay for labor contributing to better crop growth. Oscar shared that he is able to purchase quality seeds and fertilizers which helped in crop management.

> *Mas maayo ang farm inputs nako karon kaysa previous cropping. Nakapalit ko ug quality seeds ug sakto nga abono. Nakatabang pud sa crop management kay naay budget sa spraying. (CF-14)*
> My farm inputs are better now compared to the previous cropping season. I was able to buy quality seeds and the proper fertilizer. It also helped in crop management because there was a budget for spraying.

This indicates that when farmers have enough capital, they are more capable of managing farming operations and improving the condition of the crops. Several farmers also associate better farm management with better harvest outcomes. Oscar shared that the harvest has improved with better crorn quality:

> *Mas taas ang harvest nako ug mas maayo ang quality sa shelled corn. Ang cobs mas bug-at ug mas gamay ang reject. Makaingon ko nga dako ang role sa loan. (CF-14)*
> My harvest was higher, and the quality of the shelled corn was better. The cobs were heavier, and there were fewer rejects. I can say that the loan played a big role.

Similarly, Ramon shared that with increased in harvest also leads to increase in income which provides confidence for the next cropping.

> *Mas taas akong harvest ug mas maayo ang net income. Nakita nako nga ang proper loan use ug good timing nagdala ug better yield. Mas confident ko karon sa next cropping. (CF-16)*
> My harvest was higher, and my net income improved. I saw that proper loan use and good timing led to better yield. I am now more confident for the next cropping season.

Victor also shared that the better crop establishment, sufficient fertilizer, and equipment rental helped with better yield and increase in harvest. These responses demonstrate the effectiveness of loan production with increased harvest by providing farmers with the needed capital to purchase farm inputs and needed materials for crop management. This also suggest that proper loan utilization results in better crop quality and improve harvest quantity.

As mentioned by Mayo and Villarta (2023), corn farmers can achieve high production and profitability when farming activities are properly supported. This implies that aside from ensuring timely release of production loans, ARBOs, cooperatives, and lending institutions must also conduct consistent monitoring of loan proceeds.

Subtheme 3.2: Better corn quality

Farmers shared that better corn quality was another positive result of access to production loan on productivity. Overall, production loan not only creates difference in production quantity but also in crop quality. Inday shared that there was significant improvement compared to previous harvest with limited capital:

> *Mas taas akong harvest ug mas nindot ang quality sa mais. Naka-sell pud ko sa mas maayo nga presyo [...] Dako ang improvement kumpara sa season nga kulang ko ug capital.*
> My harvest was higher, and the quality of the corn was better. I was also able to sell at a better price [...] There was a big improvement compared to the season when I lacked capital.

This indicates that better crop output may also have an impact on the marketability of the harvested corn products. Additionally, Oscar agreed that production loan helped with generating better harvest which provides better shelled corn. Better corn is a result of timely fertilizer application, better quality of seeds, and proper farm maintenance throughout the production period. This result highlights the need for ARBOs and cooperatives to ensure not just timely approval but also sufficient amount to cover cost for corn production. When farmers received the necessary support, they can better maximize the opportunity to purchase farm inputs and conduct appropriate farm maintenance resulting to better yield and income.

4.2. Factors Affecting Productivity

This section explains the factors affecting corn farmer's productivity in Sarangani Province. This considers the yield per hectare as the dependent variable and the socio-economic profile of the respondents as the independent variables. To properly analyze the result, normality test using Shapiro-Wilk was used. F The ordinary least squares (OLS) statistical treatment was used for variables that met the normality assumption, while generalized linear models (GLM) were used for variables that violated the normality assumption.

Table 16. Factors Affecting Productivity in terms of Age

Predictor	Estimate	Statistic Value	P	Interpretation
Age:				
30–39 years – 18–29 years	0.717	t = 2.22	.027	Insignificant
40–49 years – 18–29 years	1.363	t = 4.36	<.001	Significant
50–59 years – 18–29 years	1.844	t = 5.72	<.001	Significant
60 years and above – 18–29 years	1.638	t = 4.60	<.001	Significant

The data in table 17 shows that the age of farmers has a significant impact on corn productivity in the Sarangani area. In this instance, OLS regression used the youngest age group (18–29 years of age) as a reference group. In comparison to the reference group, farmers between the ages of 30 and 39 years had an increase in corn yield of 0.717 units (t=2.22 and p=0.027); those who were 40–49 years old produced 1.363 more units of corn than their younger counterparts (p<0.001); those who were 50–59 years old produced 1.814 more units of corn than their younger counterparts (p<0.001); and those who were over the age of 60 produced 1.638 more units of corn than their younger counterparts (p<0.001). The data indicate that as farmers age, they become more proficient at resource management, how to care for crops, and implementing improved practices, which improve farm productivity. It appears that there is a slight decline between the 60 years and above group compared with the 50-59 year group that may be due to limitations in physical ability or hesitance to use new approaches.

This finding is consistent with the studies conducted by Quilit (2025), Asis (2019), and Colminas et al. (2024) which confirm that middle-aged and older farmers are the majority in corn production in the Philippines and therefore productivity increases with age.In contrast, Colipano (2024) reported that Kibawe, Bukidnon has a larger percentage of younger farmers than the Sarangani region did, and that in Sarangani, yields from younger farmers were lower than yields from older farmers. In summary, these findings support the RRL theory that age is one of the major influences on smallholder corn production.

This implies that when developing interventions for an increase in corn crop production, the farmer's age/experience should be taken into account when designing training programs. Mentoring or extension services must be targeted towards younger farmers in order to increase their rate of skill acquisition as well as farming efficiencies so that they can be as productive as their older more experienced peers. Furthermore, through the implementation of policies promoting the exchange of knowledge between older and more experienced corn to the younger generation, sustainability and advancement of total corn yields within the province can be realized.

Table 17. Factors Affecting Productivity in terms of Gender

Predictor	Estimate	Statistic Value	P	Interpretation
Gender:				
Male - Female	-0.195	z = -1.119	.263	Insignificant
Prefer not to say - Female	-0.911	z = -0.924	.355	Insignificant

The data in Table 18 show that corn farmers in Sarangani Province are not likely affected by gender. A generalized linear model (GLM) has shown an estimated reduction of 0.195 units in the yield of corn for males compared to females (z = -1.119; p = 0.263) and an estimated 0.911 unit reduction for farmers who chose not to specify their gender (z = -0.924; p = 0.355). The results suggest that the productivity levels of male farmers and female farmers and those who chose not to disclose their gender are likely the same as females in the area.

These results support the studies of Ani (2020) and Ge et al. (2023), which indicate that although women may have less representation in certain farm tasks and limited access to resources such as land and loans, this does not inherently impact overall productivity.

The findings suggest that there exist no observable gender differences with respect to the potential for producing yields from corn. Therefore, gender should not be a criterion for providing assistance or interventions designed to improve corn yields. Thus, all resources, such as inputs, training, and production loans can be distributed to producers through a non-gender-specific prioritization of delivery systems. Additionally, producers should be prioritized based on other criteria that are known to affect yield production.

The result presented on table 19 shows that marital status does not significantly impact corn production among the farmers residing in Sarangani Province. Referring to the generalized linear model (GLM), where married farmers serve as the reference, separated farmers had an estimated reduction of yield by 0.579 (z = -1.677, p = 0.094), single farmers had an estimated increase of

Table 18. Factors Affecting Productivity in terms of Marital Status

Predictor	Estimate	Statistic Value	P	Interpretation
Marital Status:				
Separated - Married	-0.579	z = -1.677	.094	Insignificant
Single - Married	0.264	z = 1.086	.277	Insignificant
Widowed - Married	-0.157	z = -0.532	.595	Insignificant

yield by 0.264 (z = 1.086, p = 0.277), and widowed farmers had an estimated reduced yield of 0.157 (z = -0.532, p = 0.595). As none of these differences reached statistical significance, it indicates that marital status does not significantly contribute to corn production in Sarangani Province as reflected in these results.

