

PUBLIC INNOVATION IN POST-TRANSITION COUNTRIES: EXPERIENCES FROM BRAZIL AND ROMANIA*

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Abstract

We compare two cases of innovation in public services in Brazil and Romania, aiming to illustrate the connection between innovation, modernization, and path-dependence. One case is the Brazilian Pathway School Program, and the second is the Romanian School Bus Program. Both countries experienced periods of transition, which we considered fruitful for historical analysis. We based our investigation on two comparative case studies, using secondary data and employing document analysis and previous researches' reports. While Brazilian Pathway School Program proved to be a successful story of designing a centralized policy, Romania walked in the opposite direction, from a centralized state, under the communist rule, to a polity where innovation occurs at the intersection between local community and central government. In Romania, it would be difficult to perceive the contingencies of local engagement in a country where civil liberty was suspended for 42 years. In Brazil, the inquiry was connected to the atypical federation, where the subnational states developed an extraordinary economic and budgetary dependence on the Union.

Keywords: path-dependency, actor-network theory, comparative analysis, public-service.

1. Introduction

Under the umbrella of the economic theory, innovation is the insertion of new ideas, new practices, or new proceedings, or the improvement of the existing products or services. When translated to the public context, innovation represents the break of bureaucratic patterns, leaving room for the new practices able to promote the efficiency and effectiveness of public policies (Crosby, 't Hart and Torfing, 2017).

The simple translation of the economic approach is not enough to perceive all the features enrolled in the innovation applied to the public sector. The governments are worried not only about the efficiency of management or the economic results, but also because they need to make and implement their decisions in a given political context in a successful way, which leads to the delivery of public value. According to Bason (2010) and Bryson, Crosby and Bloomberg (2014), public value is a central concept for understanding public innovation. It is related to the capacity of governments in transforming new ideas into value for society.

Although the NPM has become a convergent model between practitioners, there is no consensus among scholars about whether NPM generates public value and a better society (Osborne *et al.*, 2015). According to some authors, NPM is a neoliberal approach (Lorenz, 2012) which tends to downsize the states and prioritizes an individualistic approach of the public service (Haque, 2007). Others affirm that NPM is contrary to the ethos of public service since it regards the market relations over the citizen engagement and the public interest (Denhardt and Denhardt, 2015). Beyond this debate, we analyze in detail two statements. First, the comprehension of innovation under the perspective of public value is useful to conciliate the capacity of the state for promoting, for example, social policies with the budget limitations, especially in the context of the increase of social demands. Second, countries' history is essential for the understanding of their unique trajectories in terms of public innovation.

Contrary to the tendency to convergence in the innovation theory, the existing literature does not provide enough support for understanding how relational-subjective and material-objective aspects connect the local and divergent conditions to the global and convergent mainstream of modernization. Concerning the local conditions, the local history is of high relevance for understanding their particular capacity to create and re-create new solutions for public policies.

Thus, we compare two cases, Brazil and Romania, aiming to illustrate the connection between innovation, modernization, and path-dependence. The paper focuses on innovation in public administration, and how public policies changed under the impact of social development, analyzing the contribution of local history to innovation. One of these cases is Brazil, where after two decades of a non-democratic regime and a hard period of re-democratization, the reform started in the 1990s with the 'Plan of State Reform' (Bresser-Pereira, 2015). The other case study is Romania, where, after almost five decades of closed communist regime, the transition to democracy and market economy started three decades ago. The communist legacy put a strong imprint on the reform of public administration in Romania (Hințea and Țiclău, 2018),

these cultural and historical elements pushing the country on a particular track after 1989. A significant part of the social and economic transformations occurred under the external pressures of international organizations (such as the European Commission, The World Bank, and the International Monetary Fund) in combination with economic development leading to modernization and Europeanization (Holzinger and Knill, 2005; Knill and Lehmkuhl, 2002; Olsen, 2002). We think these contexts are fruitful to demonstrate that the initiatives are the outcome of the combination between the historical context and the material frames.

The next part of this study presents the connections between public innovation and the theoretical perspectives of path-dependence and actor-network theory (ANT). After this preliminary discussion, we compare two cases of innovation in the public services of education from Brazil and Romania. The last section introduces the conclusions, proposing an agenda for further research in the field of innovation in public administration.

