Implicit Corporate Political Activity and Elite Formation
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Tese Apresentada à Escola de Administração de Empresas de São Paulo como requisito para obter o título de Doutor em Administração Pública e Governo

Linha de Pesquisa Governo e Sociedade Civil em Contexto Subnacional

Orientador: Prof. Dr. Mário Aquino Alves

SÃO PAULO
2014
Ometto, Maria Paola D. S. D. L.
Implicit Corporate Political Activity and Elite Formation / Maria Paola D. S. D. L. Ometto - 2014
108 f.

Orientador: Mário Aquino Alves
Tese (CDAPG) - Escola de Administração de Empresas de São Paulo.


CDU 347.471.8
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DATA DA APROVAÇÃO: _____/_____/_____  

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ACKNOWLEDGEMENTS

Firstly, I would like to thank my advisor, Mário Aquino Alves, for all support, as a professor, supervisor and friend. We worked together on this research, so this work would not be possible without him.

I would also like to thank my Qualifying Committee, Marco Antônio Carvalho Teixeira and João Marcelo Crubellate who gave great advice in the Project of this thesis, allowing me to develop further the research and case. Moreover, I would like to thank by Dissertation Commitee for their participation and suggestions.

I would like to thank all my professors at FGV, Marco Antônio Teixeira, Peter Spink, Eduardo Diniz, Marta Farah, Fernando Abrucio, George Avelino, Maria Rita Loureiro. I especially thank my FGV doctorate colleagues: Fernandinha, Sílvia and Toni.

I’m grateful to all interviewees who shared their ideas, thoughts and histories with me. I’m also in debt with Rede Nossa São Paulo Executive Secretariat for all their support. Especially, I would like to thank all members of the Participatory Democracy Working Group, who besides helping me and becoming colleagues, were important actors in the creation of the Districts Participatory Councils, a great improvement to the city of São Paulo.

Laura Pansarella helped to arrange some interviews, thank you.

As a visiting student in University of Alberta, I had Roy Suddaby as advisor and I would like to thank him for the support and advices, especially in this thesis first and last articles. I also want to thank my professors at UofA, Royston Greenwood and Michael Lounsbury. In my period there, I was able to present my thesis Project and received great advice, I would like to thank the participants.

The last article of this thesis was presented at EGOS (European Group of Organization Studies) in 2013 and Academy of Management Conference in 2014. Thus, I’m grateful to the advices received due to these conferences.

Finally, I would like to thank all my family for their support. Especially Catarina, who arrived during this process and gave me more focus and joy to work and go after my dreams.
ABSTRACT
In this thesis, we analyze how a progressive business elite created the civil society organization *Rede Nossa São Paulo* (RNSP), achieving significant institutional changes, thus enabling the elite’s consolidation in the political sphere. The research yielded three articles. The first article discusses how RNSP became a strong political actor in the City of São Paulo and also in Brazil. To address this issue, we applied historical constructs to show how RNSP used history to become a central actor in the political sphere. In the second paper, we complement corporate political activity (CPA) theory by adding a new construct, implicit corporate political activity (ICPA), which conceptualizes how business elites together with civil society organizations can influence government. Since government, corporations and civil society organizations now have blurred boundaries; we understand that this concept is extremely important in drawing attention and creating new avenues for research in this novel environment. In the final article, we show the micro foundations of ICPA. Specifically, how business elites and corporations influence RNSP and, indirectly, government. Concluding, we contribute to the literature on how business influences government and the public sphere indirectly, through civil society organizations. Theoretically, we illuminate the literature of institutional theory, history, and power.

**Keywords:** corporate political activity; elites; institutional theory; rhetorical history; implicit corporate political activity; power
RESUMO
Nesta tese, analisamos como a elite empresarial progressista criou a organização da sociedade civil Rede Nossa São Paulo (RNSP), alcançando mudanças institucionais significativas, permitindo assim a consolidação da elite na esfera política. A pesquisa resultou em três artigos. O primeiro artigo discute como a RNSP se tornou um forte ator político na cidade de São Paulo e também no Brasil. Para abordar esta questão, mostramos como a RNSP usou a história retórica para se tornar um ator central na esfera política. No segundo artigo, propomos o conceito de atividade política corporativa implícita (ICPA), complementar a atividade política corporativa. Conceituamos ICPA como elites empresariais em conjunto com organizações da sociedade civil agindo para influenciar o governo. Com os limites entre o governo, as empresas e organizações da sociedade civil difusos; entendemos que este conceito é extremamente importante para chamar a atenção e criar novos caminhos para a pesquisa sobre a influência das empresas no governo. No último artigo, mostramos os micro fundamentos da ICPA. Especificamente, como as elites empresariais e corporações influenciam a RNSP e, indiretamente, o governo. Concluindo, contribuímos para a literatura sobre a influência das empresas no governo e na esfera pública indiretamente, por meio de organizações da sociedade civil. Teoricamente, ampliamos a literatura de teoria institucional, história e poder.

Palavras-chave: ação política corporativa; elites; teoria institucional; história retórica; ação política corporativa implícita; poder.
SUMÁRIO

INTRODUCTION .............................................................................................................................. 4

SEDIMENTATION IN THE FIELD: THE ROLE OF PREVIOUS ORGANIZATIONS AS A
RESOURCE FOR SOCIAL MOBILITY ................................................................................................ 8

Abstract ........................................................................................................................................ 8
Introduction .................................................................................................................................... 9
Conceptual Framework .................................................................................................................. 11
  Historical Institutionalism ............................................................................................................. 11
  Subject Position and Social Mobility .......................................................................................... 13
  Role of Discourse in Institutional Change .................................................................................. 13
Empirical Context .......................................................................................................................... 14
Research Design ........................................................................................................................... 16
Results ............................................................................................................................................ 18
  The Recent History of Civil Society in São Paulo ................................................................. 18
  The History of Business Representation in São Paulo ............................................................. 19
  “Organizations are created to die” ......................................................................................... 20
  The Trajectory Leading to RNSP’s Creation ............................................................................. 22
  The importance of subject positions and history for RNSP’s success .................................... 26
Rhetorical History ........................................................................................................................ 27
Discussion ...................................................................................................................................... 30
  Enacting (Latent) Institutional Memory .................................................................................... 30
  Sedimentation as a Foundation Enabling Future Institutionalizations .................................... 30
  Rhetorical History: Individual Focus, Timing and Structural Versus Specific History ............ 30
Limitations and Future Research ................................................................................................ 33
Conclusion ...................................................................................................................................... 33

THE CORPORATIONS’ IMPLICIT INFLUENCE ON DEMOCRACY ............................................ 35

Abstract ........................................................................................................................................ 35
Introduction .................................................................................................................................... 36
Political actions and corporations ................................................................................................. 37
Corporate political action (CPA) ................................................................................................. 38
CPA in Brazil ................................................................................................................................ 40
Private Politics and Political Corporate Social Responsibility .................................................... 42
Our São Paulo Network (RNSP) .................................................................................................. 44
Differences in CPA ....................................................................................................................... 47
Implicit Corporate Political Activities and the differences regarding the other constructs ....... 47
Business elites: traditional, neutral, or progressive ..................................................................... 49
Future Research ........................................................................................................................... 53
Conclusions .................................................................................................................................... 55