Marital status does not appear to have an effect on corn production for farmers in Sarangani Province; as indicated by the results in Table 18. Using a generalized linear model (GLM) with married farmers as the base level, separated farmers were estimated to produce 0.579 units less corn (z = - 1.677, p = 0.094); single farmers were estimated to produce 0.264 more units (z = 1.086, p = 0.277); and widowed farmers were estimated to produce 0.157 less unit (z = - 0.532, p = 0.595). None of these estimates were found to be statistically different from each other which indicates that marital status does not meaningfully affect corn production for the study population.

This supports the study of Ani (2020), which emphasizes that marital status alone does not directly determine farm yield, and that productivity is more strongly affected by access to resources, training, and financial support. However, the findings slightly contradict studies like Quilit (2025), which suggest that family responsibilities and household obligations may indirectly affect farming decisions and resource allocation.

The results of this study suggest that the productivity of corn does not differ according to whether or not an individual is married, and therefore, programs intended to increase yield could be implemented regardless of marital status among farmers. This implies that Agrarian Reford Beneficiaries (ARBOs) should disregard marital status in planning for resource allocation, training, and technical assistance. Lending institutions can create and implement loan programs without the need to separate programs based on the borrower's marital status. Rather they may use their own experience as producers and other factors that actually affect production. This would assist in making credit much more efficiently available to all farmers and assist in providing the farmers with the financial resources they require to improve productivity.

Table 19. Factors Affecting Productivity in terms of Marital Status

Predictor	Estimate	Statistic Value	P	Interpretation
Highest Educational Attainment:				
College Level – College Graduate	-0.369	t = -1.09	.276	Insignificant
Elementary Graduate – College Graduate	-1.401	t = -3.98	<.001	Significant
Elementary Level – College Graduate	-1.265	t = -3.37	<.001	Significant
High School Graduate – College Graduate	-0.743	t = -2.34	.020	Insignificant
High School Level – College Graduate	-0.908	t = -2.62	.009	Significant

The result in table 20 shows that educational attainment level of corn farmers has a significant impact on corn production. The OLS regression analysis revealed a reduction in corn yields across educational attainment, with elementary level, elementary graduate, and high school level showing significant impact. The reduction in yield estimates for elementary school graduates was -1.401 (t = -3.98, p < 0.001) and -1.265 (t = -3.37, p < 0.001) for those who reached upto elementary school level. In addition, those who reached high school level had lower production of -0.908 than college graduate (t = -2.62, p=.009) and those graduated from high school had a reduction estimate of -0.743 (t = -2.34, p=.020). While college level farmers did not significantly differ from college graduates with a reduction estimate of -0.369 units (t = -1.09, p=.276). The result suggests that when farmers have higher levels of education, they usually get higher yields of corn than those with lower levels of education. This is likely because educated farmers have better skills in decision making and have learned the modern farming methods and techniques than less educated farmers.

This aligns with studies of Ani (2020) and Ge et al. (2023), which suggest that higher education equips farmers with better decision-making skills, knowledge of modern farming techniques, and the ability to efficiently utilize resources, including production loans and technical training.

These research findings provide further evidence that farmers with lower levels of education require additional support, in the form of both educational assistance as well as capacity-building initiatives or programs, in order for farmers to realize improved productivity on their farms. A farmer's educational level can also be considered when assessing how much a farmer will be able to utilize production loans and best practices to maximize yield potential. Less-educated farmers may benefit from targeted training and technical assistance so they can receive full benefit from financial support and technical assistance, which will contribute to increased corn production throughout Sarangani Province.

Table 20. Factors Affecting Productivity in terms of Years of Farming Experience

Predictor	Estimate	Statistic Value	P	Interpretation
Years of Farming Experience:				
5–10 years – 11–20 years	-0.91151	t = -4.7568	<.001	Significant
Less than 5 years – 11–20 years	-1.50879	t = -4.8558	<.001	Significant
More than 20 years – 11–20 years	0.00380	t = 0.0217	.983	Insignificant

The data found on Table 21 show that farming experience is a significant predictor of corn productivity for farmers in the province of Sarangani. An OLS regression analysis using the 11–20 years category as the reference group shows that farmers who have between 5–10 years of experience produce significantly lower yields by 0.912 units (t = -4.7568; p < 0.001). Furthermore, farmers with less than 5 years of experience had lower yields than those with 5–10 years of experience with a difference between the two groups of 1.509 units (t = -4.8558; p < 0.001). While, farmers who have been farming for over 20 years had no statistically significant difference compared to the reference group with an estimate of 0.0038 units (t = 0.0217, p = 0.983). This indicates that farmers who have been farming for less than 20 years have lower yields than the other group of farmers with mid-level or extensive farming experience.

This aligns with the studies of Quilit (2025) and Mayo and Villarta (2023), which emphasize that farmers with more experience tend to manage farm operations more efficiently and make better decisions regarding crop management, input utilization, and adoption of farming practices.

This demonstrates to ARBOs that it is critical to implement mentoring and training programs designed around providing farmers with less than ten years of experience with the necessary farm management and agricultural production skills to enable them to increase their farm yield levels. They may also consider farm experience into account when making decisions about loan availability since early-career farmers may need more support to effectively utilize production loans towards increasing their overall productivity.

Table 21. Factors Affecting Productivity in terms of Farm Size

Predictor	Estimate	Statistic Value	P	Interpretation
Farm Size (hectares):				
3–4 - 1–2	1.42	z = 12.9	<.001	Significant
Less than 1 hectare - 1–2	-1.63	z = -10.8	<.001	Significant
More than 4 - 1–2	1.95	z = 11.4	<.001	Significant

The result in table 22 shows that the farm size of corn farmers from Sarangani Province has a significant impact on corn productivity. A generalized linear model (GLM) with farms that are between 1-2 hectares was used as the reference category for the analysis. Farmers that have 3-4 hectares of land are estimated to have increased their yield by 1.42 units ($z=12.9$, $p < 0.001$), whereas farmers that have less than 1 hectare of land have been found to have decreased their yield by an estimated amount of 1.63 units ($z=-10.8$, $p < 0.001$). Additionally, farmers with more than four hectares of land have the largest increase in yield of 1.95 units ($z=11.4$, $p < 0.001$). These findings indicate that the size of the farm is related to higher yields, while the smallest farms are likely limited in their ability to achieve optimal yields due to limited access to resources as well as the use of mechanized equipment and efficient farm management practices.

This is consistent with studies of Mayo and Villarta (2023) and Quilit (2025), which highlight that larger farm holdings have better access to resources, mechanization, and efficient management practices, enabling higher productivity. These results can also be interpreted through the lens of Human Capital Theory of Becker (1964), which posits that farmers with more resources and knowledge can make more effective decisions to enhance productivity, and the Sustainable Livelihoods Framework (Chambers & Conway, 1992), which emphasizes that access to assets including land size is crucial for improving livelihoods and farm outcomes.

These findings imply the need for ARBOs to present targeted support to smallholding farmers which would include consolidation of resources, provide training and access to inputs, in order to improve their productivity. The size of the farm could also play an important role in the development of production loan programs, as farmers with larger farms would tend to use loans more effectively to produce higher yields as opposed to smallholders whom would need extra support in order to maximize the benefits from financial assistance. Therefore, a farmer's farm size may serve as a basis for different types of programs aimed at promoting improvements in corn productivity for all farmers throughout the province.

Table 22. Factors Affecting Productivity in terms of Monthly Net Income

Predictor	Estimate	Statistic Value	P	Interpretation
Average Monthly Net Income:				
Below ₱5,000 - Above ₱20,000	-2.865	z = -13.93	<.001	Significant
₱10,001–₱20,000 - Above ₱20,000	-0.622	z = -3.37	<.001	Significant
₱5,001–₱10,000 - Above ₱20,000	-1.784	z = -9.59	<.001	Significant

The result in table 23 shows that average net monthly income of farmers has a statistically significant impact on corn production in Sarangani Province based on data from the analysis of GLMs using the reference category of above ₱20,000. The yield loss for farmers earning less than ₱5,000 per month is estimated at 2.865 units ($z = -13.93$, $p < 0.001$), while for those earning between ₱5,001 and ₱10,000, is estimated at 1.784 units ($z = -9.59$, $p < 0.001$) , and between ₱10,001 and ₱20,000 it is estimated at 0.622 units ($z = -3.37$, $p < 0.001$). These results illustrate low-income farmers have lower agricultural productivity which can be due to the inability to afford productive inputs, modern equipment, and production loans.