2. Public innovation, path-dependence and actor-network theory

Innovation in the public sector involves at least two different interpretations. First, it can refer to the public policies of innovation, which intend to create appropriate environments for the practices of innovation in the private sector. Under this perspective, there is a wide range of policies of science and technology on the strategic areas of the public agenda. This sort of initiatives are essential for the development of regions and countries. One can mention two theoretical approaches: the National/Regional Systems of Innovation (Fagerberg and Srholec, 2008; Freeman, 1995; Lundvall, 2010; Vecchiato and Roveda, 2014) and the Triple Helix theory (Etzkowitz, 2003; Etzkowitz and Leydesdorff, 1996).

According to the second approach, innovation represents the new practices adopted by governments, by means of which is possible to improve processes, services, products, and public policies (Fuglsang and Ronning, 2015; Tonelli *et al.*, 2016; Stewart-Weeks and Kastle, 2015).

Whereas the first approach is more susceptible to consider the historical aspects of each country, which is crucial to comprehend the technological development as cultural change (see, for example, Isaksen and Trippl, 2016), the second approach is more susceptible to adopt the general view of the innovation theory. The broad scope of the theory of innovation focuses on the managerial capacity of transforming radical ideas or incremental improvements in something concrete, measured in terms of economic value, concerning aspects as adoption, diffusion, and evaluation (Christensen, Raynor and McDonald, 2015; Downs and Mohr, 1979; Kline and Rosenberg, 1986).

In comparison with the classical theory of innovation, public innovation considers the public value as a measure of its success, beyond the financial metrics. The public value defines the central difference between public and private innovation (Bryson, Crosby and Bloomberg, 2014; Misuraca and Viscusi, 2015; Stoker, 2006). Despite the fact that the economic and efficiency indicators are not anymore the only significant

components of the assessment of public administration, most of the practitioners still develop their analysis based exclusively on the managerial and economic approach, which suggests that there is lack of connections between the genuine analysis of public innovation and the managerial practices inside the governments (Bloch and Bugge, 2013).

Considering the different perspectives, innovation in governance lacks the contextualization broadly applied by the science and technology critics. Most of the studies present innovation detached of the historical, cultural, and material aspects which create the conditions and shape the opportunities for practice.

In this scenario, the path dependence and the actor-network theory can contribute to the understanding of innovation in the public sector. In terms of the historical trajectory, Voicu (2018) affirms that in spite of the similar pattern of economic and social development, countries differ with respect to their culture. For instance, some countries are more religious, others more supportive to gender equality, other more traditional, and these contexts interfere with economic development (Voicu, 2018).

According to Voicu (2018, p. 17), aspects as 'modernization, history and social institutions combine and shape cultural norms'. More evidence support the statement that shared values shape the trajectory of technological and economic development¹. While economic development provides resources, culture provides a 'tool kit' of repertoires of actions which are combined by individual actors in new ways (Swindler, 1986), leading to innovation.

Based on that, we consider innovation as the materialization of creativity using strategy and skills learned from experience. This approach is connected with culture as a significant factor to explain innovation. Bason (2010), for example, shows that people and culture are key factors in defining the capacity or the structure needed to be an innovative public organization. However, the literature that considers the past as being relevant for shaping values and structures of the present is rather scarce.

According to Greener (2002), path-dependence is not without problems. The incremental change is well explained, but the radical one is more difficult to accommodate. In situations of revolutionary change, when the practices are entirely replaced, it is more difficult to account for it. Path-dependence implicates a sort of historical determinism, once it presupposes that a 'number of contingencies happen to come together to allow us to change' (Greener, 2002, p. 615). From these limitations, Greener (2002) proposes the actor-network theory in order to gain additional insights in understanding the change processes, beyond the determinism of structures and its contingencies. Under ANT, history performs through processes of translation.

1 For example, Weber explains how protestant ethic contributed to the consolidation of the capitalist economic system (Weber, 2013). In this context, culture is understood as 'a set of norms and skills that are conducive to survival in a given environment, constituting a survival strategy for a society' (Inglehart, 2018, p. 17).

Czarniawska (2009) considers the process of translation as crucial for ANT. The process of translation allows seeing, for example, the architecture and the formal agreements as the materialization of the past. However, Serres and Latour (1995) advert that this process does not run in a line of time. Any historical event is multi-temporal and the processes of translation promote the connection between the most diverse elements (Serres and Latour, 1995).

