

Neoliberal governance in mining territories: private social investment in the Metropolitan Region of Belo Horizonte

Governança neoliberal em territórios minerários:
o investimento social privado na RMBH

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Abstract

This paper addresses one of the expressions of neoliberal governance that, in the Brazilian case, manifests itself, among other forms, through the so-called “private social investment”. It is a set of managerial actions conducted by companies and/or their foundations in the region where they operate, aiming to expand their hegemony by improving their image. However, at the same time, this causes depoliticization and decreases the participatory and transformative capacity of the local societies. Based on Antonio Gramsci’s concept of hegemony and using sustainability reports available on the websites of mining companies operating in the Southeast vector of the Metropolitan Region of Belo Horizonte, the main goal of this paper is to collect elements that enable to identify this particularity of “neoliberal governance”.

Keywords: mining cities; private social investment; civil society organizations; Metropolitan Region of Belo Horizonte; governance.

Resumo

Este artigo discute uma das expressões da governança neoliberal que, no caso brasileiro, se manifesta, dentre outras formas, a partir do chamado “investimento social privado”. Trata-se de um conjunto de ações, de caráter gerencial, conduzido por empresas e/ou suas fundações na região onde operam suas atividades, e que visa a ampliar sua hegemonia a partir da valorização de suas imagens, ao mesmo tempo que despolitizam e subtraem, das sociedades locais, sua capacidade participativa e transformadora. Com base no conceito de hegemonia de Antonio Gramsci e utilizando os relatórios de sustentabilidade disponibilizados nos sites de empresas minerárias que atuam no vetor sudeste da Região Metropolitana de Belo Horizonte, interessa-nos aqui reunir elementos que permitam identificar mais essa particularidade da “governança neoliberal”.

Palavras-chave: cidades minerárias; investimento social privado; organizações da sociedade civil; Região Metropolitana de Belo Horizonte; governança.



Introduction

Often referred to in literature as ‘neoliberalism’, the set of liberal reforms that shaped the world economy in the last quarter of the 20th century had a particular impact in Brazil from the 1990s on. This was facilitated, to a great extent, by a democratic State that was recovering itself from a long period of dictatorship. The political opening of the country thus coincided with a process of entrepreneurialization of the State, characterized by an increase in the participation of the private sector along with its managerial and competitive approaches to administration. These elements combined themselves so as to form what we call here ‘neoliberal governance’. The extractive sector, in particular, played a leading role within this model of public administration in Brazil, as it was strongly favored by the international market’s high demand for commodities.

This paper discusses one of the ways that this neoliberal governance expresses itself, more specifically the Brazilian case, where it has been carried out in the form of the so-called private social investment. According to Acselrad (2018), in pursuing extramural efficiency, the private capital resorts to a set of discourses and practices that are endemic to business management when approaching the social sphere —what the author calls “non-market” practices. This is done by the companies themselves and/or their foundations. This type of conduct also relies on establishing partnerships and funding civil society organizations (CSOs)¹ based in cities where these companies operate. In this paper, we are particularly interested in the practices adopted by mining companies that operate in certain municipalities of the so-called Southeastern zone of the Metropolitan

Region of Belo Horizonte (RMBH),² known for the historical cycles of exploitation to which they have been subjected. Moreover, such mining companies have been engaged in a type of exploitation that is not only concerned with natural resources, but also aims to achieve some level of “social appeasement”, insofar as it may weaken the local combative temper. In short, “corporations have deployed such microtechnologies of power to avoid disruptions in the flux of goods and materials, as well as to make the neoliberal regime that predominates at the macroeconomic level legitimate at the local level” (ibid., p. 33). In light of this, our objective in this paper is to both present some of the strategies deployed, and to gather elements that may allow the assessment of the companies’ gains embedded in these approaches. In doing so, we aim to provide a response to the question of whether it is possible to identify in these practices one more expression of the neoliberal governance pattern.

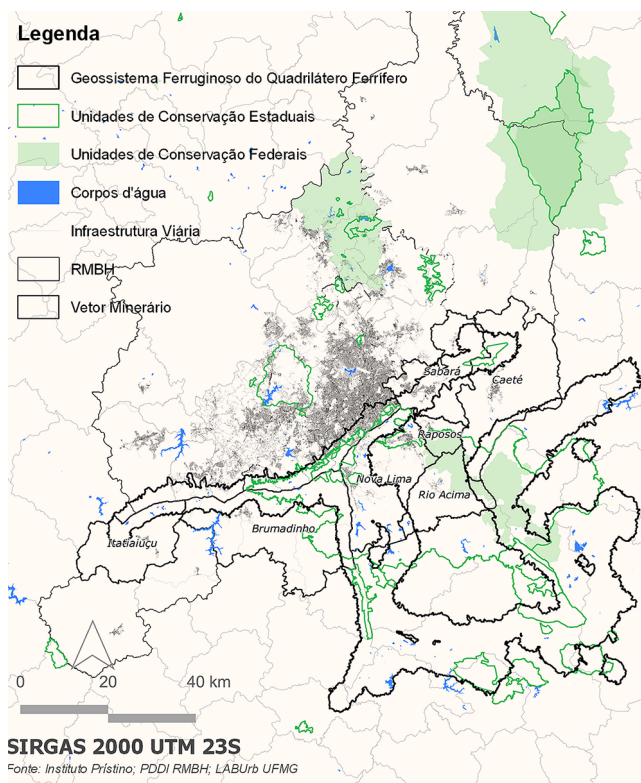
The term ‘governance’ is far from being novel. It has been appropriated by different schools of thought and employed in different periods of history, and this ended up assigning multiple meanings and uses to the term. Salvaged by liberal theorists, its current use denotes a new political lexicon that “aims to replace traditional expressions of politics with managerial expressions [and practices]” (Deneault, 2018, p. 19). Dardot and Laval (2016) stress that historical changes in the conception and action of the State have registered a new political vocabulary. In this sense, the State started to set goals and objectives that aim at efficiency and profit, and to eliminate what is considered to be wasteful spending – which, from the perspective of the private sector, generally comprises social