CORPORATE POLITICAL ACTIVITIES THROUGH CIVIL SOCIETY META-ORGANIZATIONS 56

Abstract ........................................................................................................................................ 56
Introduction .................................................................................................................................... 57
Theoretical discussion ........................................................................................................59
Power ........................................................................................................................................59
Subtle power relations: Governmentality, Framing, and Institutionalization .........................60
Political corporate social responsibility ..................................................................................61
Meta-organizations ................................................................................................................61
Data and Research Methods .................................................................................................63
The Case Study of Nossa São Paulo ......................................................................................63
Research Questions ................................................................................................................64
Research Strategy ..................................................................................................................64
Data collection .......................................................................................................................65
Data Analysis ........................................................................................................................68
Findings .....................................................................................................................................69
Businesses as founders strongly connected with central authority ........................................70
Managerialism practices and business logics ...........................................................................74
Businesses as political actors with social movements’ goals ....................................................78
Discussion ..............................................................................................................................81
Limitations and Future Research ...........................................................................................83
GENERAL CONCLUSION .....................................................................................................85
REFERENCES .........................................................................................................................91
RELAÇÃO DE FIGURAS E GRÁFICOS

SEDIMENTATION IN THE FIELD: THE ROLE OF PREVIOUS ORGANIZATIONS AS A RESOURCE FOR SOCIAL MOBILITY

Figure 1: Framework..................................................................................................................14
Table 1: Data collection..............................................................................................................17
Table 2: Newspaper articles per organization........................................................................21
Table 3: Organizations’ trajectories.........................................................................................25

THE CORPORATIONS’ IMPLICIT INFLUENCE ON DEMOCRACY

Table 1: Theoretical framework for corporations’ influence on the public sphere..................47
Table 2: Elite groups..................................................................................................................52
Chart 1: The relationships between elites, CPA, and ICPA....................................................53

CORPORATE POLITICAL ACTIVITIES THROUGH CIVIL SOCIETY META-ORGANIZATIONS

Table 1: Interviews....................................................................................................................65
Table 2: Data Collection..........................................................................................................68
Figure 1: Mechanisms of Corporate Activism........................................................................68
Table 3: Programs and Projects...............................................................................................70
Table 4: Institutional vocabularies...........................................................................................75
Table 5: Rhetorical Strategies for business legitimation as a political actor.........................79
INTRODUCTION

In a country like Brazil with high social inequalities, institutional changes allowing improvement in the social, political, and environmental spheres are urgently needed. Furthermore, with a political culture embedded in traditional ideas such as clientelism and focus on individual rather than collective gain (Sacramento and Pinho, 2009), initiatives that aim to change that tradition while engaging citizens on the political sphere are essential. This necessity was the empirical and first motivation to study the case of Rede Nossa São Paulo (Our São Paulo Network, RNSP).

RNSP was founded when a group of business people invited partners to join, aiming to create, collect and monitor social justice and sustainability indicators in the City of São Paulo. RNSP’s vision is that São Paulo can be fairer, with “better income distribution, respect for diversity and equity; and conditions for the full development of its citizens,” envisioning a democratic place where “public education is of high quality so everyone can have the same opportunities of development and expression.” They don’t accept that some norms and practices are occurring and are understood as normal, for instance, lack of transparency and information from public institutions, structural unemployment and the continuing divide between high- and low-income families, lack of civility in the city’s daily activities, indifference to others’ suffering, and disrespect for Human Rights.

RNSP achieved numerous results. The most well-known success is the Goals Act in the City of São Paulo and 39 other Brazilian municipalities. The law obligates the City’s Mayor to present to the population her goals for her term in office. The goals have indicators that the municipal government updates every six months to measure their accomplishments. RNSP is currently advocating the Goals Act’s federal implantation.

RNSP’s other results are: it created a culture of ideologically disparate CSOs discussing and creating propositions for the government together; pressed for participatory councils’ establishment, such as the City Council (composed of RNSP members), Districts’ Participatory Councils, and Transportation Council; systemized public data into indicators to better understand social inequalities and the city’s problems, served as an important tool for other CSOs projects as well as source for media; became a central authority and expert the media solicited for opinions regarding the city’s government and policies; was an exemplar and disseminated “Nossas” in Brazil, totaling 26 other organizations; and created the Sustainable Cities’ Program, in which
cities utilized data-collection software (created by RNSP) to gather indicators for public management. These improvements especially increased accountability and transparency.

Accountability is when citizens have the means to know whether public policy makers and politicians are responsible for certain actions and are acting in the public interest (Pinho and Sacramento, 2009). There are three main forms of accountability. Firstly, horizontal accountability occurs when actors within the same power structure keep each other in check, for instance when separate government agencies inspect one another’s’ work, or when a legislative body makes an executive body accountable. Secondly, vertical accountability happens when citizens have a formal way to learn about government actions and punish if these actions are understood as not benefiting the public interests, for example voting, or participatory democracy offering citizens a say in government (O’Donnell, 1998). Lastly, social accountability is a non-electoral mechanism with which civil society organizations, social movements, and media make government responsible and liable for their actions (Peruzzotti and Smulovitz, 2006).

To be effective, three elements must be present for accountability: information, justification, and penalization (Pinho and Sacramento, 2009). RNSP has improved the first two elements. Consequently, citizens can more objectively penalize, through voting. Furthermore, social accountability was the reason RNSP engaged diverse social movements. As Fiabane, Alves, and de Brelàz (2014) indicate, social accountability was the mobilizing frame, “social accountability is the product of the frames that Rede Nossa São Paulo composed over its mobilization process” (Fiabane, Alves, and de Brelàz, 2014:11).

Democracy relies on accountability, as Bovens (2007) argues, “democracy remains a paper procedure if those in power cannot be held accountable” (Bovens, 2007:182). Specifically, in a country where accountability is an important development for the country’s new democracy (Diniz, 2010; Martins, 1988), and where accountability experienced a timid development, partially due to weak civil society and traditional political culture and ideas (Campos, 1990), the mechanism has increased in significance, and RNSP has become an important actor in its implementation (Sacramento and Pinho, 2009). These achievements are not only important to democracy, but strategically, also to RNSP itself and its creators as they attained greater credibility, legitimacy, and importance in the political sphere.

The second motivation for this study concerns that various actors, such as businesses, social movements, labor unions, universities, and other organizations participate, carried out
these changes. In a society with expanding, blurred divisions between diverse actors’ roles in society (de Bakker, den Hond, King, and Weber, 2013; Vasconcelos, Alves, and Pesqueux, 2012), this case draws attention to business participation and its pivotal role in influencing democracy. There is a theoretical gap to investigate regarding how corporations affect democracy, as Barley (2010) and Schuler (2010) point out. Thus, we were intrigued to examine the interests of businesses to found, then participate in, this organization.

Considering the importance that RNSP attained in the political sphere and business’ role in its creation, we understood this process as an elite formation. The group that created RNSP has long being acting to achieve influence in Brazil. Since 1987, with PNBE (Pensamento Nacional de Bases Empresariais- National businesses coalition) and later with other organizations such as Abrinq Foundation, Ethos and especially RNSP, this group has been building institutional change to consolidate themselves as a power elite in Brazil. Mills (1956) argues that although a group of people with more access to resources can be understood as an elite, only a few, his “power elite,” are making decisions. Mills also explains that this distinction does not mean that the power elite makes all decisions, nor that the environment has no influence, only that these elites are in positions of power to allow more influence. Moreover, it is a society’s institutions that qualify a specific group to be in these power positions. As we discuss in this thesis, this group wanted the corporate social responsibility agenda to be fully institutionalized in society, upgrading them as a power elite for the broader society.