ANT opens new perspectives for understanding the process of shaping reality to explore the movements that the assembly of things constructs reality². This perspective is consistent and ‘can provide a set of concepts which add theoretical depth to path-dependency’ (Greener, 2002, p. 616).

One perspective is the ANT emphasis on the fact that the trajectory is opened. In other words, there is no possibility to specify the results of the changes, once the actors-network itself acquires performative and unpredictable trajectories. According to Greener (2002) and Granovetter and McGuire (1998) when technology is new and the market for it does not exist yet, the entrepreneurs have new opportunities to act. In this process, a crucial aspect relates to the need for diminishing the market complexity. For Greener (2002), some simplification is necessary, and it should not be comprehended as rigidity of the market, but as the irreversibility of the heterogeneous arrangement of the companies, regulating bodies, governments, potential customers, as well as any other elements which belong to the network. By applying this view to public innovation, it is possible to consider the historical and bureaucratic structures as essential ingredients, but we cannot minimize the importance of entrepreneurs’ agents in creating and co-creating new possibilities and networks of action.

3. Methodology

The research employs the comparative case study approach. Following Bartlett and Vavrus (2017), the comparative case study diverges from the traditional approaches. The traditional qualitative case study approach, considers ‘context as container’ or a place, therefore, the place-based elements are the only ones relevant (Bartlett and Vavrus, 2017). Comparative case studies adopt a process orientation perspective. According to this perspective, as Maxwell (2013) affirms, the explanation of the events, situations, and influences depends on the connection of all elements (Maxwell, 2013). By instance, when we assess the distance from point A to point B, we should consider not only the specific locus but the broad context. In this research, some historical events of the past helped to establish a framework to analyze innovation, considering not only the instances inside definite frontiers of time and space but also the historical perspectives which shape the contemporary arenas of public deliberations in Brazil and Romania.

² Under ANT, there is no ontological distinction between materiality and humanity (Callon and Latour, 1981; Latour, 2001; Law, 2003).

In both cases, we used secondary data. In the case of the Brazilian Pathway School Program (Case 1), we obtained the data from a previous project coordinated by the first author, which focused on innovation in public administration in the federal government in Brazil³. The data were retrieved from in-depth interviews with the purchasing manager of the national program and from the relevant documents belonging to the agency. The primary material is the 'Research Rural Scholar Bus of Brazil' (Fundo Nacional de Desenvolvimento da Educação, 2009), an extensive report about the previous diagnostic and part of the processes involved.

The second case (Romanian School Bus Program) exploits existing administrative data, and we rely on the information provided by literature, employing the analysis of social documents, and of various academic studies. The information regarding the program are rather scarce, as the outcome of the lack of an evaluation culture in the Romanian public administration. Thus, the analysis provides a snapshot image, but misses the longitudinal approach reflecting the actual changes brought by the program.

We developed the comparison along several relevant variables: program's goal, societal challenge addressed by the program, organization in charge with the program (responsible), actors involved, historical context, material/economic challenges, results. The summary of the key findings depending on the variables considered for this comparison is shown in Table 1.

4. Case studies

4.1. *The Brazilian Pathway School Program*

The pathway school program is an illustrative case of how the public sector can create solutions for wicked problems, delivering public value to the citizens, with the collaboration of society and of the private sector. However, in order to understand the innovative policy, it is necessary to comprehend the history of federalism in Brazil.

According to Weiler (2000), federalism combines two prerequisites: the search of unity by mean of respect for autonomy and the legitimate interests of the participant entities. So, considering the socio-political context, federalism acquires the capacity of adaptation. In Brazil, there are two critical moments of federalism. The first, from 1889 and 1930, the subnational states could keep a high level of autonomy in administrative, legislative, and political terms. The second, after 1937, the central government concentrates responsibilities and the subnational governments lost their autonomy. Consequently, the budgetary and managerial capacity of elaborating and implementing broad spectrum public policies concentrate at the central government level.

The Pathway School Program belongs to this context of federative relations. The National Fund of Development of Education (NFDE) is an organization linked to the

³ The first phase of the research occurred between 2015 and 2017. The second phase (ongoing) began in 2018.