policies. For Deneault, the risk of applying *management theory* to (e.g.) politics and public life —the discourse of “good governance” — lies in that “one no longer speaks of social struggle, but of social acceptability. One no longer speaks of the precautionary principle or of nature, but of sustainable development. [...] One no longer denounces propaganda, one speaks of corporate social responsibility instead” (Deneault, 2018, pp. 19-20).

This paper rests on the insights drawn from a research carried out in the municipalities of the Southeastern zone of the Metropolitan

Region of Belo Horizonte (RMBH). With an economic structure that relies heavily on mining activities, these municipalities have shown an expressive number of CSOs in the last decades. They make up the so-called Iron Quadrangle [*Quadrilátero Ferrífero*], located in the central region of Minas Gerais. It encompasses part of the metropolitan region (Figure 1), which is the geographic region responsible for a considerable share of the mineral resources extracted in Brazil today. Such an insertion entails being under intense influence of mining activities, leading thus to the scenario wherein

Figure 1 – Map of the Iron Quadrangle with municipalities of the Southeastern zone of the RMBH



Source: Ongoing Research — “Governança e Associativismo na Região Metropolitana de Belo Horizonte”, developed by the Laboratory of Urban and Metropolitan Studies, School of Architecture of UFMG, based upon PDDI-RMBH.]

mining companies participate substantially not only in the local economy, but also in the social and political relations.

To identify the characteristics of what we call ‘expression of neoliberal governance’, we have examined the sustainability reports made available on the websites of the mining companies that operate in the region. Part of the activities of these groups consists in providing funds via public notices that aim to meet social demands of local communities (sports, leisure, social work). This is done through mediation and management of social organizations that operate in the region.

The present work is divided into three sections, in addition to this introduction and the final remarks. In the first section we discuss neoliberal governance, salvaging certain elements of neoliberalism and focusing on civil society’s adherence to this ideology – assuming that the neoliberal good governance relies heavily on such an accord. In this connection, we provide a brief history of the expansion of *associativism* in Brazil since the 1990s, highlighting the growth of CSOs. We used data from the research “Mapa das organizações da sociedade civil” (Lopez, 2018), which was coordinated and conducted by the Institute for Applied Economic Research (IPEA). In the process of consolidation of such a form of civil society participation, we have identified the development of a type of associativism which is capable of assimilating a social practice of a neoliberal nature.

In the second part, we present a preliminary survey of the aspects that characterize the guidelines of the private social investment of mining companies of the Southeastern zone of RMBH. Here systematized rather succinctly, this information is the result

of the data we gathered from institutional and/or sustainability reports made public by the mining companies themselves, which are the main communication channels and sources found. We also resorted to online newspapers and, among others, to the websites of the *Association of Mining Municipalities of Minas Gerais* (Amig) and the *Group of Institutes, Foundations and Companies* (Gife). This path brought out the case of the AngloGold Ashanti company, whose partnerships and funding of certain CSOs in the area are worthy of attention. We chose this case as a way of example on account of the particularities of the company’s main private social investment program, namely, the “Sustainable Partnerships”. By transferring funds to certain CSOs, this program is responsible for planning annual calls for financial support to social projects in the region where the company operates. We identified the occurrence of such partnerships in the following municipalities of the State of Minas Gerais: Barão de Cocais, Santa Bárbara, Caeté, Nova Lima, Raposos, and Sabará – the last four located in the RMBH. According to a balance sheet published³ by the company itself, the program has already supported 240 initiatives in the neighboring municipalities of the company’s area of operation, having benefited around 27,000 people directly, and invested about R\$9 million.

In the third section, we employ the Gramscian critique to clarify these contradictions and ambiguities within the so-called third sector; that is, we explore the aspects of such an expansion of democracy and the concomitant widening of the mining sector’s scope of interest. Lastly, in the final remarks we summarize the issues we have raised, and the risks of this form of neoliberal

governance – which is capable of reducing, or constraining, civil society's responses to mining activities that are considered detrimental to the common good.

Neoliberal governance – from social participation to entrepreneurial associativism

First of all, it is important to highlight that neoliberalism, more than a vigorous reinvention of capitalism, is a normative system. It imposes the rationale of generalized competition as a conduct, and sets the company as a role model of efficiency to be adopted by the machinery of government, and by the individuals in their relations – be these internal or between individual and world. In short, neoliberalism produces behaviors and regiments social relations according to an entrepreneurial pattern as it subjects the State to the demands of efficiency and performance, and turns individuals into entrepreneurs and competitors (Dardot & Laval, 2016). According to the authors, there lies the remarkable effectiveness of this normative system, that is: in its ability to produce subjectivities that alter structurally our ways of relating with others and ourselves, and to both justify the inequalities revealed by the economic model itself and exempt us from the responsibility of getting involved in collective causes (Ibid.).