We give more weight on studying RNSP, and not the other organizations – although we discuss them in one of this thesis articles-, in discussing this elite project because the organization engages directly with governmental and political spheres, while being the organization that most engaged civil society organizations. As with these motivations, the first question emerging from this case was: how did RNSP become a strong political actor? The answer formed the basis for this thesis’ first article. Drawing on historical institutionalism, sedimentation, and rhetorical history theory, we explain how this business group achieved a subject position that allowed the creation of RNSP, which, in turn, attained a position of strength and centrality in the field. We propose that its actors’ previous trajectory and its rhetorical history permitted social mobility between or inside fields. Moreover, institutional memory and sedimentation enabled multiple actors’ engagement, creating representativeness (as civil society) for RNSP.
Following RNSP’s influence on democracy and the public sphere as well as the engagement of this business elite in the organization, we claim that RNSP is an indirect form of corporate political activity (CPA) that we call “implicit corporate political activity” (ICPA), which describes one way that this group tries to consolidate as a power elite. Thus, in our second article, we propose a theoretical framework to distinguish between explicit and implicit corporate political activity and political corporate social responsibility (PCSR). We engaged the CPA and PCSR, institutional and elite theories, to propose a new type of mechanism that elites use to influence democracy.

Finally, we looked into ICPA’s micro foundations. Thus, in the last article, we analyze how this new elite, along with businesses, influenced the governmental and political spheres through RNSP. We employ the discussion of power through other organizations (Fleming and Spicer, 2014), and institutional theory to understand this impact. More specifically, we looked at how businesses and this elite group influenced RNSP, without being active participants in RNSP. We discuss language’s role and power to address this research.

As a whole, we believe that this thesis opens up a new venue for research to understand elite projects and configurations of how businesses and elites influence democracy and society. It further sheds light on how various domains, or sectors, have blurred lines, an important element to consider when understanding interests and power relationships. Moreover, practically, it demonstrates how an organization was able to create such social and political benefits for São Paulo, an exemplar to follow.

Note: We developed this thesis as three distinct publishable articles, thus, some repetition may occur in explanations about RNSP, methods, and concepts. We were careful to write articles that would be comprehensible to someone reading only one in the set.
SEDIMENTATION IN THE FIELD: THE ROLE OF PREVIOUS ORGANIZATIONS AS A RESOURCE FOR SOCIAL MOBILITY

Abstract
The aim of this research is to understand how a small group of business people was able to change their social positions, leading to the creation of an organization, RNSP, which achieved a central position in the political sphere in São Paulo city. We draw on history and institutional theory constructs (historical institutionalism, rhetorical history, institutional remembering, and sedimentation) to understand how RNSP created a subject position that enables the organization’s power, consequently achieving numerous results for the city. We conclude that the business group’s trajectory allowed the sedimentation of new institutions that benefit these actors, changing their subject positions to centrality. Rhetorical history was used to show only the history and institutional changes that would be valued in RNSP’s creation (an organization in the political sphere that proposes accountability and non-partisanism) and institutional memory permitted RNSP to engage many civil society organizations, both increasing the organization centrality in the field.

Keywords: historical institutionalism; rhetorical history; institutional remembering; sedimentation; subject positions; social mobility
Introduction

In 2007, São Paulo city in Brazil passed the Lei de Metas (Goals Act), which obligated its Mayor to present to the population her goals for her term in office. The goals have indicators updated every six months to measure their accomplishments. This Goals Act empowers civil society – citizens, social movements, and organizations – to control the municipality’s actions and demand the goals’ achievement.

Resource distribution in São Paulo is extremely imbalanced. For instance, the 300,000-resident Jardim Ângela neighborhood has neither library nor cultural centers; while the smaller 66,000-resident Pinheiros neighborhood has nine cultural centers and a library. Furthermore, violence is a major concern: an average of one hundred and five crimes are reported per month. Additionally, São Paulo has pollution, transportation problems, and rampant social inequality. In a city with so many problems, the Goals Act significantly improves the city’s institutional development, and enables more citizens’ participation in public management. More recently, in 2013, São Paulo established the District Citizens’ Participatory Councils, offering essential progress in accountability for a city of twelve million people.

These regulations resulted from an enormous mobilization of social movements and civil society, which a multi-stakeholder organization, Rede Nossa São Paulo (Our São Paulo Network, RNSP), articulated and led. RNSP aims to ensure accountability and make proposals for a more socially just and sustainable São Paulo. RNSP has almost 700 members, including NGOs, universities, labor unions, businesses, and organizations from other sectors. This organization’s power is the fruit of early collaboration with multiple organizations, which demonstrates its representation as civil society’s voice, and affirms its legitimacy as a powerful and central actor in city politics.

We argue that RNSP’s legitimacy was built over a long period of time in which its founders, a small group of business owners, created several organizations (Lawrence and Suddaby, 2006) stimulating institutional changes in diverse fields (i.e. business, corporate social responsibility, social movements, and politics). History plays an important role in this case, notably in ancestral organizations, the sedimentation process (Cooper, Hinings, Greenwood, and Brown, 1996), and rhetorical history (Suddaby, Foster, and Trank, 2010).

Despite institutions being historical products of human interactions (Berger and Luckmann, 1967), and despite their dependence on historical context, these elements have
seldom been used to explain institutional processes (Suddaby, Frost, and Mills, 2013). History traditionally refers to a realistic and objective narrative of past events and facts (Ooi, 2002). However, other streams of thought have discussed history’s malleability and its basis in contemporary interpretation (Ooi, 2002; Brunninge, 2009). Encompassing a mix of subjective and objective elements (Suddaby et al., 2010), history becomes a source of power, and its recreation can have strategic application, in what Suddaby and colleagues (2010) call “rhetorical history.”

Dependence theory (Vergne and Durand, 2010) views past events or history as constraining factors of change; in contrast, we focus our study on accepting history and context as both enabling and constraining elements of institutional change, a malleable view of history. Some studies have used history to explain institutional change. For example, Suddaby, Viale, and Gendron (2013), departing from Bourdieu’s notion of habitus, demonstrate how individual institutional experiences, or institutional portfolios, permit incorporation, and generation of social history. Rojas (2010) discusses how past events led to institutional change by enabling actors to acquire power and authority in order to modify and maintain institutions. Battilana (2006) proposes a model, albeit without an empirical study, in which an individual’s past influences institutional change because an individual’s experiences in diverse fields might increase her reflexivity and knowledge of possibilities. Cooper and colleagues (1996) show how new organizational practices layer with previous organizational archetypes, and form as interactions with, rather than replacements of previous practices.

We draw on these studies, specifically the ideas of sedimentation and the significance of an individual’s social position, to study the aforementioned empirical context. We discuss how the business group’s trajectories created five organizations, three of which disappeared. As one interviewee stated, “the idea of these non-profits… is… if it fulfills its mission, to finish…if transforming the environment; the organization needs to auto-destroy, because [the organization] is not born to exist in perpetuity” (Vacaro, 2013). These organizations enacted several sequential institutional changes which created new layers of meanings, rules, and behaviors, without excluding the pre-existing layers, in a sedimentation process (Cooper et al., 1996). We address how sedimentation and the ancestral organizations’ reputations allow for “actor social mobility,” which we define as someone’s changing status, within and across fields. At the same time, actors would strategically retell (Dailey and Browning, 2014) the successful organizations’ histories,
and repeat institutional changes, omitting stories of institutional or organizational failures. Moreover, the distributed agency of institutional change demonstrated that the repeated stories feature heroic institutional entrepreneurs, while omitting a myriad of other essential actors (Delbridge and Edwards, 2008). Thus, adding on previous studies, we focus on the role of rhetorical history in institutional change. More specifically, we look at a case in which manifold institutional layers formed, constituting normative and cognitive foundations for subsequent layers.