Ministry of Education, and it coordinates the transfer of resources to municipalities for the implementation of Basic Education policies. The cities implement the strategy, but the federal government finances it through the NFDE.

The Constitution ensures the right of the population to get access to public education. NFDE seeks to provide the resources for municipalities to run the primary schools. So, the formulation of the public policy concentrates on the NFDE, and the implementation is decentralized.

According to the purchasing manager of NFDE, the history began in 2006, when the precarity of transport from home to school was found as one of the main reasons for school drop-out. In order to get a better understanding of the context of transportation to school in rural areas of Brazil, NFDE contracted researchers from the University of Brasilia to answer the following questions.

In a questionnaire sent to all Brazilian municipalities, 2,277 answered all the questions (NFDE, 2009). Among the results, the researchers observed that the average age of the fleet was 16 years. 76.8% of the vehicles had no seat belt, and 61.5% did not have school identification. After the online questionnaire, the researchers visited a sample of the municipalities. They collected answers to questions about distance traveled and average journey time, among other things. Also, the researchers carried out onboard research. They took the bus and closely followed the daily routine of students who use the school bus. Information on the number of students, the difficulty of accessing the school, the complexity of accessing the service, and the time of a journey were also collected from interviews with relevant stakeholders and students (NFDE, 2009).

Once knowing this scenario, during 2007 and 2008, public managers, researchers, certification bodies, and manufacturers established a broad collaborative dialogue standing for the development of technical specifications that could contribute to the construction of a rural school bus that met all requirements. Many obstacles had to be overcome. First, the NFDE started a continuous dialogue with the industry. The civil servants had to learn about the specificities of the sector. For example, which company makes the frame, and which one makes the engine. Most are multinational companies and do not have the autonomy to produce something new only in Brazil. The plan was to build a vehicle to reach places where only trucks and vans go through. However, the idea seemed insane. Also, the industry needed to invest in adaptations of its productive park.

Lots of questions arose: Who guarantees that there will be a market for this type of vehicle? Would the municipalities join the program? At the same time, it was necessary to break the resistance of the local government. This situation was a challenge because there was already a local market for transport services. Besides, funding for the equipment was required to enable the purchase by the municipalities. A critical barrier referred to the buying process. If the NFDE centralized the buying process, how would the municipality join and purchase?

The purchasing process in the public sector is regulated by Law no. 8666 of 1993, which provides a Price Register⁴. Before 2008, price registration was not widely used. Previously, the register was restricted to a limited number of items, with a very uncertain forecast of demand. The first time that the government used the registry for an important program was in 2008 for the first tender for the Path School Program.

Thus, NFDE introduced a new form of public purchasing, centralizing the definition of technical requisites and decentralizing the purchasing process. This new model represented a significant innovation in terms of public policy. The NFDE by itself did not purchase buses, but it made available appropriate buses for the municipalities.

The technical specifications were elaborated collaboratively by many actors. Once the first version of the rural bus school was made available, and after the first round of acquisitions by municipalities, the researchers returned to the field. The acceptance was very broad. From this point of view, the project progressed to adaptations. An interesting example is that many drivers fitted a car headlight in the back of the buses, to allow maneuvers at night. Brazilian traffic laws did not allow this adaptation. However, after this feedback, the Brazilian legislation was changed, and the rear light was incorporated in the next version of the bus.

Various types of innovation occurred in different steps of this process: the rural school bus; a new public policy based on the collaborative arrangement including diverse actors; a new inter-federative process of buying buses; and a new market for the automotive industry. In 2012, the school bus represented 40% of Brazilian public buses production. Currently, the industry itself is proposing technical innovations – suppliers started to compete for offering the most fitted product.

4.2. The Romanian School Bus Program

The school bus program has a different history in Romania, although it addresses the same social needs, namely to reduce and prevent the school dropout and to increase the quality of education. This is especially the case in rural areas, where access to education suffers because of the poor school infrastructures and of the qualification of the teaching staff (Jigău, 2002). The history of the program is intertwined with the one of demographic change in post-communist Romania, as well as with the path of integration to the European Union.