In this sense, neoliberal good governance presupposes not only the extensively discussed interplay between market and State, but also the adherence of civil society. This is not a novel circumstance – far from it; since Antonio Gramsci's prison writings (1926-1937),

civil society has been regarded as a fertile ground for the reproduction and legitimization of capitalist ideas and interests.

In interpreting the phenomenon of neoliberalism, Theodory, Peck and Brenner (2009) consider that it may vary in each location and period, given the specificity of political, economic, cultural, historical, and geographic characteristics. This detachment from the view that regards neoliberalism as an entity or a set of closed doctrines gives more leeway for discussing its operationalization and social effects in daily life – hence, its innovations. This will be particularly useful when analyzing the case of certain municipalities of the RMBH, especially the ones whose economies are centered on mineral extraction and whose cases will be discussed in a specific chapter.

To use the same principle of avoiding generalizations and of disregarding the heuristic potential of certain general concepts, we stress that distinct schools of thought have handled and employed the concept of *governance*, and that this ended up ascribing varied meanings and uses to the term. In this paper, we regard the concept as playing a structural role within the neoliberal vocabulary: it synthesizes the joint action between State and private capital (at both national and international levels), as well as institutions, associations, churches, and the various instances of civil society – all these acting in accordance with the entrepreneurial principles of efficiency, competition, and productivity.

On an international scale, for instance, the dissemination of neoliberal ideals by multilateral agencies – such as the World Bank and the International Monetary Fund (IMF) – had significant implications, especially for

periphery countries. One of such implications is political power having become subject to direct interference from these agencies. Playing the role of creditors of some sort, they interfere in the way the State sets the goal and the course of its public and economic policies.

In Brazil, the recent diffusion of neoliberal reforms – also known as ultraliberal inflection⁴ – resulted in a direct impact on the quality of life in Brazilian cities, more specifically in terms of the shrinkage of social policies, the deregulation of environmental protection policies, and the growth of unprotected labor. It had also an impact in terms of the weakening of working-class organization and of the impairment of the democratic process, as a result of the discontinuation and closure of various participatory spaces where the population could discuss public policies, such as councils and public policy conferences.

Regardless of this governance model, it would nevertheless be unwise to deny or to overlook that the legislation signed after the period of the constituent assembly (1988) – such as the laws of Organic Health, Social Assistance, Directives and Bases of National Education, the Child and Adolescent Rights Act, and the City Statute— has developed and improved social policies. As regards the expansion of the concept of citizenship, the struggle for rights achieved important deeds as it created new rights and incorporated other actors to already attained legal goals. All this without breaking for good with the condition of *regulated citizenship*,⁵ which ties the status of *citizen* to the idea of *formal worker*. These new legal frameworks, which came in the wake of the 1988 Constitution and the expansion of social movements, contributed

to a diversification and complexification of civil society participation, having brought it closer to the public administration, in fact (by means of sectoral councils, conferences, participatory budgeting, etc).

Social participation – from the collective claim to the partnerships

Redemocratization is a milestone in the construction of the legal-political framework that brought diversification and gave more room to different class interests. The 1990s, in Brazil, can be seen as a period of growing social participation, and the Federal Constitution of 1988 reiterated this growth, as its fundamental principles enshrined popular participation in public administration. The involvement of civil society in the design, implementation, and social control of public policies, in turn, ended up displacing a substantial part of the previous groups that were committed to agendas of a more contesting nature – in fact, displacing towards the composition of the public administration. In the context of the redemocratization process, topics such as urban reform, redemocratization, land regularization, as well as the creation of sectoral councils, conferences, and participatory budgeting, were responsible for absorbing part of the active civic engagement in the direction of a format which puts is closer to the public administration.

In the same period, still under the influence of the atmosphere of relative trust and participation produced by the 1988 Constitution, the government of President Fernando Henrique Cardoso implemented

the Master Plan for the Reform of the State Apparatus (1995),⁶ coordinated by the then Minister of Federal Administration and Reform of the State, Luiz Carlos Bresser-Pereira. The plan evinces the intention to weaken labor rights and social security, bringing significant losses for the population as a whole; moreover, it explicitly points in the direction of outsourcing public policies through partnerships with non-state organizations (third sector or civil society organizations). According to Bresser-Pereira (1997),

The reform will probably mean reducing the State, limiting its functions as a producer of goods and services [...], but it will probably imply expanding its functions with respect to financing public non-state organizations to carry out activities in which externalities or basic human rights are involved and need to be subsidized. (p. 6; emphasis added)

Simões (2010) defends that such an intention of ‘depoliticizing’ the State that comes together with a destatization of social regulation is compatible with a new form of political organization: the Third Sector. Santos (2001) adds that it is a form of organization that is wider than the State – even though maintaining the State as an arranger –, and yet capable of reshaping into a hybrid that combines state and non-state, national and global elements.

From then onwards, the records of these organizations multiplied, coincidentally. This was also motivated by the precariousness of social policies and working-class organizations, in addition to the aforementioned growth

of unprotected labor. According to Lopez (2018, p. 22), in 2015, the total number of formally employed people in CSOs in Brazil was equivalent to “more than 30% of those employed in the agricultural sector, 26% of the total employed in industry, and 26% of the total number of people employed in the public sector (including civilians and military)”.