Our study contributes to organizational theory in three ways. First, we discuss the sedimentation process at a new analytical level, the organizational field, utilizing a distinctive approach in which one layer provides a foundation for the next. Simultaneously, we illuminate the role of ancestral organizations and history. Second, we examine how rhetorical history is used in our case, in which individual’s history is an important resource for institutional work. Finally, we address from a historical perspective an individual’s social position in institutional change, not only in relation to various organizational fields and experiences, but how previous social positions explain new positions.

This article is structured as follows: the first section discusses historical institutionalism literature, subject positions, and discourse in institutional change, followed by a brief explanation of the organizations we studied to illustrate our empirical context, and the third section describes our methods and results. In the final two sections, we demonstrate our contributions and questions for future research and limitations.

Conceptual Framework

Historical Institutionalism

Institutions are historically constructed. According to Suddaby, Foster, and Mills (2013) they are “the outcomes of past events and interpretation of those events” (Suddaby et al., 2013:111). Furthermore, the authors argue that although it is central, history has been overlooked in institutional theory. In this context, they propose the concept of historical institutionalism as “a socio-historical process by which habituated action and meanings become reified as objective social structures” (Suddaby et al., 2013:111).
This historical approach is similarly related to the discussions on how sedimentation occurs. According to Berger and Luckmann (1967) sedimentation is a process in which some experiences are kept and can be remembered, or, as Tolber and Zucker (1996) define it, the “processes through which actions acquire the quality of exteriority” (Tolber and Zucker, 1996:175), or the continuity of structure. Sedimentation occurs in two processes: the spread (dissemination) of a new institution, and its depth. The first element relates to how new actors accept a new institution through a diffusion process; the second element is the level at which an institution is naturalized. Over time, as new institutions are created, new layers of sedimentation appear.

The older layers have two effects observed in new institutions. The first effect is, how these older layers constrain the public memory or history, dictating what is remembered or forgotten. As Douglas (1986) pointed out, institutions, when objectified, become social structures, for example political and social norms, which guide what ought to be remembered or forgotten. The specific topics and norms of social life dictate which facts are retained, and which unaligned facts are discarded. A second effect is that the older layers remain. As Cooper and colleagues (1996) showed, new layers of sedimentation (or institutionalization) when created, fail to eliminate previous institutions. Older institutions remain, and impact the present or newer layers of sedimentation. In their research on the Big Five accounting firms, they found that elements of an older institution are assimilated in a newer one.

These approaches address the structural (and restraining) role of sedimentation in the process of institutionalization. However, actors can use the process of sedimentation to enact change. Greve and Rao (2012) showed how community organization foundations create an institutional legacy, regarding norms, rationales, skills, and behaviors, which inspire a community to create new organizations. They argue that this organization’s creation process leaves models and justifications that later become cultural building blocks to form new community organizations.

Similarly, we argue that actors can create many layers of sedimentation that enable the creation of new institutional change. These previous institutional changes or organization designs leave traces, cultural building blocks, and facts incorporated into later institutional changes. We consider how institutional changes mold history in a way that is useful for accomplishing goals.
Also, actors mold history as they previously created it, recollecting the fact that will only benefit them (Suddaby et al., 2010).

We propose that as actors create one layer in the sedimentation process, they form a foundation for the creation of new institutions. Actors do so by changing some cognitive and normative aspects of society, and by influencing historical focus. Thus, to enact a second institutional change, which is related to the previous one, they use history as a resource through two primary processes: one highlighting success in the first institutional change bestowing legitimacy and confidence in capability to enact a different change; in the second process using forgotten institutions they create a new institutional field or they enter a new institutional field and become authentic actors in that field. Both processes allow the creation of a subject position, which increases power and legitimacy to create a new institution.

**Subject Position and Social Mobility**

An actor’s subject position, when stakeholders interpret an actor as legitimate for a specific action (Maguire, Hardy and Lawrence, 2004), is an important element in institutional change. Subject position refers to “the formal and the socially constructed and legitimated identities available in the field” (Battilana, Leca and Boxenbaum, 2009:77). Central actors’ perceptions of organizational fields are the ones normally institutionalized, prevailing over distinct interpretations. So, these actors might have power over history, influencing the sedimentation process. Although not all histories are told strategically; when they are, they might influence creation and change of subject positions.

**Role of Discourse in Institutional Change**

In institutional change, discourse is the main element. Berger and Luckmann (1967) address how language is the primary tool to achieve legitimation required for institutionalization. Thus, narrative repetition may be an inducement of both sedimentation and innovation (Ricoer, 1991), especially when the most creative moments of story are re-enacted, allowing innovation to emerge from sediment. Dailey and Browning (2014) identified the myriad functions of narrative repetition, how narrative repetition can enact institutional change, maintain, or disrupt institutions. In a sedimentation process, a new institution would repeat the previous institutions. This repetition would eventually allow the objectivation of the new institutions. Maguire and
Hardy (2009) point out how discourse, through problematization, translation, and creation of new subject positions, allows the de-institutionalization of DDT. Suddaby and Greenwood (2005) demonstrate that rhetoric is used to enact institutional change.

In the social movement literature, diverse research shows the role of framing in mobilization and change (Benford and Snow, 2000). Fiabane, Alves, and de Brelaz (2014), studying RNSP, explain that framing the movement towards a “sustainable” and “socially just” city helped to mobilize both businesses, interested in the city’s sustainability aspect, and civil society organizations, preoccupied with the social inequalities.

Drawing upon institution theory work on history, we focus on the role of sedimentation and also the retelling of history to enact institutional change. More specifically, we discuss how the historical discourse enables legitimacy and reputation, consequently enabling the subject position of actors and social mobility of actors in and across social fields.

We propose the following framework:

**Figure 1- Framework**

| Sedimentation | Rhetorical History | Subject Position | Social Mobility |

**Empirical Context**

This study’s main attraction is its intriguing and interesting empirical context. Thus, we follow historical studies in which empirical phenomena motivate the research (Suddaby et al., 2013). Our empirical context is the trajectory of a small group of business owners, specifically Oded Grajew, Ricardo Young, and Guilherme Leal, who created countless organizations (for the purpose of this research, we are using only five that we believe explain the trajectory) to enact institutional changes that culminated in the creation of *Rede Nossa São Paulo* (RNSP). These changes were broadly related to the role of business in society, institutionalizing practices, roles, new organizational forms, and laws. Some of these organizations were successful, others less so. This group abandoned even the successful organizations. For the purpose of this research, we
discuss four organizations and an event: PNBE, Abrinq Foundation, Ethos Institute, Cives, and the World Social Forum, and how they created RNSP.

In 1987, PNBE (*Pensamento Nacional de Bases Empresariais - the National Business Coalition*) was created to discuss a more integral role of business, expanding its role to demand social, political, and environmental changes in the country. This organization, which no longer exists, brought together various individuals, resulting in a network of business owners with a common identity.

In 1991, Oded Grajew created *Abrinq Foundation* with the mission of disseminating best practices regarding child labor and children in general. The most successful program was a certification called *Empresa Amiga das Crianças* (Business Friends with Children), awarding certificates to businesses that followed five defined practices. The program institutionalized these child labor practices in Brazil. Although Abrinq still exists, and promotes important programs about children, the group discussed here has limited involvement in the organization.