The program started in the late 1990s when the first cohort of students born after 1990 were enrolled in primary education. Before 1989, the fertility rate in Romania was above 2.5 due to the pronatalist policies promoted by Ceaușescu's regime, which started in 1967. The post-communist transition came with a drastic drop in the fertility rate (Ghețău, 2007), which made redundant part of the existing school infrastructure because the size of the student population halved during the first decade of transition. The government decided to close many schools, especially in small villages, and to

⁴ The company interested in responding to a trading floor offers its price for a particular product or service. One bidder will be declared the winner, and his offer is registered in the 'record of prices'.

merge them with bigger school units located in the center of the administrative-territorial unit (commune/comună) (Voicu, 2009). The school system shrank again after 2007 when Romania joined the EU, and a significant number of Romanians moved abroad, some of them taking their children too. Thus, between 2007 and 2010 the number of schools dropped with 642 units (7.8%) (Stanef, 2013).

School dropout grew in rural areas, mainly among children coming from low-income families and living in remote villages, the transition from one primary school to the gymnasium and from the gymnasium to high school being reported as critical moments for dropout (Dan, 2011; Voicu, 2009). The distance that the students must walk daily to school is one of the main reasons for dropout and it goes hand in hand with the lack of financial resources needed for covering the costs of commuting (World Bank, 2019; Dan, 2011). According to the study conducted by the World Bank (2019), 27% of the primary and secondary schools in rural Romania are difficult to access, while in the case of 34% of students in primary and secondary education, the distance between home and school ranges from 4 km to 10 km.

The government established in the late 1990s a school bus program mainly for students living in rural areas. The acquisition of school buses is the task of the Ministry of Education and it is subsidized from the central budget. Part of the funding comes from the EU, and the Ministry of European Funds is in charge with providing part of the funds, which are then managed by the Ministry of Education. However, local authorities are in charge of running the program and of covering the everyday expenses and maintenance costs. The fragmentation of the program and the top down structure are important brakes in running the program (World Bank, 2019). Although the central government is buying new school buses, the fact that the responsibility of the program is divided between the central government and the local authorities raises some new issues, at the same time opening the door to innovation.

The school bus program faces problems caused by lack of funding; the daily maintenance is covered by the local authorities which do not have enough funding to regularly check the buses, to hire professional bus drivers or to replace the spare parts when needed (Romanian Ombudsman, 2013). Moreover, there are not enough buses to cover all the settlements belonging to the same administrative unit, the same bus driving all children to and from school, while in other cases there is no official schedule of the school bus or the coordination between bus schedule and school schedule is missing. As outcome, some students spend daily a very long time on the bus or miss some of the classes (Romanian Ombudsman, 2013).

The issues caused by the misfit between the actions of the central government and those of local authorities led to the need of finding new ways to cope with the difficulties. The task division between local and central authorities is rooted in the tendency of decentralization of public services encouraged by EU regulations. The leading idea is to give room to local authorities to manage their programs according to the local needs and resources. In some cases, local authorities proved to be the weak link, unable to coordinate resources and needs or just not having the funds to invest in the program.

The central government responded to the challenge by taking some actions which open the door for the private sector, local involvement, and parents' initiative. The government gives tax exemptions to the public companies running school buses (Law no. 94/2016) and subsidizes the bus ticket for students commuting to another place for education. This scenario opens the door to local initiatives and investments in school buses. Moreover, in some cases, parents organize shifts and drive children to school using their means of transportation, Ilfov being a relevant example of carpooling (World Bank, 2019). In other cases, public employees of local administration volunteer for operating the school bus in shifts (Romanian Ombudsman, 2013).

The school bus program was implemented in Romania under the framework of the national laws and EU regulations regarding public spending. Moreover, as an EU member state, Romania is part of the common European market, and the choices in case of public acquisitions have a broad scope, as long as each country can buy from any providers in the EU. Thus, in Romania, there was no room for public innovation in tenders' selection and producing new types of buses. The landscape does not raise big challenges as in the case of Brazil, while the European market provides enough choices which fit the needs of local communities in Romania.

However, the process is not so much framed by existing regulations and pre-determined choices at the local level, and this is the place where innovation occurred. Local communities mobilized in running the program and in overcoming the challenges that arise in its implementation. There are two reasons which led to the significant involvement of local communities in supporting the program. The first one has to do with the target group, children living in the area, and the literature on support for social policies points out that people are very willing to grant support to measures directed to children (Arts and Gelissen, 2001; Taylor-Gooby, 2005). The second reason is connected with the European culture, which promotes social solidarity as one of its core values (Lahusen and Grasso, 2018), stimulating citizens to support one another and to work together for producing public goods. In this case, innovation resides in strategies adopted by local communities, which rely on the European cultural background. Social solidarity is, in this case, a tool belonging to the European cultural tool kit that can be used to solve issues faced by local communities. Moreover, the lack of trust in authorities, which is part of the communist legacy in Romania (Hințea and Țiclău, 2018), fueled local mobilization and determined the local community to get involved in the program.