As shown in Table 1, most of these CSOs – also commonly known as non-governmental organizations (NGOs) – were established in the decades of 1990-2000 (24.6%) and 2000-2010 (33.8%). The number of new registrations becomes stable from 2011 on; even so, there is still an annual amount of new registrations of about 3% (ibid.), which is justified by a context of new legislation regulating the administrative and bureaucratic structure of these organizations, as well as the access to financial support and public funds.

According to Fontes (2010), this period indicates a turning point in the form of participation wherein civil associativism was directed towards a professionalizing setting. The author’s hypothesis (Fontes, 2006; 2010 and 2018), which is the theme of our main discussion here, is that there is a process of conversion within the hegemonic dispute in Brazil: the basis of civil associativism shifts into a mercantile-philanthropic basis. Under the umbrella of social responsibility, this process is associated with a certain dynamic of global financial expansion.

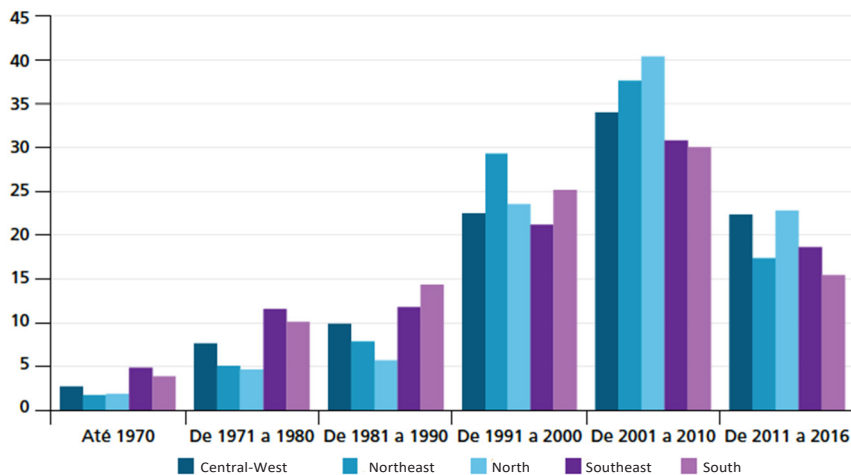
The data from Ipea (Lopez, 2018) indicate that, at the end of 2016, Brazil reached the mark of 820 thousand active CSOs with National Registry of Legal Entities (CNPJs) in the country, as indicated in Chart 1. Of this

Table 1 – CSOs by year of establishment in Brazil

Year of establishment	Total	%
1970	28.579	3,50
From 1971 to 1980	72.466	8,80
From 1981 to 1990	88.147	10,70
From 1991 to 2000	201.389	24,60
From 2001 to 2010	277.452	33,80
2011	29.663	3,60
2012	25.722	3,10
2013	28.113	3,40
2014	24.870	3,00
2015	23.835	2,90
2016	19.949	2,40

Source: SRF (Brazil, 2016). Produced by Ipea in Lopez (2018, p. 140) .

Chart 1 — Active CSOs in 2016 by region and decade of establishment (%)



Source: SRF (Brasil, 2016) e Rais/MTE (Brasil, 2015). Produced by Ipea in Lopez (2018, p. 142).

total, about 709 thousand (86%) represent non-profit civil associations, 99 thousand (12%) are religious organizations, and 12 thousand (2%) are private foundations (ibid., p. 21). According to the author, “[t]he new data portray a broad sector, which is economically relevant in the labor market, in addition to its well-known relevance in activities of public interest” (ibid.). Casimiro (2018) analyzed the timeline of these civil organizations – from 1996 to 2016 – and found an increase of around 715 thousand new institutions, which represents a growth of approximately 680%.

At the end of the 1980s, law 9.637 of 1988 (Brasil, 1988) was enacted, having thus established the first form of social organizations of public interest, within the perspective of the aforementioned Plan for the Reform of the State. Subsequently, the so-called third sector was also regulated by laws 9.790/1999, 12.101/2009, and by legislative decree 3.100/1999, culminating in the new regulatory framework established by law 13.019/2014.

This set of laws and actions ended up having influenced the third sector in such a way that ambiguous and contradictory effects followed. If, on the one hand, it reflected the aspirations of organized civil society towards greater rigor and transparency with respect to the management of such resources; on the other hand, it marked an opportunity for neoliberal ideas, in the sense of imprinting the entrepreneurial character that had already reached the public sphere also on social participation. In summary, boosted during the period of redemocratization in Brazil, the strategies of the corporate governance model predominated and reached all sectors – private, public, and associative.

Entrepreneurial associativism

The creation of the Group of Institutes, Foundations and Companies (Gife), in 1995, was a milestone for the continuation of this model of entrepreneurial associativism. Self-declared as a non-profit organization, it consists of great businessmen motivated by the premises of social responsibility or of private social investment. The group has 160 members,⁷ who invest around R\$2.9 billion a year in the social area, conducting projects of their own or providing the means to third-party projects. The example of GIFE in Brazil highlights a particularity that has become standard in the sector, namely, the concentration of self-declared non-profit foundations that present themselves as civil society, but which have their origins in groups of the private sector.