According to the findings presented in Table 23, average net monthly income of farmers has a statistically significant impact on corn production in Sarangani Province based on data from the analysis of GLMs using the reference category of above ₱20,000. The yield loss for farmers earning less than ₱5,000 per month is estimated at 2.865 units ($z = -13.93$, $p < 0.001$), while for those earning between ₱5,001 and ₱10,000 it is estimated at 1.784 units ($z = -9.59$, $p < 0.001$) and between ₱10,001 and ₱20,000 it is estimated at 0.622 units ($z = -3.37$, $p < 0.001$). This suggests that income has a negative correlation with agricultural productivity and indicates farmers in lower income brackets have lower productivity as they are not able to afford access to affordable inputs and modern equipment as well as production loans.

This finding supports studies of Quilit (2025) and Mayo and Villarta (2023), which emphasize that financial capacity is a key determinant of farm productivity. The results are also consistent with the Human Capital Theory by Becker (1964) and the Sustainable Livelihoods Framework by Chambers and Conway (1992), which highlight that financial resources (part of tangible assets) enable farmers to invest in inputs, adopt improved practices, and achieve better production outcomes.The findings of this research reinforce that ARBOs need to provide extra resources to support low-income farmers, such as training, affordable input access, and resolution assistance for resource management when yielding a greater crop. They may also look at offering farmers a way to obtain production loans or flexible line-of-credit programs which will allow them to use the money they save to invest in more necessary inputs resulting in increased productivity. Therefore, addressing income disparity is crucial in increasing corn production within the province as a whole.

The data in table 24 show that the number of dependents does not have a substantial impact on the productivity among corn farmers located in Sarangani Province. Analysis using a generalized linear model (GLM) with 1–2 dependents as a reference group, the farmer with 3–4 dependents had an average corn productivity

Table 23. Factors Affecting Productivity in terms of Number of Dependents

Predictor	Estimate	Statistic Value	P	Interpretation
Number of Dependents:				
3–4 - 1–2	0.199	z = 1.045	.296	Insignificant
More than 4 - 1–2	0.211	z = 0.926	.354	Insignificant
None - 1–2	1.006	z = 2.076	.038	Significant

increase of 0.199 units (z = 1.045, p = 0.296 and those who had more than 4 dependents experienced a slight increase of 0.211 units (z = 0.926, p = 0.354). At the same time, farmers who did not have any dependents reported a significant corn productivity increase of 1.006 units when compared to the reference group (z = 2.076, p = 0.038). Therefore, the findings suggest that in general, having dependents has little impact on corn yield; however, those who do not have dependents may have more resources or time available for managing of their farms.

This is consistent with the Sustainable Livelihoods Framework by Chambers and Conway (1992), which emphasizes that productive outcomes are more strongly influenced by access to assets such as human, financial, and physical capital rather than household composition alone.

This means ARBOs should not differentiate between farmers with and without dependents regarding interventions that improve productivity since most categories demonstrate negligible results in relation to the number of dependents. However, offering farmers with dependents more assistance through labour, access to farm inputs or technologies to save time could help them save time and possibly result in yield improvements. The number of dependents also should not play a large role in the development of production lending programs by lending institutions, allowing credit allocation to depend to a greater extent on experience, participation in training programs, and the size of the farm as they are more likely to provide better predictive relationships to both improved productivity and loan performance.

Table 24. Factors Affecting Productivity in terms of Amount of Loan

Predictor	Estimate	Statistic Value	P	Interpretation
Amount of Loan Availed:				
below ₱10,000 - above ₱50,001	-3.612	z = -17.15	<.001	Significant
₱10,001- ₱20,000 - above ₱50,001	-2.031	z = -11.46	<.001	Significant
₱20,001- ₱50,000 - above ₱50,001	-0.642	z = -3.58	<.001	Significant

The result in table 25 shows that the amount of production loans significantly influenced corn productivity of the farmers in Sarangani Province. Using a general linear model or GLM with highest loan level, greater than ₱50,001 as a reference, farmers who had loans less than ₱10,000 experienced significant drop in yields (3.612 units) (z=–17.15, p<0.001); farmers who had loans between ₱10,001 and ₱20,000 had a decreased yield of 2.031 units (z=–11.46, p<0.001); farmers who had loans between ₱20,001 and ₱50,000 had a decreased yield of 0.642 units (z=–3.58, p<0.001). This indicates that there is a positive effect of loan amounts on yield indicating that larger loans will provide farmers with better quality inputs and/or technologies which will enable them to enhance their production capabilities, thus increasing the yields they produce.

The results are also consistent with the Sustainable Livelihoods Framework (Chambers & Conway, 1992), emphasizing that access to financial capital is a key asset enabling smallholder farmers to improve production and economic outcomes.

The highlights the need for ARBOs to provide affordable, prompt and larger production loans to improve productivity. Farmers with larger loan amounts are able to invest in improving their productivity more readily than farmers without larger loans; therefore, lenders must ensure that loan programs not only look at eligibility but also take into account the amount of funding available so that farmers can make meaningful investments in farm inputs and technology. Structured credit schemes coupled with technical assistance will maximize the impact of loans on productivity of corn; especially for smallholder farmers located in Sarangani Province.

Table 25. Factors Affecting Productivity in terms of Number of Times Loan Availed

Predictor	Estimate	Statistic Value	P	Interpretation
Number of times loan availed:				
More than 4 – 3–4 times	0.245	t = 0.972	.332	Insignificant
Once – 3–4 times	-1.558	t = -7.917	<.001	Significant
Twice – 3–4 times	-0.858	t = -5.060	<.001	Significant

The data in Table 26 reveal that the number of times farmers used production loans relates to their yield of corn in Sarangani Province. Using OLS regression analysis with the reference category being those who have accessed a loan 3-4 times, for farmers that accessed a loan once, their yield decreased significantly by 1.558 units (t=-7.917, p<0.001). For farmers that accessed loan twice, they had their yield decrease significantly by 0.858 units (t=-5.060, p<0.001). Farmers accessing loan more than 4 times did not have statistically significant decline in their total yield (0.245 units, t=0.972, p=0.332). It appears that limited availability of production loan access results in lower levels of productivity, however, there is little impact on yield from accessing production loans more than four times when compared to the reference.

This aligns with studies such as Diallo et al. (2020) and AT et al. (2022), which show that consistent access to credit enables farmers to purchase necessary inputs and implement timely farming activities, directly improving productivity. These results also reflect the Sustainable Livelihoods Framework Chambers and Conway (1992), emphasizing that repeated access to financial capital enhances farmers' ability to utilize inputs and labor effectively, thereby improving agricultural outcomes.

Therefore, farmers' ability to get production loans several times is vital for them to be able to invest consistently in farm inputs and practices. ARBOs are encouraged to establish structured and automated processes for providing repeated loan access to farmers while ensuring productive use of financial assistance. Lending institutions should have programs that promote structured and repeated access to loans, while also ensuring that they are able to provide guidance on how maximize the funds to improve productivity.

Results from Table 27 show that farmers attending corn production training significantly increase their productivity of corn in Sarangani Province. Through OLS regression, it was shown that

Table 26. Factors Affecting Productivity in terms of Corn Production Training

Predictor	Estimate	Statistic Value	P	Interpretation
Have you attended corn production training?:				
Yes – No	0.908	t = 6.06	<.001	Significant

yield for those farmers who attended training was approximately 0.908 units higher than those who did not (t=6.06, $p<0.001$). This supports that training is a direct contributor to increased productivity for farmers due to better understanding of new farming practices, appropriate input use and effective farm management techniques.

These results are also consistent with the Human Capital Theory (Becker, 1964), which posits that investment in knowledge and skills improves productivity. Hence, the presence of established and accessible training programs will benefit ARBOs, particularly with respect to providing assistance to less experienced and lower-educated corn farmers. To enhance effective use of financial assistance through production loan programs, lending agencies could include participation in training programs as part of the lending process so that farmers can develop skills and gain knowledge necessary for maximizing production and return on investments. Therefore, promoting training programs with loans may enhance the total yield produced by corn in the entire province.