In 1994, Cives (*Associação Brasileira de Empresários pela Cidadania - The Brazilian Business Association for Citizenship*) was created after the Workers’ Party candidate (Lula) lost the election. The organization’s goal was to support the Workers’ Party, promoting meetings between the Party’s members and the business community. Following Lula’s 2002 election and the government corruption scandals, Civès no longer exists.

In 1998, *Ethos Institute* was founded to disseminate the concept of corporate social responsibility in Brazil. After Ethos’ creation, media reports about CSR increased and corporate social responsibility became institutionalized in Brazil with quite a few corporations creating CSR departments and changing their mission and vision to included CSR’s concepts. It was inside Ethos that RNSP was conceptualized and created. The organization still has strong connections to the business group.

In 2001, Oded Grajew conceived the idea, and helped found the *World Social Forum (WSF)*. We include this event with the organizations in our study, because it served as a democratic space for debating ideas, experiences, and propositions opposing the neoliberal credo. This event increased the network and changed the field in which this group acted.

Finally, *RNSP* was founded in 2007 with the mission of “mobilizing diverse society segments to, in public and private partnerships, build and engage an agenda and goals, and to articulate and promote actions aiming at sustainability and social justice in the City of São
Paulo” (Rede Nossa São Paulo, 2012). Besides the changes we already mentioned (the Goals’ Act and the Participatory Council in each district), RNSP enacted further institutional changes. First, it promotes the idea that all civil society members (organizations and citizens) concerned with a specific theme should discuss and advocate their demands together. Currently, many organizations, even with opposing views, work together. Second, it served as an exemplar for other cities and inspired the creation of organizations like RNSP in 36 Brazilian cities, mainly capitals. Third, RNSP’s program “Sustainable Cities,” aiming to disseminate a set of indicators for mayors to use as management tools, reached more than 200 cities. Last, the Goals Act was implemented not only in São Paulo, but in other 26 cities, and is currently in the process of being voted into Federal law.

In addition to the relevance of RNSP’s results, the history retelling led us to choose this case, because the latter is important to the subject position’s creation and for the group’s transiting across and inside fields. Furthermore, the case not only presents the history of a specific organization, but also that of older organizations.

**Research Design**

The aim of this research is to understand the process of institutional sedimentation that enables a group of actors’ social mobility within and across fields, leading to institutional change. We discuss how diverse actors (the small business people’s group, among others such as social movement members and the media) recreate history, strategically or not, and how these actors’ reference previous organizations when creating or legitimating the newer ones. We believe that in this process of sedimentation, new arrangements, and subject positions form.

We conducted a single exploratory case study since this strategy is ideal for understanding “how” questions (Yin, 2003). This method also enables deeper understanding of phenomena. Our data derives from two major sources: documents and interviews. The documents are reports and press releases from each organization, and articles from one of the most important newspapers, *Folha de São Paulo*. Besides *Folha de São Paulo*’s importance, the newspaper has a strong relationship with the group discussed. For instance, Oded Grajew has been publishing in the outlet since 1987. From the organization’s documents, we collected every report and presentation published on the organizations’ websites. For newspaper data, we searched all articles since 1987 for the following expressions: “Pensamento Nacional das Bases

We conducted 24 semi-structured interviews with the organization’s founders, executive secretariat, work groups’ coordinators and participants, and individuals from other organizations (Ethos, PNBE) from 2010 to 2014. Our first interview was with RNSP’s coordinator, who indicated essential people for interviewing to understand RNSP’s creation, and in a snowball sampling, we asked the interviewees for the names of other people who they considered important to our research. We transcribed 20 interviews, and in the other four, the interviewer made extensive notes.

Table 1 - Data collection

<table>
<thead>
<tr>
<th>Source</th>
<th>Total documents</th>
<th>Member</th>
<th>Number of interviews</th>
<th>Interview minutes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Folha de São Paulo</td>
<td>2710 (193 RNSP)</td>
<td>RNSP Executive secretariat</td>
<td>4</td>
<td>235</td>
</tr>
<tr>
<td>PNBE website and documents</td>
<td>4</td>
<td>RNSP Working group members</td>
<td>5</td>
<td>410</td>
</tr>
<tr>
<td>Abrinq Foundation Annual Reports</td>
<td>11</td>
<td>RNSP Council</td>
<td>6</td>
<td>400</td>
</tr>
<tr>
<td>Ethos website</td>
<td>10</td>
<td>RNSP former participants</td>
<td>5</td>
<td>185</td>
</tr>
<tr>
<td>RNSP website</td>
<td>1</td>
<td>Ethos vice-president</td>
<td>1</td>
<td>65</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2736</strong></td>
<td>PNBE general coordinator</td>
<td>1</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td></td>
<td>WSF founder (not Oded Grajew)</td>
<td>1</td>
<td>80</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>23</strong></td>
<td></td>
<td><strong>23</strong></td>
<td><strong>1430</strong></td>
</tr>
</tbody>
</table>

To analyze the data, we followed three stages. First, we collected data to show each organization’s activity level over time. We started in 1987 and used the frequency of newspaper articles to show the organization’s importance over the years. With this analysis we show how some of these organizations either die or lose importance over time.

In a second phase, we coded the interviews and documents to understand how the sedimentation and history allowed social mobility, focusing the case of RNSP, in which the organization achieved a central position in the political sphere. We conducted process analysis to understand the sedimentation process. Following Langley (1999), we created a historical
narrative and divided it into six moments (the bracketing strategy) describing each organization’s creation and institutional changes, and the actors’ social position at that time.

Last, we focused on the retelling of history. With the interviews and documents, specifically the ones discussing RNSP, we analyzed how previous organizations and their members are cited, using content analysis. We wanted to understand the role of other organizations’ in building the subject position of RNSP and the group of business people. We also aim to discuss what is excluded in order to understand how constructing history enables social mobility. To conclude, we discussed how these elements are related to an actor’s social mobility.

Results
We divided the results focusing on the role of history and rhetorical history in the creation of RNSP. First, we discuss how historical conditions enabled the success of the organizations discussed in this article, leading to sedimentations that enabled the next organization success. We also discuss how institutional memory that had been forgotten is reactivated by the WSF and RNSP allowing for the participation of so many CSOs organizations in RNSP. To contextualize our study, we briefly explain the history of civil society organizations in São Paulo, and the history of businesses’ actions in the political and social field. Then, we explain the historical context and creation of each previous organization, the institutional changes it created, and its sedimentation – how these organizations were left to die or lose importance when the change was successful or the organization no longer needed. We further explain how each organization was created with a separate social position in the field or entered a new field from the previous.

To address the role of rhetorical history, we first cover the essentiality of subject positions, as interviewees discussed. Then we show rhetorical history’s role in constructing these subject positions.

The Recent History of Civil Society in São Paulo
The 1964 military insurgence repressed organizations and social movements. Starting in the 70s, concomitantly with Brazilian economic-, political-, social-, and moral-crises, civil society started to explicitly reject the government’s welfare programs and to act more intensively through social movements and nonprofits contesting the military government. These CSOs grew significantly
during that period. The Catholic Church and organizations created inside the Church formed the primary opposition to the military government (Azevedo, 2004). The *Comunidades Eclesiais de Base* (Community of Ecclesiasts) and the social pastorals consolidated throughout Brazil in the 1970s due to the support of and incentives from priests and religious people in the parishes at the periphery of big cities like São Paulo (Silva, 2006). Moreover, the 1978 automobile workers’ strikes revived the union movement, which, at that time, occupied an extremely combative position (Sader, 1988).