Equipped with the discourse of corporate social responsibility (CSR), Gife’s actions indicate a convergence towards the legitimization of this principle as a strategic guideline for the usage of private resources. Through social actions, it aligns its respective business’ perspectives with a public dimension. Nevertheless, the adopted discourse employs market-oriented terms, such as “risk capacity”, “promote innovation”; while also attempting to maintain distance from assistencialist practices and actions, according to Gife. Resting on guiding precepts, the group’s actions are grounded on a “1) concern for planning, monitoring, and assessing projects; 2) strategy centered on sustainable results characterized by impact and social transformation; 3) community engagement in the development of the action”.⁸

In addition to being aligned with the language of neoliberal governance, such a discourse indicates a great interest in the construction, strengthening, and the promotion of the image of these companies. In their company profile texts, we often see their actions presented as investment, and the social actors presented as social investors.

Social investment has powerful instruments tied to the mobilization of the resources in society and from private capital. As *social investors*, we must be able to incorporate a public dimension into private resource management. Strong governance structures and more transparency are key vectors to ensure a proper balance between public and private interests and an open and effective dialogue with social groups. (Available at: <https://gife.org.br/quem-somos-gife/>; emphasis added)

There are currently about 20 mining companies⁹ operating in seven municipalities of what we call here the Southeastern zone of the RMBH, and whose GDPs rely majorly on this economic activity. Only 12 of these mining companies have institutional websites and/or sustainability reports available online, and this forced us to reduce the scope of analysis to such universe, summarized below.

We have identified similarities between the institutional discourses of the 12 companies: (1) *sustainability*, present in all of them; (2) *safety*, observed in 9 companies; and (3) *social responsibility*, observed in 7 companies. Other aspects, such as *ethics*, *leadership*, *quality* and *health*, for instance, are also mentioned.

This suggests that these principles, in particular the triad *sustainability*, *safety* and *social responsibility*, have been internalized in the practices of companies as a tool for legitimation and, ultimately, their hegemony. *Social responsibility* is generally presented as a concern, on the part of the companies, for local communities; their actions are made possible due to their own resources, donations, or through tax incentive laws, in several areas.

Sustainability stands out as an element that is present in most websites and reports. It becomes manifest through information regarding measures on environmental education and social investments concerned with social development and preservation of natural resources. The companies perspicuously emphasize the primary role played by sustainability in the scope of action, which can be explained in terms of the prominence of the concept at the international level.

In most cases, *safety* appears as an element that is essential in the operations of companies which aim at the well-being of employees – for instance, by adopting measures to prevent accidents at work, or measures concerning the health of individuals.

Among the set of companies analyzed, eight¹⁰ of them are multinationals that participate in the UN Global Compact,¹¹ i.e., a voluntary initiative launched in 2000 for the business sector. In Brazil, these companies are organized by the Global Compact Network Brazil, which is the chair of the Council of Local Networks in Latin America, having its headquarters in New York. Among its

Table 2 – Recurring guidelines and principles among mining companies

Companies	National/ Multinational	Basic guideline	Recurring principles
1. AngloGold Ashanti	Multinational	SDGs set up by the UN	Sustainability Safety Social responsibility
2. ArcelorMittal			Sustainability
3. CSN Mineração			Environment Safety Social responsibility
4. Jaguar Mining			Sustainability Safety Social responsibility
5. Mineração Usiminas			Sustainability Safety Social responsibility
6. Vale - Cia Vale do Rio Doce			Sustainability Safety Social responsibility
7. Vallourec Mineração			Sustainability Safety Social responsibility
8. Grupo AVG	National	Own policies	Social and environmental responsibility
9. Grupo MBL			Environment Safety Social responsibility
10. Herculano Mineração			Social and environmental responsibility Safety
11. Minerita			Environment Safety
12. Vórtice Mineral			Environment Safety

Source: websites of the companies scrutinized by the authors.

objectives, one finds that “to boost the potential of the business community as an agent of transformation also means to ensure the competitiveness of businesses in the world economy and the inclusion of leaders in global decision-making forums”.¹² That is, social responsibility actions are not only inseparable from economic activities, but also presented as assets and gains in the financial market.

The São Paulo Stock Exchange (B3, currently) corroborates this claim. The Corporate Sustainability Index – ISE is an index that is based upon the assessment of corporate performance according to sustainability criteria. The shares of companies that make up the ISE contribute to the reliability of the very companies, which improves their performance in the financial market. According to the São Paulo Stock Exchange portal,

The ISE B3 is designed to measure average stock performance tracking changes in the prices of stocks of companies recognized for their commitment to corporate sustainability. It supports investors in decision-making and induces companies to adopt the best sustainability practices, since ESG (Environmental, Social and Corporate Governance) practices add to the longevity of businesses.¹³

These indexes operate by means of a ranking of companies that meet the sustainability criteria established by the financial market, and which includes an assessment of corporate social responsibility (CSR), environmental care, and financial transparency. In this regard, companies must publish their actions in the social balance sheet or sustainability report in order to improve transparency in business activities.

In a study on the relation between CSR, ISE, and asset valuation, Joseph et al. (2018) point out the connection between “participation in sustainability indexes and improvements in all categories of tangible [financial, organizational, physical, technological] and intangibles assets [innovations, human resources, reputation]” (p. 74).

Throughout the ins and outs of the struggle for hegemony wherein civil society, State, and corporations clash, new forms of dispute are being produced and old strategies reshaped. This is done in such a way that a new environment of hybrid language arises, constructed by the wayside. It is in such a context of pursuit for hegemony that practices and cultures adapt themselves in the leeway given by the young Brazilian democracy. Thus, far from being regarded as spontaneous, or disinterested practices of solidarity anchored in political projects of radical social transformation, the CSR and the partnerships with local social organizations seem to make up a wider picture. More specifically, a scenario that is more tied up to the financial market, and wherein companies profit twice (financially and in terms of their image) by incorporating the social issue into their practices.