Table 27. Factors Affecting Productivity in terms of Financial Management Training

Predictor	Estimate	Statistic Value	P	Interpretation
Have you attended financial management training?:				
Yes – No	0.870	t = 5.81	<.001	Significant

The data presented in Table 28 shows that participation in financial management training positively impacts corn yield for farmers in Sarangani Province. Based on OLS regression analysis, the average yield of farmers that received financial management training was an estimated 0.870 units higher than the average yield of farmers that did not receive training (t=5.81, $p<0.001$). The results support the notion that financial management skills result in increased productivity through improving the farmer's ability to efficiently manage resources and expenses, as well as maximize the effectiveness of their use of inputs and production loans.

This aligns with the studies of Guo et al. (2023) and Liu et al. (2024), which emphasize that higher financial literacy enables farmers to make informed decisions regarding farm inputs, manage resources efficiently, and effectively utilize production loans. Consistent with the Human Capital Theory (Becker, 1964), these results highlight that investing in knowledge and skills directly improves productivity.

These highlight the importance for ARBOs to include financial management training as an element of their capacity-building programs to enhance agriculture and resource efficiency. Including a financial literacy module within their production loan program will assist farmers in making informed decisions regarding investment opportunities, promote effective use of loans, and ultimately lead to greater corn yield. Consequently, assisting farmers in attaining financial management training will create a direct and positive impact on farm performance.

4.3. Impact Of Production Loans on Corn Productivity

The impact of production loans on corn productivity was analyzed using an impact pathway approach. This approach traces how loan assistance moves from inputs, to outputs, to outcomes, and finally to economic impacts. This is appropriate for the present study because Section D of the questionnaire gathered farmers' actual experiences on how they used the loan, how it affected farm inputs and activities, whether it helped with timing, what changes were observed in harvest, and how it affected the overall production process from planting to harvest.

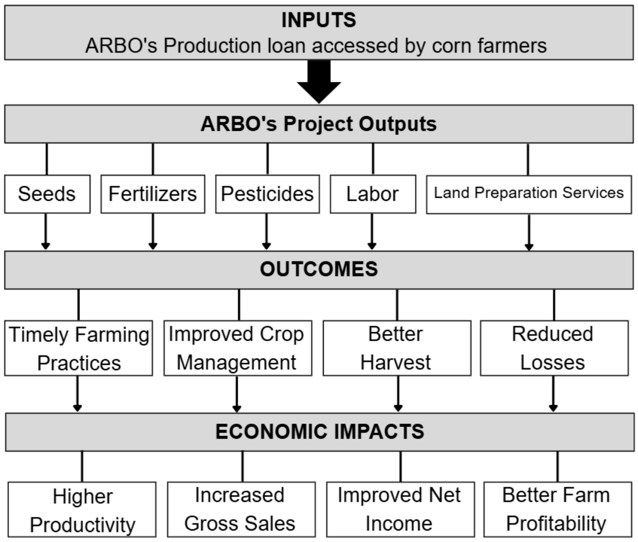


Figure 1. Pathways of Production Loans on Corn Productivity

The impact pathway analysis shows that production loans primarily influenced corn productivity through the provision of working capital to farmers. The loan allowed farmers to purchase necessary items during the cropping season, providing an important source of farm input funding. This is important, because corn production relies on timely investment of resources, including seed, fertilizer, chemicals, labour, land preparation and postharvest activities. If there is insufficient cash available to farmers during the production phase of their crops, they may reduce their use of inputs, delay their preparation of land, or delay their use of fertilizers or chemicals.

The most commonly reported outcome based on the farm-related expenditures identified was improved seed and fertilizer usage, with 489 responses or 155.24%. The majority of farmers indicated that their production loans were spent on important production inputs. This suggest that production loans are most successful when used directly for farm production purposes.

The second major output was improved preparation of land for planting; with 279 coded mentions or 88.57%. Therefore, production loan allowed farmers to do the required pre-planting tasks on their farms so that they could successfully establish a good corn crop. The proper amount of land preparation carried out prior to planting is critical as it influences germination and establishment of the crop, as well as develop root systems and enable crops to absorb moisture. With production loan, farmers have access to the funds necessary for them to pay for plowing, harrowing and clearing their land and to complete many of the other tasks related to prepared land prior to planting. This indicates that by providing farmers with access to production credit, can help complete essential production tasks at the time they need to help improve their productivity.

Timely agricultural activity is among the most prominent themes observed at the outcome level, with 253 coded mentions or 80.32%. Production loans enabled farmers to conduct agricultural work in compliance with the designated crop planting timetable. Timeliness therefore is a major component of the impact pathway. Timing is a significant factor in determining how useful an agricultural loan is to the farmer as it creates more value than if the loan was provided later than appropriate.

The other significant outcome was greater productivity, which received 220 coded mentions, or 69.84%. Thus, many survey participants indicated there was improvement in their ability to produce after receiving the production loan. The evidence from this study indicates that the production loan increased productivity indirectly through subsequent use of the production loan to purchase input, finance land preparation, support labor, and ensure timely farm operations. This supports the view that credit is a resource that provides farmers with the means to relax their financial constraints in order to invest in productivity improvements.

The major benefit of obtaining a production loan is that it improves the farmers' production cycle, beginning with planting through to their harvests. Of the 315 total positive outcomes recorded in this study, 110 of those (34.92%) referenced an improvement of the overall farm operation; while 102 (32.38%) referenced an increase in their harvest yield. The results support the conclusion that farmers used the loan to better manage the production process from planting through to harvesting. Some farmers commented directly about the better harvest they received after utilizing the loan, while other farmers indicated better operated farm practices. As such, it is likely that the impact of a production loan will not only be noticed in terms of yield improvements, but will also include a smoother flow of activities related to farming.

The lower frequencies of improved crop management (61 or 19.37%) and reduced crop loss (29 or 9.21%), indicates that the production loan provided financial assistance for inputs and timely completion of production activities; however, its impact on technical crop management and reduction of crop losses has not been as frequently highlighted. There may be some evidence that credit alone does not ensure better care of crops or reduce production risk. Farmers may also need technical assistance, pest/disease management support, post-harvest facilities, and training on managing their finances.

This impact pathway illustrates a logical sequence through which the production loan provided corn farmer's productivity. Production loan first provided farm owners with financial capital; the farmers used that financial capital for farm inputs and production tasks. In turn, the farmers completed their work in a timely manner, improved their use of field inputs (seeds, fertilizer, soil) and created a better management structure on the farm. This created the end-products of improved farm production. Increased productivity, higher weight harvested, higher sales, and greater profits represent the economic impact that resulted from the improved farm operations.

These findings indicate that production loans are helpful when they are sufficient, timely, affordable, and used for an appropriate purpose. This model suggests that the effectiveness of loan programs will likely increase if credit is combined with technical training, financial education, farm planning, and market assistance.

Overall, the analysis of the impact pathway confirms that access to production loans positively contributed to the increase in the productive capacity of corn among the respondents. The most significant pathway leading to the increase in corn production and profitability of the farmers was from access to loan funds → purchase of seeds and fertilizers → timely farming practices → increased productivity and profitability. However, the analysis indicates that production loans should not be perceived as a stand-alone intervention. In order to maximize their impact, production loan programs need to be designed in conjunction with other forms of technical assistance, financial management training, timely distribution of funds, and support services to assist farmers in turning borrowed funds into productive output or economic benefits.

4.4. Profitability of Corn Production

This section presents the profitability of corn production among the 315 corn farmer-respondents based on the cost and return analysis for three cropping. The analysis considered the average yield per hectare, selling price per kilogram, total production cost, gross sales, net sales, benefit-cost ratio, return on investment, profit margin, break-even cost, and break-even yield. Cost and return analysis were used to determine whether corn production generated positive financial returns across the three cropping periods.

For Cropping 1, the respondents recorded an average yield of 5.00 metric tons per hectare and an average selling price of ₱17.23 per kilogram. The average total production cost was ₱45,309.87, while the average gross sales reached ₱87,088.73. After deducting production cost, the average net sales amounted to ₱41,778.86. The benefit-cost ratio was 1.98, meaning that for every peso spent on corn production, farmers generated about ₱1.98 in gross return. The average return on investment was 98.31%, while the profit margin was 46.69%. These results indicate that corn production during the first cropping was generally profitable. Out of the 315 respondents, 313 farmers or 99.37% were classified as profitable, while only 2 were not profitable.