Moreover, during the 1970s and 1980s, social movements enjoyed strong support and resources from the Catholic Church, specifically from the São Paulo Archdiocese under the leadership of Cardinal D. Paulo Evaristo Arns (Avritzer, 2009).

In the 1990s, trying to control the social movements linked with the *Teoria da Libertação* (Liberation Theory) in Latin America, the Vatican began to withdraw support from popular movements. Particularly in the case of São Paulo, the Archdiocese removed the ecclesiastic authority D. Paulo Evaristo Arns from the East and South of the city, which was populated with the city’s least privileged groups, and where social movements related to the Catholic Church were most effective (Doimo, 2004).

**The History of Business Representation in São Paulo**

The *Federação das Indústrias de São Paulo* (São Paulo Industries Federation, FIESP) was historically the foremost trade association in the state of São Paulo, and the organization where businesses would gather to advocate for political change and discuss politics. In the 1980s, a crisis arose in this model, whereby some business people felt their views and opinions were not represented and that FIESP’s dialog with society was too limited (Bianchi, 2001).

Then, in 1987, a group of business people invited others to a meeting with the Brazilian Ministry of Treasure. Although invited to participate and organize the event, FIESP opposed this group’s actions. This opposition led to the creation of PNBE in 1990 and to a fragmentation of business representation in São Paulo and Brazil (Bianchi, 2001).

It is important to note that, as the current PNBE coordinator stated in an interview, the capitalist elite in Brazil has become less equal since former business people sold their companies, and could no longer act as business representatives. Others joined their companies’ boards and stopped working actively in the business field, but moved to social or political fields.
"Organizations are created to die"

In our case, although all of the organizations (except Cives) and the WSF exist today, their importance has been decreasing over the years. After numerous corruption scandals in the Workers’ Party government, Oded Grajew gave an interview in which he expressed disappointment with the Workers’ Party, spurring the expectation that Cives would lose importance and disappear. The organization no longer exists. However, PNBE, Abrinq Foundation, the WSF and Ethos are still active, though they have lost their importance and media attention.

We were unable to gather data of affiliates or participants from all of the organizations, but one of our interviewees, a former vice-president of PNBE, reported that the organization “is dead,” lost its power and importance, although continuing to hold meetings and host activities. PNBE’s current coordinator acknowledged that the organization lost many of its participants, who started to advocate in other CSOs. One informant said that Abrinq Foundation is in a decay period, and that when Abrinq partnered with Save the Children, the organization lost its mission and social recognition. The stamp “Business Friends with Children” is rarely seen on products, companies’ websites, or corporate social responsibility reports. The WSF suffered an ideological separation between its founders. Although existent, it lacks its previous visibility, since attendance has dropped from 155,000 people in 2005 to around 66,000 in 2007 and even lower the subsequent events.

Furthermore, the number of articles citing each organization in the Folha de São Paulo each year corroborates their life cycles. The chart also shows how, while one organization is “left to die,” the group starts to engage another.
The interviews also point to that conclusion. Oded Grajew says,

“We were joking the other day that we can close our doors, right? Due to the Goals Act … 35 public audiences were held in August and we are going to see feedback. Nine thousand propositions are going to be incorporated to change the city. [The Municipality government created, under RNSP’s pressure] the City Council, the Participatory District Council, the transportation Council, the Goals Act, and are following indicators to address inequalities – all incorporated in the society, by the population. Of course we still have an important role. But I think a lot of things happened.” (Oded Grajew, 2013)

Another interview mentioned in this article’s introduction explains that the objective of these NGOs is to end if they transform the environment or achieve their missions. Unlike businesses or other organizations that aim to survive, because these organizations are created to enact institutional change, their end or decrease is strategic, since even then they are successful: if they die or lose importance, then they were successful. Moreover, as new organizations form with new goals built upon the previous organizations’ institutional changes, the newer organizations help keep the main ideals alive. Instead of expanding the first organization’s

Table 2- Newspaper articles per organization

<table>
<thead>
<tr>
<th>Year</th>
<th>Total number of articles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>100</td>
</tr>
<tr>
<td>1998</td>
<td>150</td>
</tr>
<tr>
<td>1999</td>
<td>200</td>
</tr>
<tr>
<td>2000</td>
<td>250</td>
</tr>
<tr>
<td>2001</td>
<td>300</td>
</tr>
<tr>
<td>2002</td>
<td>350</td>
</tr>
<tr>
<td>2003</td>
<td>400</td>
</tr>
<tr>
<td>2004</td>
<td>450</td>
</tr>
<tr>
<td>2005</td>
<td>500</td>
</tr>
<tr>
<td>2006</td>
<td>550</td>
</tr>
<tr>
<td>2007</td>
<td>600</td>
</tr>
<tr>
<td>2008</td>
<td>650</td>
</tr>
<tr>
<td>2009</td>
<td>700</td>
</tr>
<tr>
<td>2010</td>
<td>750</td>
</tr>
<tr>
<td>2011</td>
<td>800</td>
</tr>
<tr>
<td>2012</td>
<td>850</td>
</tr>
<tr>
<td>2013</td>
<td>900</td>
</tr>
</tbody>
</table>
mission, they create a new one with a broader mission, as we can see in the trajectories of these organizations.

The Trajectory Leading to RNSP’s Creation

PNBE was created after Diretas Já (a civil society movement demanding direct elections) and during the democratization of Brazil. The political discussion in the media was effervescent and there were discussions about Brazilian paths. That was a fertile time to create a business leaders organization to discuss politics in Brazil, especially because the organization coordinated many events, discussions with important politicians. They did not endorse any political party, but rather arranged talks between the two major parties; PSDB – social democrat but considered right wing – and PT – worker’s party and considered left wing. PNBE also launched campaigns against corrupt Brazilian politicians, such as Fernando Collor (when president), Antonio Carlos Magalhaes, and José Sarney.

Overall, PNBE became a space for business people to articulate (and not businesses since the association comprises the individual and not a business) their similar identities. Although the first events had newspapers’ ads inviting any business people to participate, later, the organization changed its approach: an associate would have to invite any new member hoping to enter PNBE. The goal was to have business owners with similar views, focused on changing Brazil and not merely advocating for business interests (Mário Ernersto Humberg, 2014).

Historically, PNBE was a place where like-minded business people would meet and discuss changes to improve Brazil’s social inequalities and environmental problems. PNBE implemented two important institutional changes: warmer relationships between workers and employers, and a fresh understanding of business’ role in political, social, and environmental arenas, a form of corporate social responsibility (CSR). PNBE’s participants discussed Brazil’s problems and proposed solutions. PNBE’s successful projects would generally spin off and become new organizations. Thus, PNBE gave birth to other organizations: Cives, Ethos, Akatu Institute, and the São Paulo Against Violence Institute, among others.

After PNBE’s refusal to endorse the Workers’ Party candidate, a group endorsing the Workers’ Party left the organization to create Cives. At that time, plenty of important civil society organizations and movements endorsed the Workers’ Party, such as the progressive Catholic Church - through the Comunidades Eclesiais de Base, Liberation Theology grassroots
organizations, Freirian Pedagogy Theory to organize the oppressed (Souza, 2004), and unions (Singer, 2010).