The case of AngloGold Ashanti

Let us now explore how the market’s private interests merged hegemonically into causes commonly regarded as collective, and how the translation of the neoliberal discursive framework comes about in such situations. To this end, let us examine the case of one

of the mining companies: AngloGold Ashanti. Having its administrative headquarters in the municipality of Nova Lima (MG), the company also carries out extractive activities in the nearby municipalities – Sabará (MG) and Santa Bárbara (MG).

AngloGold Ashanti's presence in the region is connected to gold exploitation in the State of Minas Gerais, which dates back to the 17th century. The independence of Brazil in 1822 opened the door to mineral exploitation in behalf of foreign capital. The region where the municipalities of Raposos and Nova Lima are located today welcomed, in 1834, the Saint John Del Rey Mining Company, an English gold mining company that operated there until 1957. That same year, Brazilian shareholders were incorporated and, in 1960, Mineração Morro Velho was created. In 1974, the company merged with the South African Anglo American Corporation to form AngloGold. Lastly, it merged with Ashanti Goldfields in 2004, thus giving rise to the current conglomerate AngloGold Ashanti (Couto & Costa, 2003).

The mediation of the relationship between society and corporations – a form whereby neoliberal governance expresses itself – is not restricted to limited social practices. On the contrary, it opens up a wide scope capable of capturing the ways of living in mining territories. The program's 2019 public call notice encompassed civil society organizations (CSOs), or more specifically "private, non-profit legal entities and legally constituted cooperatives", of the following areas: a) culture, tourism, gastronomy: comprising the development of local and artisanal products to meet the demand of the market and the tourism sector; b) associativism and cooperativism: comprising the structuring

of social enterprises of a productive nature, focusing on sectors such as commerce and services, which enhances labor market insertion of people into the productive chain; c) sustainable solutions: comprising social enterprises that promote environmentally sustainable solutions that benefit the community, such as reducing energy and water consumption. These solutions had to prioritize the existence of a social enterprise with the potential to be financially self-sufficient.

Aiming at future financial self-sufficiency, the program provides some sort of coaching or mentorship, that is, technical support to the selected institutions so that "the project may develop its own revenue streams aiming at financial self-sufficiency, thus getting closer to a social business model".¹⁴ The goal is to improve the performance of partner institutions, since converting CSO projects into social businesses is AngloGold Ashanti's main mission, as described by the company itself. Moreover, it also sets the objective of "solving a social and/or environmental problem" (ibid.).

Some critical aspects of AngloGold Ashanti's initiative of providing financial support to CSOs deserve special attention: 1) one can detect the strong business-oriented nature of the public call notice, more specifically in its defense of a business model and its stipulation of an entrepreneurial discourse in the management of the project's resources as a condition to funding; 2) the idea of providing mentoring and support to turn the social project into an entrepreneurial project or social business is constitutive of a view that promotes the creation of a new common sense regarding local associations, according to which the entrepreneurial approach is the model to be followed¹⁵ – we consider that the dissemination of this common sense

could add to the mitigation of the negative environmental impacts of the company's operations in the region and, at the same time, to the legitimization of its practices; 3) as shown in the balance sheet of the Programa Parcerias Sustentáveis (Sustainable Partnerships Program), the projects revolve around agendas and activities of a local nature – hence, they do not converge towards more substantive topics such as those related to the social question or the contradiction between capital and work – but, at the same time, they manage to dialogue directly with the topic of social recognition (entrepreneurship for women and ethnic-racial issues).

It is against this background that a particular format of participation gained strength, namely, the way certain civil society organizations take part in the composition of neoliberal good governance. It is a format characterized by a mode of operation that mirrors the model adopted by private capital companies – the so-called 'corporate philanthropy', or 'private social investment', to use the terminology employed by the organizations themselves. This format gained prominence in several associations whose revenue streams were predicated on showing efficiency, especially in the foundations created within the very companies.

Civil society as a disputed territory: the private hegemonic apparatus

In the midst of the many-sided process of recreating associativism, reinterpreted with the aid of new nuances and meanings, the

private hegemonic apparatus (understood as part of the extended State) have brought particularities of the business world to civil organizations. The model of business sociability, together with the entrepreneurial-competitive type of management, merged into the picture of solidarity, collaboration with the community, and/or sustainability, so as to form a seemingly contradictory message. Dardot and Laval (2016), however, consider that this message bears a strategy to capture our subjectivity.

Fontes (2010 and 2018) and Casimiro (2018) also interpreted the expansion and diversification of the associative apparatus as a contradictory movement. The authors find the explanation of this ambiguity in the Gramscian perspective: on the one hand, the associative apparatus is taken as the expansion of democracy and, therefore, the achievement of the working classes; on the other, it is taken as the possibility of strengthening, simultaneously, the trenches of capitalism. Put differently, these apparatuses would not be free from the dissemination and defense of liberal and bourgeois ideology and interests.

The authors (Fontes, 2018; Casimiro, 2018) acknowledge the "art of association" – to use the term coined by Tocqueville – as a vital force of democracy and social justice. Nevertheless, they cast doubt upon it as they suspect it may facilitate class domination by fostering consensus in the region where companies operate. The interpretation of the contradictions in the expansion of associativism in contemporary Brazilian democracy relies on the hypothesis that organized civil society is also a fertile ground for legitimizing the interests of private capital.