For Cropping 2, the average yield slightly increased to 5.12 metric tons per hectare, with an average selling price of ₱17.48 per kilogram. The average total production cost also increased to ₱47,831.34, while average gross sales reached ₱90,727.84. The resulting average net sales was ₱42,896.50. The benefit-cost ratio was 1.95, which still indicates a positive return, as gross sales were almost twice the total production cost. The average return on investment was 95.07%, and the profit margin was 45.60%. Although Cropping 2 remained profitable, its benefit-cost ratio and ROI were slightly lower than those of Cropping 1. This may be due to the increase in production cost, which partially offset the higher yield and selling price. In this cropping, 312 respondents or 99.05% were profitable, while 3 were not profitable.

For Cropping 3, which represents the most recent harvest, the respondents recorded the highest average yield at 5.40 metric tons per hectare and the highest average selling price at ₱18.43 per kilogram. The average total production cost also increased to ₱49,548.92, but the average gross sales rose substantially to ₱100,764.87. The average net sales reached ₱51,215.95, the highest among the three cropping. The benefit-cost ratio was 2.08, showing that every peso spent generated about ₱2.08 in gross return. The return on investment was 108.18%, and the profit margin was 49.04%. These figures indicate that Cropping 3 was the most profitable among the three production periods. A total of 314 respondents or 99.68% were classified as profitable, while only 1 respondent was not profitable.

Comparing the three cropping, the results show a generally increasing trend in yield, selling price, gross sales, and net sales. Average yield increased from 5.00 MT/ha in Cropping 1 to 5.12 MT/ha in Cropping 2 and further to 5.40 MT/ha in Cropping 3. This suggests an improvement in production performance over time. Similarly, average selling price increased from ₱17.23/kg in Cropping 1 to ₱17.48/kg in Cropping 2 and ₱18.43/kg in Cropping 3. The increase in both yield and selling price contributed to the higher gross and net returns observed in the most recent cropping.

However, production costs also increased across the three cropping, from ₱45,309.87 in Cropping 1 to ₱47,831.34 in Cropping 2 and ₱49,548.92 in Cropping 3. This reflects the continuing burden of input and operational expenses in corn production. Costs may include land preparation, seeds, fertilizers, pesticides, labor, harvesting, hauling, drying, and other production-related expenses. Despite the increase in cost, the higher yield and better selling price in Cropping 3 were sufficient to produce the highest net sales and profitability indicators.

The benefit-cost ratio across the three croppings remained above 1.00, with values of 1.98, 1.95, and 2.08, respectively. A BCR above 1.00 indicates that the enterprise is financially viable because the gross return is greater than the cost incurred. In this case, all three croppings were profitable, but Cropping 3 showed the strongest performance. The ROI values also confirm this result, as all croppings generated high returns relative to production costs, with Cropping 3 recording the highest ROI at 108.18%.

The break-even indicators further support the profitability of corn production. The average break-even cost was ₱9.13/kg in Cropping 1, ₱9.43/kg in Cropping 2, and ₱9.32/kg in Cropping 3. Since the actual average selling prices were higher than these break-even costs, farmers were able to sell their corn above the minimum price needed to recover production expenses. Likewise, the break-even yield values ranged from 2.61 to 2.72 MT/ha, which were much lower than the actual average yields recorded in all three cropping. This means that farmers produced more than the minimum yield required to cover their costs.

Overall, the cost and return analysis shows that corn production among the respondents was generally profitable across the three cropping. The most recent cropping showed the highest profitability, with the highest average yield, selling price, gross sales, net sales, benefit-cost ratio, ROI, and profit margin. These results suggest that corn farming remains a viable livelihood activity for the respondents, especially when farmers are able to achieve good yield performance and favorable selling prices.

The findings also imply that production loans may have contributed to profitability by enabling farmers to finance important production activities such as seed purchase, fertilizer application, land preparation, labor, and crop management. When production loans are used for these farm-related purposes, they help farmers sustain the production cycle and improve the possibility of achieving higher yields and better returns. However, profitability is still influenced by several factors, including production cost, input prices, weather conditions, market price, farm management practices, and the timing of loan release.

This finding is consistent with Mayo and Villarta (2023), who reported high corn production and profitability among corn farmers in Palimbang, Sultan Kudarat. It also supports Chen (2021), Diallo et al. (2020), and AT et al. (2022), who emphasized that access to credit helps farmers finance farm inputs and improve agricultural productivity and profitability.

However, the finding partly contradicts the broader reports cited in the RRL, particularly the Philippine Statistics Authority 2024 report showing a decline in corn production and Balita (2025) noting the declining contribution of agriculture, forestry, and fishing to GDP. In this study, corn production among the respondents remained profitable across the three cropping periods, although the increasing production cost still supports the concern that input and operational expenses continue to affect farm profitability.

In summary, the profitability results indicate that corn production generated positive returns for nearly all respondents. The high benefit-cost ratios and positive net sales across the three croppings demonstrate that corn farming can be financially rewarding when supported by adequate capital, proper input use, and favorable market conditions. Nevertheless, the increasing production cost observed across the croppings highlights the need for continued support in input financing, access to affordable credit, technical assistance, market linkage, and financial management training to sustain and improve profitability among corn farmers in Sarangani Province.

5. Conclusion

The results of the study show that production loans have a positive and significant impact on the productivity of corn among farmers in Sarangani. The loans provided timely access to necessary cash so that farmers could purchase necessary inputs, prepare their land, hire labor, and perform good farm management, crop growth, and yield. Several socio-economic characteristics were shown to be significant determinants of productivity; however, some did not have statistical significance including: gender; marital status; and number of dependents. Access to training in both corn production and financial management enhanced the benefits of these loans and created greater yields. By combining financial resources with technical knowledge and resource management all farmers in Sarangani Province were benefited by increased productivity and profits.

6. Recommendation

Farmers who grow corn in Sarangani Province should apply for production loans as early as possible so that their funds can be spent on the required input materials, such as seed, fertilizer, pesticide, and preparation of the land. These farmers should adhere to the standard farming schedule; use mechanized services or hired labor to improve the efficiency of their farming operations; and take part in training for corn production and financial management to develop their skills. Farmers should monitor their crops regularly throughout the entire production process; use proper spacing between plants to ensure proper growth and yield; establish a reliable irrigation system for the plants; and accurately record information about their production activities to assist them with planning their future production. Farmers should also work with cooperatives and ARB organizations to obtain technical assistance, gain access to resources, and receive help with the use of production loans that will increase the efficiency and profitability of their farms.

Government and policymakers should ensure timely provision of production loans prior to planting season; as well as loan amounts that accurately reflect what it costs to purchase farm inputs such as seed, fertilizer, pesticide, labor and land preparation costs. The loan programs should include some level of technical support for crop management, financial literacy, or extension services in order to increase the productive capacity of the farmer while at the same time helping them to use their production loans effectively. In addition, policies should create easier access through cooperatives, ARBOs, and community-based lenders with clear terms on repayments. A monitoring and evaluation system is also needed to evaluate the effectiveness or efficiency of loan use and crop yields while providing assistance to small, low-income and inexperienced farmers to ensure equal access to, and improve corn production, in Sarangani Province.

Agrarian Reform Beneficiary Organizations (ARBO) are encouraged to assist corn growers with production loans through document preparation, applications, and guidance on repaying loans. In addition to assisting with the loan process, ARBOs should ensure that loan proceeds are used as intended on the farm such as for seed, land development, and labor. ARBOs are encouraged to provide technical assistance and training in financial management, make loan programs easier to access, and act as mentors or provide peer support. Special emphasis must be placed on small, newer, and less educated farmers to develop greater productivity and increase profit potential.

The effects of production loans on corn yield could be analyzed in future research by further incorporating climate, irrigation access, and market linkages into the analysis. Studies with larger or longitudinal samples would assist in determining the long-term impacts and sustainability over the life of multiple cropping seasons. Different loan delivery systems such as banks vs. cooperatives vs. digital platforms may also be compared to determine their effectiveness and to provide farmers with some perspective on loan usage and financial management through using qualitative methods. Finally, the combination of socio-economic factors, on-farm practices, and loan access could identify more accurate strategies for increasing productivity and profitability for smallholder corn farmers.