5. Discussion

The Romanian case goes in the opposite direction as compared to the Brazilian one. Brazil is a federation, and the Pathway School Program, conducted by the central authorities proved to be a success story of designing a centralized policy, in a decentralized federation. Romania walked in the opposite direction, from a centralized state, under the communist rule, to a polity where innovation occurs at the intersection between local initiative, community involvement and the policies promoted by the

central government. Both cases show how change can occur as response to unmet public needs.

Table 1 shows the similarities and dissimilarities between the two cases. One can notice that the motivation is similar in both cases. However, the trajectories followed different paths. ANT provides an appropriate framework for understanding these differences (Law, 2003; Law and Callon, 1992). For example, this approach allows finding an answer to the question on how a historically centralized country as Romania created the context favoring bottom-up initiatives of public innovation, while a federation theoretically decentralized as Brazil ran a centralized program. There is no way to answer this question without an immersion into the local history, which creates distinctive features and conditions in each country. For example, the decade of the 1930s was a turning point in the history of Brazilian federalism and any outcome in the socio-political and economic spheres are directly or indirectly resulting from this past episode.

In Romania, although the communist legacy left a negative imprint on the citizen engagement with politics (Tatar, 2016) the case presented here shows that there is room for developing public solutions with the active involvement of the local actors. Although, the existing research provides evidences of the local involvement in running the school bus program, we lack the evidences regarding the actual size and the scope of this phenomenon. On the other hand, other studies pointed out to the mobilization of local communities in Romania in solving issues relevant to their members (see Voicu and Voicu, 2006). As pointed out, several factors contribute to the local mobilization in this case. Among them one can mention the group involved (school children), the restructuring of the school system in the past 30 years and the cultural legacy of communism, residing in the lack of confidence in public institutions.

The historical context is crucial for the path of innovation. For instance, there is potential of innovation co-creation, which permits the participation of the citizens in the elaboration and control of public policies. Both cases occurred after periods of centralized control of the state, which would, theoretically, conduct the society to remain passive in terms of participation if we consider only the determinist path-dependency perspective. In Brazil, this situation reflects on the centralization of designing and elaborating the pathway school program by one federal office. The municipalities acceded after, but the program, the legal and economic conditions which would permit the purchase of the buses by local authorities, the new market for school buses, and other crucial aspects for the creation of public innovations, were kept dependent of central offices.

A different trajectory occurred in Romania. Despite the closed communist regime, there are several factors that facilitated local initiative as pathway to innovation. The integration in the European Union and the form of organization as a unitary state framed the political context in a different way as compared to Brazil. The case studied showed that citizens working together with local authorities and government offices were crucial in running the program.

Table 1: A synthetic comparison between the cases

	Brazilian Pathway School Program	Romanian School Bus Program
Goal	Provide school transportation to enable compliance with the Constitution, providing education for all people.	Providing equal access to education, by mean of a government program of school transportation.
Challenge	To overcome the difficulties caused by lack of access to educational services in rural areas.	To overcome the difficulties caused by lack of access to educational services in remote areas.
Responsible	National Fund of Development of Education – Ministry of Education	Town hall, Ministry of Education, Ministry of European Funds
Actors involved	Few actors, as representatives of industry and government. The society participates passively only in the first phase of research. Decentralized implementation.	Responsibility divided between central government, local authorities and local community.
Historical context	The historical situation of a peculiar federalism, by which there is a centralization of economic resources in the central or federal government – about 70% of all resources concentrate in the federal government.	Demographic changes; Restructuring of the school system; Accession to the European Union; Impact of international organizations on educational policies.
Material/economic challenges	Heterogeneous local demands due to the large territory, having different administrative and cultural practices, to the geographical landscape – geography, administration of the schools and cities, cultural practices, etc., and the evolution of the buses projects, which searched for incorporating all the contingencies. The challenges caused by the landscape in organizing the school bus program required adaptation and innovation.	To reorganize the access of children in a context of reducing the birth rate. To create the support system for running the program: central government invests regularly in buying school buses (including support of European agencies). Local administration should invest funds in running the program.
Results	New product – the rural school bus; a new public policy based on the collaborative arrangement; a new inter-federative process of buying buses; and a new market for the automotive industry.	The project led to the growth of local initiative and to the mobilization of the local community. Because Romania is a EU member state and part of the common European market there are many choices available for buying buses.