Gramsci's prison writings (2019) contribute substantially to the interpretation of the dynamics of the reproduction of capital. The author provides a broad understanding of the State that encompasses political disputes within civil society. That is, civil society should neither be interpreted as a mere instance that is opposed to the State, nor as a space of individual freedom, as conceived by the liberal tradition. Furthermore, the State should not be conceived of as the sole space of political power and domination.

In vogue for some time now, the very notion of civil society as a synonym for the third sector and non-governmental organization suggests a neutral stance with regard to the market and governments; or alludes to a private sphere of public interest, motivated by some sort of benevolent altruism. The aforementioned case of AngloGold demonstrates that some forms of partnership between civil society and private sphere, far from being apolitical, are part of a dispute for the hegemony over the territory.

Gramsci comprehends this tension without resorting to an abrupt separation between what he called political society and what he defined as civil society. In the author's conception, there is an organic relation between the two dimensions, bundled together by the concept of hegemony – a more refined perspective to grasp the elements of class domination. Political society can be understood as the State in the strict sense, that is, the governmental apparatus in charge of the direct administration and legal exercise of coercion over those who do not actively or passively consent (Gramsci, 2019). In a synthetic way, and from an analytical point of view, civil society is a broad sphere

constituted by a plurality of civil organizations (trade unions, associations, churches, etc.), and wherein classes organize themselves and defend their interests within the dispute to maintain or to achieve a determined hegemony (ibid.).

According to Bianchi (2018), the concept of hegemony can be understood as the exercise of the capability to direct as well as to exert political and economic leadership. It thus contrasts to mere domination, which is characterized by one side that simply imposes its economic-corporate projects on the other sides and social classes without taking their interests into account. In this regard, private power would have to present itself as a defender of collective interests. It must present itself as an expression of the whole society, eventually “incorporating claims and interests of subaltern groups, subtracting them from their own logic, and framing them in the current order” (ibid., p. 155). The appearance of universality requires the absorption of the demands of popular classes so that private interests remain concealed.

In this perspective, we can interpret some civil society associations as means of disseminating mass culture and reproducing ideologies while making use of the conventional legal forms established by the legal framework of the State. This mechanism is defined as private hegemonic apparatus, and its present relevance as an analytical tool allows us to examine the forms in which classes are organized not only in a single apparatus, but in various forms. Such *apparatuses* can function as notable instruments in building consensus and engendering organization of spontaneous assent – which can be achieved, for instance, by making concessions in terms of

political, ideological, and economic interests, insofar as these do not compromise essential or long-term goals.

By acknowledging the value of representation within the mode of associationism, or the art of association, neoliberal governance would be acquiring new expressions in its most recent stage. Nevertheless, this acknowledgement introduces, in its practice, values that are endemic to neoliberalism. Fraser (2020) alerts to the subtleties of this economic model, as it can be more sophisticated when orchestrating a “regressive, pro-business economic policy, with a progressivist policy of recognition, cherishing representation but resignifying equality as synonymous with meritocracy” (ibid., p. 18).

There is still a relatively unexplored range of facets to be examined in the movement of hegemonic construction of neoliberalism, namely, its ability to attach itself to different projects of recognition (ethnic-racial and gender issues, for example). Within civil society organizations, one can notice not only the appeasement of certain social struggles, but also the management of the direction of values, languages, moral customs, and a new common sense. Civil society is, to a great extent, organized and framed by the demands of multilateral agencies, as well as seized by civil organizations connected to the companies of the big capital.

Final remarks

Considering the effects of neoliberal ideology on the current pattern of governance, experiences in mining environments suggest

that mining companies in the Southeastern zone of the RMBH have drawn closer to organized civil society by means of the private social investment format. As shown in Table 1, the data indicate a growing number of CSOs, but it is still unclear what are the impacts of this expansion on the possibilities of producing active citizenship. It appears that the ambit of CSOs is a field wherein the most diverse interests are expressed – from anticapitalist struggles to the recent forms of neoliberal entrepreneurship. Within the Iron Quadrangle setting, one finds associations and foundations funded by mining companies’ resources, as well as CSOs that work on themes related to the environment, solidarity economy, gender, and race – on agendas that vary from depoliticized actions to others of a more contesting nature. In summary, there are representations of civil society that operate in different ways, but the configuration that draws attention, in particular, is the one that makes way for partnerships with private capital. Their new formats are capable of reducing or changing these groups’ traditional ways of contestation. Being the most recurrent strategy, the private social investment has proven itself to be an effective way of improving the image of companies, and of legitimizing them in the eyes of communities and civil society organizations – in addition to its effectiveness in terms of bringing financial gain.

In the case of the associative net around the mining companies of the RMBH, especially in municipalities wherein extraction activities took or still take place, these partnerships suggest there is another cycle of domination/dependence based on private social investment – which, in terms of corporate defense, is strategic for the companies. Private

hegemonic apparatuses are investments that, in addition to increasing profitability, also seem to create a culture, a common sense of shared values, being more than a mere absorption of neoliberal language. They play a role in the forms of organization of sociability and in connecting the economic basis to the State. This is, thus, a characteristic of neoliberal domination, particularly in the mining sector that exports commodities: to be subjected to fluctuations of the international market, while being remarkably profitable and pivotal to the economy of Minas Gerais and Brazil.