REFERENCES

[1] Admin, I. (2024b, June 4). *RISING FERTILIZER PRICES: a reality*. Fertilizer and Pesticide Authority. https://fpa.da.gov.ph/rising-fertilizer-prices-a-reality/

[2] Admin. (2024a, January 22). Corn farming Opportunities and challenges in 2024. *Nebraska Corn Board*. https://nebraskacorn.gov/cornstalk/trade/corn-farming-opportunities-and-challenges-in-2024/

[3] AgFlow. (2023, August 9). *Brazil leads the Philippines' corn import market*. AgFlow. https://www.agflow.com/agricultural-markets-news/brazil-leads-the-philippines-corn-import-market/

[4] Ani, P. a. B. (2020, August 25). *Transcending Barriers in Agriculture through Gender and Development*. FFTC Agricultural Policy Platform (FFTC-AP). https://ap.fftc.org.tw/article/1872/

[5] Aquino, S., Bayangos, L., Zafaralla, E., & Gabriel, N. (2025). Gender Dynamics in the Palay and Corn Production Project of MMSU. *International Journal for Multidisciplinary Research*, *7*(3). https://doi.org/10.36948/ijfmr.2025.v07i03.45898

[6] Asis, M. M. B. (2019). *Sowing Hope: Agriculture as an alternative to migration for young Filipinos?* The Future of Work: Labor Migrants in the 21st Century. Retrieved August 25, 2025, from https://icmc.net/future-of-work/report/06-philippines/

[7] AT, N. A., OA, N. L., F, N. A., & AK, N. T. (2022). Effect of credit to farmers and agricultural productivity in Nigeria. *East Asian Journal of Multidisciplinary Research*, *1*(3), 377–388. https://doi.org/10.55927/eajmr.v1i3.99

[8] Balita, C. (2025, August 8). *GDP share of agriculture, forestry, and fishing sector Philippines 2016-2024*. Statista. Retrieved August 25, 2025, from https://www.statista.com/statistics/1265742/philippines-gdp-share-of-agriculture-forestry-and-fishing-sector/

[9] Balita, C. (2025, June 4). *Agriculture in the Philippines - statistics & facts*. Statista. https://www.statista.com/topics/5744/agriculture-industry-in-the-philippines/

[10] Becher, G., Ratilla, B., & Bañoc, D. (2024). Field performance of sweetcorn (Zea mays L.) as influenced by crop establishment methods and integrated fertilizer application. *SVU-International Journal of Agricultural Sciences*, *6*(2), 1–17. https://doi.org/10.21608/svuijas.2024.276001.1352

[11] Bobbitt, Z. (2023, January 20). *What is Slovin's Formula? (Definition & Example)*. Statology. https://www.statology.org/slovins-formula/

[12] Bond, J. (2025, April). *Corn and other feed grains - Feed grains Sector at a glance | Economic Research Service*. Retrieved August 23, 2025, from https://www.ers.usda.gov/topics/crops/corn-and-other-feed-grains/feed-grains-sector-at-a-glance/

[13] Chambers, R., & Conway, G. (1992). *Sustainable rural livelihoods: Practical concepts for the 21st century*. https://opendocs.ids.ac.uk/opendocs/bitstream/123456789/775/1/Dp296.pdf

[14] Chen, J. (2021, March 7). *Agricultural Credit: Definition and types of credit vehicles*. Investopedia. https://www.investopedia.com/terms/a/agricultural-credit.asp

[15] Colipano, T. (2024). MARKETING PRACTICES OF CORN FARMERS IN KIORAO, KIBAWE, BUKIDNON, PHILIPPINES: BASIS FOR POLICY AND INTERVENTION. *Seybold*, *19*(3), 713–727.

[16] Colminas, A., Yap, K. L. P., Cuadra, L. L., & Monsanto, A. M. C. (2024). Low Corn Production as Affected by Insufficient Farm Input and Economic Problems: Coping Strategies Adopted by the Municipalities in Camotes Group of Islands, Cebu Province. *Science and Humanities Journal*, *20*, 85–96.

[17] *Corn production in Mindanao*. (2024, May 27). [Video]. Facebook. Retrieved June 14, 2025, from https://www.facebook.com/reel/995353528602839

[18] *Corn Situation in Sarangani: 2024 vs 2023 | Philippine Statistics Authority*. (2025, March 27). https://rsso12.psa.gov.ph/content/corn-situation-sarangani-2024-vs-2023

[19] *Corn Situation in Sarangani: 2024 vs 2023 | Philippine Statistics Authority*. (2025, March 27). https://rsso12.psa.gov.ph/content/corn-situation-sarangani-2024-vs-2023

[20] Diallo, M. F., Zhou, J., Elham, H., & Zhou, D. (2020). Effect of Agricultural Credit Access on Rice Productivity: Evidence from the Irrigated Area of Anambe Basin, Senegal. *Journal of Agricultural Science*, *12*(3), 78. https://doi.org/10.5539/jas.v12n3p78

[21] F. S. (2023). Nutritional quality of color cereals and effects of processing on its functional properties. In *Elsevier eBooks* (pp. 27–46). https://doi.org/10.1016/b978-0-323-99733-1.00003-0

[22] *Farmer Access to Credit - National Family Farm Coalition*. (2023, August 1). National Family Farm Coalition. https://nffc.net/what-we-do/farmer-access-to-credit/

[23] Ge, Y., Fan, L., Li, Y., Guo, J., & Niu, H. (2023). Gender differences in smallholder farmers' adoption of crop diversification: Evidence from Shaanxi Plain, China. *Climate Risk Management*, *39*, 100482. https://doi.org/10.1016/j.crm.2023.100482

[24] Guo, Y., Liu, C., Liu, H., Chen, K., & He, D. (2023). Financial Literacy, Borrowing Behavior and Rural Households' Income: Evidence from the Collective Forest Area, China. *Sustainability*, *15*(2), 1153. https://doi.org/10.3390/su15021153

[25] Hatley, H. (2025, July 18). *Modern Farming Techniques: Boosting Productivity with Innovation*. Ha Hatley. https://hahatley.com/modern-farming-techniques-boosting-productivity-with-innovation/

[26] Hussain, A. (2025, May 23). *Sampling: what it is, different types, and how auditors and marketers use it*. Investopedia. https://www.investopedia.com/terms/s/sampling.asp

[27] Kadanali, E., & Kaya, E. (2020). Agricultural loan and agricultural production value in Turkey. *Alınteri Zirai Bilimler Dergisi*, *35*(1), 93–98. https://doi.org/10.28955/alinterizbd.740339

[28] Kenton, W. (2025, May 22). *What is productivity and how to measure it*. Investopedia. https://www.investopedia.com/terms/p/productivity.asp

[29] Kopp, C. M. (2024, July 20). *The World's 6 Biggest Corn Producers*. Investopedia. https://www.investopedia.com/articles/markets-economy/090316/6-countries-produce-most-corn.asp/

[30] Kumar, B., Choudhary, M., Kumar, K., Kumar, P., Kumar, S., Bagaria, P. K., Sharma, M., Lahkar, C., Singh, B. K., Pradhan, H., Jha, A. K., Kumar, S., & Rakshit, S. (2022). Maydis leaf blight of maize: Update on status, sustainable management and genetic architecture of its resistance. *Physiological and Molecular Plant Pathology*, *121*, 101889. https://doi.org/10.1016/j.pmpp.2022.101889

[31] Lauengco, G. (2022, November). *The next generation of Filipino farmers | Philippine News Agency*. Retrieved August 25, 2025, from https://www.pna.gov.ph/opinion/pieces/584-the-next-generation-of-filipino-farmers

[32] Liu, G., Li, Y., & Xu, D. (2024). How does financial literacy affect farmers' agricultural investments? A study from the perspectives of risk preferences and time preferences. *Applied Economics*, 1–15. https://doi.org/10.1080/00036846.2024.2313596