In order to apply a path dependent approach, it is useful to understand, for example, how a federal country like Brazil developed a state so reliant on the central power. Although the subnational states are given political and administrative autonomy by the federal constitution, in practice, they are dependent on the intergovernmental transfer of resources from the central government. In this paper, we showed that the Getúlio Vargas first government (between 1930 and 1945) represented a critical inflection point of Brazilian federalism. Beyond the resources to mobilize industries, modify laws, assemble material conditions, the central government also offers very good prospects for the careers of professionals, and the quality of the work environment is one crucial aspect for innovation, according to Bason (2010).

However, as Greener (2002) suggested, the path dependency can receive useful insights from ANT, especially considering the processes of translations. What we usu-

ally perceive by looking to the historical episodes is a black box, a reduction of facts. However, when we apply ANT as an analytical lens, we can see, for example, hidden details which could connect the financial decisions of the European agencies with the local mobilization of local actors to run the program of school transportation in remote areas of Romania. We could also perceive how the decisions of diminishing the power of subnational states in Brazil in Vargas' age could influence the dependency on the central government, a reality which Brazil still lives.

The cases are also examples of how to produce or co-produce public value from public innovation, even with limited resources. Considering the financial situation and the social obligations already assumed by states, innovation reforms can be a viable alternative to keep the social agenda by states. Innovation allows the improvement of public value, and can lead to the involvement of citizens in politics.

6. Conclusion

We have described two cases of innovation in the public sector to demonstrate that the historical context is crucial for comprehending the potential of creating and co-creating new solutions to deliver public value to the society. The paper focused on innovation in public administration and how public policies changed under the impact of historical episodes, analyzing the contribution of local history to innovation.

The new public management reform put together needs like the fiscal balance of governments, the increase of efficiency, and the centrality of innovation for facing wicked problems. The reform focuses on more efficient allocation of resources and integrating information and communication technology (Zulean *et al.*, 2017). However, innovation in governments has been studied broadly in terms of improving the quality of practices, with methodologies like design thinking, and practices usually inspired from economics and administrative science. This paper aims at bringing up aspects of history and showing how they are essential to understand the innovation potential.

Both cases teach us some things. One relates to the potential of co-creating solutions under the leadership of the centralized government. Even considering the influences of the past episodes of non-democratic regimes in Brazil (1937-1945, 1964-1985) and of the communist regime in Romania (1947-1989) on citizens' engagement in public policies, especially in Romania, the involvement of the local community brings a very important added value. The path-dependency approach alone reveals limits when it does not perceive the chain of happenings which create the contingencies of local engagement in a country where the civil liberty was suspended for 42 years.

In the case of Brazil, this study shed light on the centralized decision making process occurring in a federal state. According to Weiler (2000), federalism has to combine the search of unity by means of respect for autonomy and the legitimate interests of the participant entities. However, the subnational states developed an extraordinary economic and budgetary dependence on the Union (central government). The negative implication of this situation over the local leadership is notable in the case presented. Although this case shows how a successful program was implemented by

the central government, the regional government has shown reluctance in joining the program.

The cases also contribute to the critical reflection on the path dependent approach, and following Greener (2002), offering the ANT as a possible theoretical framework. However, the current analysis is only the first step of the inquiry regarding how innovation in public administration is rooted in the recent history. Many aspects were not addressed, such as the way in which the local community works together with the local authorities and they solve local issues, how and under which circumstances the lack of effectiveness of the public administration leads to local mobilization in an effective way. These are only a few research questions that arise at the end of our analysis and further research is needed to shed light on them. Moreover, our results are restricted to the two case studies considered by this research and the results cannot be generalized to other public policies. Further research is needed to understand how innovation occurs in similar contexts or under similar pressure, but when the local history tells a different story.

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