With regard to the mining companies operating in the RMBH, one can notice that they benefit from an increasing presence of their respective foundations, private social investment initiatives, and partnerships with CSOs, when operating with more legitimacy in the region they are installed. This beneficial effect, however, is not automatically felt, for it consists of a multi-layered game wherein action is rather piecemeal. These layers express themselves in terms of public call notices elaborated by companies to fund projects coordinated by CSOs, sponsorships of cultural and sporting events, partnerships between companies and local governments, as well as the companies' activities in the communities. Another hypothesis to be considered is the constraint of the development of a local associativism that may lean towards struggling against more substantive issues, in particular against the detrimental effects of mineral extraction.

It should be noted that, contrary to what is disseminated in a rather simplified form, the arguments regarding hegemony are not stated in merely cultural terms, although culture consistently incorporates them. Hegemony also concerns the various struggles that persist within and between social classes —and if some degree of stability is reached, it is mainly the result of having depoliticized or silenced the dominated. The equilibrium achieved is never absolutely stable; it will always contain some dynamism.

As the country became a democracy, the reformulation of the role of the Brazilian State brought new forms of shaping and strengthening its hegemony; having built consensus through making policies concrete as well as attaining goals within the scope of symbolic struggles. The business sector organization managed to make use of the new legal framework for civil society organizations, having captured and given new meaning to social problems and their solutions, in the case of mining towns. In view of this, there still remains the task of assessing the limits and possibilities of building a new and more persuasive common sense; or of building a counter-hegemony that encompasses non-business sectors, workers, and the population affected by mining activities. In other words, to buttress a side other than that of the mining capital; a network of autonomous associations anchored in the acknowledgement of the difference and specificity of the interests involved.

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Notes

- (1) In Brazil, there is no type of legal entity named NGO [t.n.]. Civil Society Organization (CSO) is the most up-to-date (law 13.019/2014 and law 13.204/2015) designation for institutionalized (CNPJ) or private law, non-profit and non-governmental entities (Lopez, 2018).
- (2) This zone includes the municipalities of Brumadinho, Caeté, Itatiaiuçu, Nova Lima, Raposos, Rio Acima and Sabará.
- (3) Available at: https://issuu.com/anglogoldashantibr/docs/balanco_parcerias_sustentaveis_2019. Accessed on: Nov 11, 2020.

- (4) Ribeiro (2020) considers the ultraliberal inflection to be the configuration established in Brazil after the parliamentary coup and the subsequent impeachment of Dilma Rousseff. The inflection indicates the rupture with a period characterized by the political and economic framework that was founded during the redemocratization, and in which governments reconciled conservative measures with commitments to popular sectors. Ribeiro's (ibid.) central thesis is that the 2016 coup "radically changed this correlation of forces that had been consolidating itself within the power bloc, steering it towards a more effective control by conservative forces" (p. 2).
- (5) Regulated citizenship is a concept coined by Wanderley Guilherme dos Santos, according to which: in the case of Brazil, the development of citizenship is not rooted "[...] in a code of political values, but in a system of occupational stratification, [...] which moreover [...] is defined by legal norm. In other words, all those members of the community who find themselves in any of the occupations identified and defined by law are citizens" (Santos, 1979, p. 75).
- (6) Regulated by the constitutional amendment n. 19, of June 4, 1998.
- (7) In the list of associates, besides foundations of Brazilian companies (e.g., large private banks, mining and construction companies), there are also a large number of foreign entities, such as the foundations Bunge, Cargill, Nestlé Brasil, Nokia, Volkswagen, the institutes Coca-Cola Brasil, HSBC Solidariedade, Renault, Wal-Mart; as well as the direct participation of companies such as Monsanto and Microsoft, etc. Available at: <https://gife.org.br/quem-somos-gife/>. Accessed on: May 15, 2021.
- (8) Available at: <https://gife.org.br/investimento-social-privado>. Accessed on: May 15, 2021.
- (9) Multinational companies: AngloGold Ashanti; ArcelorMittal; CSN Mineração S.A.; Jaguar Mining Inc.; Mineração Usiminas S.A.; Vale S.A.; Vallourec Mineração. National companies: Cefar; Comisa; Ferrous Resources do Brasil; AVG Group; Grupo MBL; Herculano Mineração; London Mining Brasil; Mineral do Brasil; Mineração Boa Vista; Mineração Serra Azul; Minerita - Minérios Itaúna Ltda; Tamisa Mineração; Vórtice Mineral.
- (10) AngloGold Ashanti; ArcelorMittal; CSN Mineração S.A.; Jaguar Mining Inc.; Mineração Usiminas S.A.; Vale S.A.; Vallourec Mineração; Vórtice Mineral.
- (11) Available at: <https://pactoglobal.org.br/no-brasil>. Accessed on: June 2, 2021.
- (12) Available at: <https://pactoglobal.org.br/no-brasil>. Accessed on: June 2, 2021.
- (13) Available at: http://www.b3.com.br/pt_br/market-data-e-indices/indices/indices-de-sustentabilidade/indice-de-sustentabilidade-empresarial-ise.htm. Accessed on: May 17, 2021.
- (14) Available at: https://issuu.com/anglogoldashantibr/docs/balanco_parcerias_sustentaveis_2019. Accessed on: Nov 11, 2020.
- (15) By "common sense" we mean a certain kind of cement that binds and builds consensus as to how we understand, act, and judge social life. It could be regarded as almost synonymous with ideology, in the sense of something that encompasses social life and is shared by the group – although it may not always be visible to its members when concealed by familiarity.

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