[33] *Loan products | Rural Bank of Pagadian*. (n.d.). Rural Bank of Pagadian. https://www.ruralbankofpagadian.com/pages/loan-products

[34] Lopez-Nicora, H., Peng, D., Saikai, K., & Rashidifard, M. (2023). Nematode problems in maize and their sustainable management. In *Elsevier eBooks* (pp. 167–181). https://doi.org/10.1016/b978-0-323-91226-6.00018-3

[35] Lumawag. (2020, September 15). *Minda crafts corn program*. SunStar Publishing Inc. Retrieved June 14, 2025, from https://www.sunstar.com.ph/davao/business/minda-crafts-corn-program

[36] Manigo, B. I. (2021). On Ageing Generation of Farmers: A Predictor Study on Agripreneurial Intentions among Selected Agriculture Students in Region XI, Philippines. *International Journal of Research Publications*, *70*(1). https://doi.org/10.47119/ijrp100701220211743

[37] Martinez, A. (2022). Sustaining an agrarian reform cooperative in Santa, Ilocos Sur, Philippines. *Southeastern Philippines Journal of Research and Development*, *27*(1), 57–74. https://doi.org/10.53899/spjrd.v27i1.191

[38] Mayo, R. E., & Villarta, L. J. S. (2023). Obstacle in corn production and the livelihood activities of smallholder farmers in south central Philippines. *Open Journal of Social Sciences*, *11*(10), 573–586. https://doi.org/10.4236/jss.2023.1110032

[39] Mistary, V. S. (2022). AGRICULTURE INPUTS AND THEIR IMPORTANCE FOR PRODUCTIVITY - AN OVERVIEW. *EPRA International Journal of Agriculture and Rural Economic Research*, *10*(3). https://doi.org/10.36713/epra0813

[40] Patacsil, F. F., Parrone, J. M., Brosas, M. B., & Roaring, B. F. (2023). Analysis of Concerns of the Agricultural Sector in the Philippines using Associative Rule. *International Journal of Membrane Science and Technology*, *10*(3), 3316–3324. https://doi.org/10.15379/ijmst.v10i3.3293

[41] Peterson, P., McGaw, B., & Baker, E. (2010). *Human Capital* (3rd ed.). International Encyclopedia of Education.

[42] PhilSEED. (2023, September 27). *Top 5 challenges faced by Filipino farmers today*. Now You Know PH. https://nowyouknowph.rappler.com/650/top-5-challenges-faced-by-filipino-farmers-today/

[43] Poonon, S. (2023). Situationer and forecast of corn production in the Philippines: A time series approach. *Journal of Biodiversity and Environmental Sciences*, *23*(4), 59–77.

[44] *PRODUCTION LOAN EASY ACCESS (PLEA) PROGRAM CONTINUES EXPANSION | ACPC*. (2018, February 20). https://acpc.gov.ph/production-loan-easy-access-plea-program-continues-expansion/

[45] Quilit, P. (2025). Production Pratices and Challenges of White Corn in Lower Apayao. *International Journal for Multidisciplinary Research*, *7*(3), 1–14. https://www.ijfmr.com/papers/2025/3/45606.pdf

[46] Robinson, L. (2025, April 3). *Top challenges for modern agriculture in 2024*. Verdesian Life Sciences. https://vlsci.com/blog/top-issues-in-agriculture-2024/

[47] Saladaga, F., & Banoc, D. (2022). Performance of three corn (Zea mays L.) varieties as influenced by the combined application of organic and inorganic fertilizers. *SVU-International Journal of Agricultural Sciences*, *4*(4), 145–157. https://doi.org/10.21608/svuijas.2022.182305.1258

[48] Sudheesh, C., Bhat, Z. R., Aaliya, B., & Sunooj, K. V. (2022). Cereal proteins. In *Elsevier eBooks* (pp. 29–60). https://doi.org/10.1016/b978-0-323-89779-2.00010-7

[49] Swanson, K. (2025, July). *A study of the economic contribution of corn farming in the United States for 2024*. National Corn Growers Association. Retrieved August 23, 2025, from https://ncga.com/stay-informed/media/the-corn-economy/article/2025/06/a-study-of-the-economic-contribution-of-corn-farming-in-the-united-states-for-2024

[50] The Editors of Encyclopaedia Britannica. (2025, July 29). *Corn | History, Cultivation, Uses, & Description*. Encyclopedia Britannica. https://www.britannica.com/plant/corn-plant/Uses-and-products

[51] Touch, V., Tan, D. K. Y., Cook, B. R., Liu, D. L., Cross, R., Tran, T. A., Utomo, A., Yous, S., Grunbuhel, C., & Cowie, A. (2024). Smallholder farmers' challenges and opportunities: Implications for agricultural production, environment and food security. *Journal of Environmental Management*, *370*, 122536. https://doi.org/10.1016/j.jenvman.2024.122536

[52] Varangis, P. (2025, January 29). Can warehouse receipts unlock farmer finance? *World Bank Blogs*. https://blogs.worldbank.org/en/psd/can-warehouse-receipts-unlock-farmer-finance-

Subject Index

Technical concepts and key subjects are indexed at their verified discussion pages.

KEY SUBJECTS Argentina • Corn Productivity • Court Costs • Small States • Social Cash Transfer • Social Network Analysis • Era Kirchner • Financial Literacy

Q

R

S

T

U

Z

Author Guidelines

Comprehensive Guide to Publishing with GJHSS

Global Journal of Human-Social Science | Open Access | Peer Reviewed | COPE Compliant

I. Our Commitment to Authors

The Global Journal of Human-Social Science (GJHSS) is an internationally recognized, **open-access** academic journal dedicated to publishing high-quality, peer-reviewed research across the entire spectrum of human and social sciences - including Arts & Humanities, Sociology & Culture, History, Archaeology & Anthropology, Economics, Political Science, Linguistics & Education, Geography, Environmental Science, and interdisciplinary social inquiry.

GJHSS is published by Global Journals Publishing Group Inc., indexed in major global academic databases, archived in leading digital repositories, and distributed to institutional subscribers worldwide in prestigious **hardbound volumes**.

We believe that the purpose of an academic journal is to amplify the voice of the researcher. Every operational decision we make - from submission workflows to publication formats - is guided by a single principle: *the author should never be distracted from the scholarship.* Our professional editorial and production teams exist to handle every technical and logistical complexity so that you can devote your full energy to your social science research.

II. One-Click Submission: Publish Without the Hassle

GJHSS has pioneered a **One-Click Submission** system designed to eliminate the traditionally burdensome process of paper submission.

A. Submit in Any Format

We accept manuscripts in **any common document format**, including but not limited to:

- Microsoft Word (.doc, .docx)
- Adobe PDF (.pdf)
- LaTeX source files (.tex)
- Rich Text Format (.rtf), Apple Pages, LibreOffice, or plain text

You do **not** need to install specialized software, learn LaTeX, or adhere to a rigid template before submission. Simply write your research in the format you are most comfortable with.

B. What You Need to Submit

To submit a manuscript, you only need to provide:

1. Your **full name**
2. Your **email address**
3. Your **manuscript file**

That is all. No lengthy registration forms, no complex metadata entry, no mandatory template compliance. Submit directly via our portal at https://globaljournals.org/submit-an-article/.

Heading style: In the final typeset article, author-created headings are normally set in sentence case for readability. Fixed journal headings such as Abstract, Introduction, Materials and methods, Results, Discussion, Conclusion, References, and Acknowledgements are standardized by the production team. Acronyms, proper nouns, gene/species names, chemical notation, brand names, and Roman numerals are preserved.

C. What Happens After Submission

1. **Instant Confirmation:** You receive an automated email confirming receipt of your manuscript. If you do not receive a confirmation, please reach out via our Contact Us form at https://globaljournals.org.
2. **Professional Formatting:** Our dedicated production executives convert your manuscript into our advanced internal LaTeX template - producing a sleek, typographically pristine document ready for review - entirely on your behalf.
3. **Author Dashboard:** We create a secure account for you on the **Author Dashboard** and email your login credentials. You may log in at any time to review pre-filled metadata, update co-author details, or track your submission status.
4. **Review Initiation:** Your professionally formatted, fully anonymized manuscript is assigned to expert reviewers through our rigorous double-blind peer-review process.