Later, Abrinq (the trade association of toys industries) founded the Abrinq Foundation to address child well-being and labor. The foundation coincided with pass of the Law regarding the rights of children and teenagers, also, a strategica time since there was a lot of discussion regarding the topic in the media. The Abrinq Foundation Award acknowledged important people who advocated for children rights. And the certification Empresa Amiga da Criança (Business Friends with Children) would inspire businesses to think about, and implement social programs, expanding their “role” beyond that of economic actors. Thus, it served to disseminate and sediment a “seed” of CSR in Brazil. Additionally, Abrinq Foundation served as a “social bridge” between businesses and nonprofits to fund and help develop child advocacy projects.

Following the Abrinq Foundation’s Businesses Friends with Children success, its creator and president, Oded Grajew collaborated with others linked to PNBE to create the Ethos Institute to disseminate CSR in Brazil in 1997. At this time, debate about sustainability and corporate social responsibility was increasing around the world. SustaiAbility, an important consuntancy was founded in England ten years before; ECO-92 happened; the book Canninals with Forks was released in the same year as Ethos; also allowing Ethos a window of opportunity to its creation. More importantly, the sedimentation of child advocacy in business culture facilitated business’ implementation of a more comprehensive CSR. Thus, CSR replaced the focus only on children without eliminating it. Evidence is that one of the Ethos indicators (see below) is children labor.

Ethos awards journalists and academics who discuss CSR, and created the Ethos indicators of social responsibility, a benchmark tool to analyze how Brazilian business developed CSR. Ethos promoted annual CSR conferences for the business community, and established a University (UniEthos) to teach CSR and CSR reporting. Engaged in projects and partnerships such as ISE in Bovespa (the index to measure CSR in the Stock Exchange of São Paulo); the Sustainable Guide with Exame Magazine that selected the 10 most sustainable businesses in Brazil; Sustainable Amazon, focusing on the sustainable development of that region. Also, with Ethos, there is more connection (social bridges) with the CSOs organization because a goal of CSR is to develop strong relationships with all stakeholders. Thus, businesses were talking with their community associations and nonprofits, mainly with social and environmental foci.
Finally, in 2001, the World Social Forum took place in Porto Alegre, where the Workers’ Party was in the government, as happened with other foundations, a window of opportunity. The event was an idea of Oded Grajew. Cives was an important organization to the creation of WSF because it had created a closer relationship between Oded Grajew (who was strongly involved in the WSF) and the Workers’ Party. The space became the most important CSO event in Brazil and helped disseminate innovations in the field, exchange opinions, and create networks. This event places Oded Grajew in the social and political field in Brazil and legitimates this individual as an important social entrepreneur. He becomes a representative of more than business people, but also of CSOs, becoming a central actor in this field, which we discuss in detail in the discussion.

Because of this trajectory (see Table 1 for a summary), in which these organizations left behind norms, rules, ideas, and institutional legacies (Greve and Rao, 2012), RNSP became a strong political actor in São Paulo. RNSP also used a time of opportunity to its creation, when the Workers Party lost the election and it was expected from the new municipality government, a right-wing Party, less space for civil participation on the government and fewer transparency projects. In the next section, we discuss in detail how subject position and history were important to RNSP’s creation and the role of rhetorical history,
### Table 3-O rganizations’ trajectories

<table>
<thead>
<tr>
<th>Foundation year</th>
<th>PNBE</th>
<th>Abrinq</th>
<th>Cives</th>
<th>Ethos</th>
<th>WSF</th>
<th>RNSP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social inequalities are huge in Brazil and the law for assuring the Rights for Children and Teenagers is created</td>
<td>The Workers’ Party lost the election.</td>
<td>The country still has many social problems and business people understand they need to act to address this issue</td>
<td>Davos is held annually. Many social problems affect Brazil</td>
<td>A right wing politician is elected as mayor of São Paulo</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main activity</td>
<td>Increase the debate and create a group of entrepreneurs and businesses leaders focusing on a new role of business in society</td>
<td>To create programs to address children labor and wellness</td>
<td>Create a group of business people who endorse the Worker’s party campaign</td>
<td>Disseminate corporate social responsibility in Brazil</td>
<td>Space for the discussion and proposition of policies and projects against the neoliberal agenda</td>
<td>Encourage accountability and make propositions to the city of São Paulo</td>
</tr>
<tr>
<td>Field</td>
<td>Business</td>
<td>Business and social</td>
<td>Business and political</td>
<td>Business and social</td>
<td>Social and political</td>
<td>Political</td>
</tr>
<tr>
<td>Field position</td>
<td>Peripheral</td>
<td>More central than with PNBE</td>
<td>Peripheral</td>
<td>Central</td>
<td>Central</td>
<td>Central</td>
</tr>
</tbody>
</table>
The importance of subject positions and history for RNSP’s success

Oded Grajew, Ricardo Young, and Guilherme Leal had the idea at a conference to create RNSP. They brought the idea to their colleagues at Ethos Institute who pointed to a similar idea in Bogota called “Bogota Como Vamos?” in which three business groups created an organization to follow the goals Bogota’s mayor set, and to create indicators to address those goals. Inside Ethos, a group of people started to talk about that experience and to invite other people from civil society organizations (CSO) to join them to create RNSP.

Although this group has a strong subject position in the business field and even some in the social field, they lacked it in the political field. Furthermore, their attempts in the political field (with the creation of Cives) were strongly related to the Workers’ Party. However, RNSP needed to be nonpartisan because otherwise, it could lose its power representing civil society. Thus, to become a strong political actor in São Paulo, RNSP needed to aggregate CSOs of diverse themes and positions. The organization needed to be an organization of all CSOs in São Paulo and not of Ethos, as one interviewee stated,

“[RNSP] could not be understood by anyone … as something of Ethos, but as an initiative of a group of people and organizations that gathered because of an idea … It was this most important point we took into consideration when we would invite the organizations to launch the movement … to identify the organizations already working in São Paulo and invite them. To act with people of all types, to be plural, to be of São Paulo and not of some organizations.” (Paulo Itacarambi, 2013)

In a democratic society, the more civil society representatives you have, the stronger you are. So, the initial group that imagined RNSP needed to invite the CSOs. To achieve that, they needed “power to convoke,” as stated below. “The most important characteristic of this leadership is to be able to get people together, because alone I would be unable to accomplish anything” (Oded Grajew, 2013).

“The most important pre-requisites to the capacity to convoke are credibility, trust and to propose something that is interesting … People who have the capacity to convoke, when they invite people [to something], people go. It is not because the person has a specific position in an organization, or money, it
is because the people [invited] say ‘what this person proposes is something I also want to do. It is something that is also mine.’ (Paulo Itacarambi, 2013)

We note that the interviewees link the ‘power to convoke’ to credibility, trust, and the promise of something interesting. Thus, subject position was essential and achieved through two main elements: the history of the people and organizations that created RNSP and, specifically, the history of Oded Grajew. As Grajew stated, “We found [Bogota Como Vamos?] interesting. And we said ‘Let’s start there,’ because we have multiple relationships. We did not start from scratch. Over the years, we built many relationships and certain credibility in society raging from A to Z” (Oded Grajew, 2013).

Besides, this history was incompletely told, it was strategically focused and also having Oded Grajew as RNSP’s spokesman that enabled this group to change from a central position in the business field to a central position in the political field. We show how each organization was mentioned, strategically, in order to enable this change.

**Rhetorical History**

We analyzed how history was retold, analyzing how the previous organizations were cited in the newspaper articles about RNSP, and in our interviews.