III. Rigorous Double-Blind Peer Review

Academic credibility is the cornerstone of GJHSS. Every manuscript undergoes a **strict double-blind peer-review process** in which neither the authors nor the reviewers are aware of each other's identities. This guarantees that every paper is evaluated purely on its scholarly merit, methodological rigor, originality, and contribution to the humanities and social sciences.

A. The Review Workflow

1. **Desk Screening:** The editorial office performs an initial screening for scope, completeness, and adherence to ethical standards.
2. **Reviewer Assignment:** Two or more independent, domain-expert reviewers - specialists in your specific discipline of human-social science - are assigned to evaluate your manuscript.
3. **Detailed Evaluation:** Reviewers assess the paper on criteria including originality, significance, clarity, theoretical framework, methodology, and presentation quality.
4. **Editorial Decision:** Based on reviewer recommendations, the Editorial Board renders one of three decisions: *Accept*, *Revise and Resubmit*, or *Decline*.

B. Complete Review Report & Research Assessment Sheet

Upon completion of the review, you will receive a **comprehensive Review Report** along with a detailed **Research Assessment Sheet**. These documents provide:

- Line-by-line reviewer comments keyed to **specific line numbers** in your typeset manuscript, enabling precise, unambiguous identification of every comment.
- A structured assessment covering originality, significance, clarity, methodology, and overall quality.
- Constructive feedback and actionable suggestions for improvement.

C. Responding to Reviewer Comments

Addressing reviewer feedback is simple and flexible. You have two options:

Option A - Author Dashboard: Log in to your Author Dashboard, navigate to **Manage Submission**, and create a **support ticket**. Simply quote the relevant line numbers from your review report and clearly describe your corrections or responses.

Option B - Email: If the Dashboard is not convenient, you may simply send an email with a numbered list of corrections referencing the line numbers, along with your responses to each reviewer comment.

Important: You do **not** need to reformat the document yourself at any stage. Our production executives will implement all your requested text changes directly in the typeset manuscript. Reviewer comments may be addressed and resolved right up until the Early View stage.

IV. Publication Lifecycle: Complete Transparency

A. Early View (Galley Proof)

- Upon acceptance, a **galley proof** (Early View edition) of your article is prepared according to the journal's publishing schedule.
- The Early View version includes **line numbers** for convenient reference during final corrections.
- You may still provide corrections at this stage by referencing specific line numbers via email or the Author Dashboard.

B. Ahead of Print

- Following the Early View, an **Ahead of Print** version is published before the final issue compilation.
- This version represents the final, corrected article but **does not yet include Volume or Issue numbers**.

C. Digital Publication (eJournal)

- After all corrections are finalized, the **digital eJournal edition** is published with line numbers removed.
- Your article receives its official **DOI (Digital Object Identifier)** and is indexed across global academic databases.
- The article becomes freely and permanently accessible online under our open-access policy.

D. Hardbound Print Publication

- Approximately **15 days after digital publication**, the article enters our offset production pipeline.
- Your research is printed in **premium hardbound volumes** and distributed to institutional subscribers, major university libraries, and social science research centers worldwide.
- The corresponding author receives a **complimentary hardbound copy** dispatched via government courier at no additional cost.

V. Advanced Technology & AI-Enabled Research Broadcasting

While GJHSS is rooted in the traditions of humanistic and social inquiry, our publishing infrastructure harnesses the latest advancements in technology to maximize the impact and discoverability of your scholarship.

A. Multi-Format Native Publication

Every accepted article is published natively across multiple formats:

- **Interactive Digital eJournals** optimized for desktops, tablets, and smartphones.
- **Premium Hardbound Print Editions** for institutional archives and personal collections.
- **Machine-Readable XML & HTML** for web accessibility, automated indexing, and integration with global research repositories.

B. AI-Powered Discoverability & SEO

We deploy cutting-edge Artificial Intelligence to generate rich semantic metadata for every article, dramatically increasing its search engine visibility. Our proprietary AI systems:

- Automatically tag, categorize, and cross-reference your work across international academic databases.
- Optimize article metadata for maximum **Search Engine Optimization (SEO)**, ensuring your paper appears prominently when scholars search for your research topics and theoretical frameworks.
- Actively broadcast your research to targeted humanities and social science communities worldwide, amplifying your citation count and global influence.

VI. Ethics, Integrity & COPE Compliance

GJHSS maintains the highest standards of publication ethics, guided by the principles of the **Committee on Publication Ethics (COPE)**.

A. Plagiarism & Originality

All submissions are screened using state-of-the-art plagiarism detection software. Manuscripts with significant textual overlap with previously published work will be declined. Authors must ensure that all content is original or properly attributed through accurate citations.

B. Conflicts of Interest & Funding Transparency

Authors are required to disclose all sources of funding and any financial or non-financial conflicts of interest. Full transparency is mandatory and is enforced at every stage of the publication process.

C. Data Availability & Reproducibility

Authors are encouraged to make their datasets, interview transcripts, survey instruments, and supplementary materials available in recognized repositories to support the reproducibility and verifiability of their findings. A data availability statement is required in all published manuscripts.

D. Ethical Approval & Informed Consent

Research involving human participants, sensitive communities, or vulnerable populations must include a statement of ethical approval from a recognized institutional ethics committee, along with confirmation that informed consent was obtained where applicable.

E. Comprehensive Ethics Portal

Our enhanced, COPE-based ethical publishing guidelines - covering authorship criteria, editorial responsibilities, reviewer obligations, corrections & retractions, and misconduct procedures - are available in detail on our website at https://globaljournals.org. We encourage all authors, reviewers, and editors to familiarize themselves with these standards.

VII. Perpetual Archiving & Geo-Distributed Data Infrastructure

GJHSS is backed by Global Journals' enterprise-grade archiving infrastructure. Your published research is not stored on a single server - it is **redundantly archived across multiple geographically distributed data centers** spanning several continents, including advanced **deep-sea data center facilities** engineered for unparalleled environmental resilience and longevity.

This infrastructure guarantees:

- **Lifetime Hosting:** Your article will remain permanently accessible online for the lifetime of the publication. We do not sunset, deprecate, or remove published content under any circumstance.
- **Disaster Resilience:** Multi-site redundancy ensures that no single point of failure - natural disaster, hardware degradation, or network disruption - can compromise access to your research.
- **Immutable DOI Resolution:** Every article is assigned a permanent Digital Object Identifier (DOI) that will resolve to your work indefinitely, regardless of future platform migrations.

VIII. Open Access: Free Knowledge for All

GJHSS is a Fully Open Access Journal.

We firmly believe that humanistic and social scientific knowledge is a public good. Every article published in GJHSS is **freely and permanently available online** from the moment of publication - accessible to researchers, students, educators, policymakers, and the general public worldwide **without any subscription fees, paywalls, or access restrictions**.

Our open-access model ensures:

- **Immediate Availability:** Your research is accessible globally on the day of publication.
- **Maximum Reach:** Barrier-free access dramatically increases readership, citations, and real-world policy impact.
- **Equitable Knowledge Distribution:** Scholars in developing nations, independent researchers, and the public benefit equally from the latest advances in human-social science.

IX. The LaTeX Author Package (Entirely Optional)

For researchers who already compose their manuscripts in LaTeX, we provide a comprehensive, professionally designed **LaTeX Author Package** (`gj-author`) featuring STIX Two serif typography, TeX Gyre Heros sans-serif headings, complete Unicode math support, and brand-coordinated layouts.

However, we must emphasize:

Reading or using the LaTeX Author Package is entirely optional.

If you do not use LaTeX, simply send us your manuscript in Word, PDF, or any other format. Our production team will expertly convert it into our advanced typesetting system and produce the identical, pristine publication-quality output.

You do not need to learn or install anything.

Contact & Support

Submission Portal: https://globaljournals.org/submit-an-article/

Website: https://globaljournals.org

Email: `helpdesk@globaljournals.org`

At GJHSS, your scholarship illuminates the human condition.

We handle the complexities of publishing so you can focus on what matters most - understanding and shaping society.

GLOBAL JOURNAL

of Human Social Sciences: E

Economics

globaljournals.org

Save our Planet

Online ISSN 2249-460X

9 772249 460013