PNBE is not cited in the secondary data together with RNSP. However, some interviewees explain that they joined RNSP because they knew Oded Grajew from that organization and that the group that later created Abrinq Foundation and Ethos Institute came from that first organization. Furthermore, PNBE is cited to compare some of RNSP’s characteristics that were similar to PNBE’s, such as the idea of looking at government financial statements to ensure accountability, and, similarity, to launch the movement when both organizations created an article in the newspaper calling people and organizations (in the case of RNSP) to join them. Abrinq Foundation is also referred as a place where RNSP participants met. And when Oded Grajew is cited, Abrinq Foundation is often included among the organizations he founded and led.

As expected, Cives is neither cited nor mentioned in any news or interviews. Although it was an organization in the political field in which RNSP arose, it supported the Workers’ Party, which was involved in innumerable corruption scandals. As
previously stated, RNSP could not be associated with any Party, or it would lose credibility, especially as a non-partisan organization.

Ethos Institute is the most-discussed organization, and the origin of RNSP’s idea and first discussion. Even today, quite a few of RNSP’s projects are developed in collaboration with Ethos. Also, when Oded Grajew is mentioned, newspapers usually also acknowledge that he is the founder and emeritus president of Ethos. Moreover, RNSP uses a significant number of Ethos’ practices. Oded Grajew explains, for example, how both Ethos and RNSP’s mission aim to create sustainable, fair cities. Ethos’ vice-president says that, “Normally, the organization we have been creating, Ethos, creates the executive secretariat and later passes it to other [organization].” (Paulo Itacarambi, 2013)

Two elements deserve attention in these passages: first, the idea that the group has been creating multiple organizations (not only RNSP) to enact change: “we have been creating”. Second, that these new organizations have a similar creation process and characteristics. Because of these similarities, they focus on the organization’s structure and characteristics, not on specifics of their mission and field. As evidence,

“When you bring in an idea, asking for a person’s support, and the person says ‘nice idea, but it’s is not going to work,’ another option is ‘nice idea, I know you are going to accomplish. I’m in.’ This is the credibility that Ethos and Oded have… The idea can be dazzling and we put energy into making it work.” (Paulo Itacarambi, 2013)

In secondary data Ethos is only cited about collaborative projects and to point out that Oded Grajew created Ethos. Thus, we conclude that failing to show any other particularities or even discussing it meaningfully indicates that citing Ethos is related to the organization’s reputation.

Although not the most frequently cited, the references to the World Social Forum (WSF) are extremely important in this case because it is the project that was more close to the Brazilian civil society. When this group, which business people formed, is moving from central role in the business sector and wants to be in the political sector, the relation with WSF is important for two main reasons: the legitimacy in the civil society field, and the event’s success.
As a space against the neoliberal credo, being part of the WSF offers legitimacy to show that RNSP is pursuing the whole society’s interests as opposed to business interests, and that even business people can create spaces for interests beyond their own.

Besides, the WSF was a success in Brazil and in the world, reaching 155 thousand participants in 2005. Thus, the WSF facilitated interaction between sundry civil society organizations. Oded Grajew, who imagined and founded the WSF, established relationships with many CSOs. Furthermore, because of its importance for CSOs, having founded this event increased Oded Grajew’s credibility. In one interview, a priest working in a very poor region of São Paulo compared Oded Grajew with the foremost Catholic priest in Brazil.

Thus, the WSF was cited comparing with RNSP. In one of the first editorials of Folha de São Paulo about RNSP, the author states,

“The group’s motto is ‘Our São Paulo is another city’ [Nossa São Paulo é outra cidade]: not by chance, a relative to ‘another world is possible” [Outro mundo é possível], the motto of the World Social Forum, in which some of RNSP’s idealizers militate” (Folha de São Paulo, 29/07/2007).

The group that created RNSP knew WSF’s importance in reconstructing history focused on that motto, as the interview below shows.

“Interviewer: Do you think it helped that [Grajew] was in the Ethos’ leadership before becoming RNSP’s leader?
Ethos vice-president: It helped, of course. Oded was one of the WSF founders, right?”

Another interview of Folha with Oded Grajew corroborates this importance. The newspaper’s question implies that RNSP was a continuation of the WSF.

“Folha- First the World Social Forum, now Our São Paulo Movement. Are you an utopist?
Grajew – I set a picture to oblige people to think about radical changes.”
Discussion

Enacting (Latent) Institutional Memory

Oded Grajew was an important articulator of CSOs. One of our interviewees, Priest Ticão, compared Grajew to Priest Evaristo Arns. As discussed before, historically, the articulator of social movements in Brazil was the Catholic Church. With the weakening of the Church’s role, there was an absence, although the institutional memory of how to work together to enact change in Brazil is still present in all social movements. Oded Grajew brought this institutional memory back when he created the WSF as well as RNSP. Return of institutional memory is when a specific use of an institution has been forgotten (Douglas, 1986) then the re-enactment of a narrative returns it to people’s awareness (Ricoer, 1991) in order to create a new plot. This process allowed Oded to become a central figure in the social and political field and in RNSP.

Sedimentation as a Foundation Enabling Future Institutionalizations

Sedimentation is the process through which an institution endures over time (Zucker and Tolber, 1996). Cooper and colleagues (1996) demonstrate how, when a new institution institutionalizes, the older one remains and merges with the newer one. Although studies have indicated that an organization’s creation imprints characteristics from that period in the organization (Stinchcombe, 1965), Greve and Rao (2012) also show that organization creations can leave imprints on a community, or an institutional legacy. Drawing on that possibility, we argue that the institutional legacy of the previous institutional creations and changes (for instance, with corporate social responsibility and a new “identity” of business people) enables the creation of new institutions.

Rhetorical History: Individual Focus, Timing and Structural Versus Specific History

_Individual rhetorical history as a construct for social mobility_

Our case points out that individual rhetorical history is a better strategic fit to enacting social mobility than organizational rhetorical history, in the case of multiple and ancestral organizations. It is harder for an organization to have legitimacy in various fields than an
individual. Our case especially elucidates how Oded Grajew became the spokesman for RNSP, because of his prior history. WSF was an important creation that legitimated RNSP to CSOs, and Oded Grajew was its founder, showing that he would oppose business interests for the common good. Thus, he had credibility in assorted fields and also a history of accomplishing his goals:

“He has a credibility in all sectors and he was serving [RNSP]. If it were another leader, people might think that the person was doing it to be a candidate for elections, then it would not work. We were careful [to choose the leader]. With visible leaders in the process, [people] could not have doubts that the leader was working in a collective project rather than a personal one.” (Paulo Itacarambi, 2013)

Oded, himself, brings his personal history into interviews with newspapers and magazines, as for this research. “Also WSF’s history, which is part of my history; helped me to aggregate these people.” “For many years I have been working in the business-social area, right? As a businessman, as a business representative. Then [we created] Abrinq Foundation, PNBE and in 2007, RNSP. In 97 [we created]… Ethos.” (Oded Grajew, 2013)

Thus, Oded Grajew’s history, with his involvement in other organizations (WSF and Abrinq Foundation), allowed for social mobility. It is important to note that he had the same role, as the founder and activist, in Ethos’ creation. Thus, he and his history are a useful resource for the creation of new organizations, especially in the early years. All of the newspapers articles through 2009 cite Oded Grajew as RNSP’s founder or general coordinator, he is also the person who gives interviews or issues statements. The articles do not mention any other people.

“The movement, in which former Lula’s assessor is the leader, approves of a law that obliges future mayors to detail proposals and deadlines” (Folha de São Paulo, July, 1st, 2008)

Only in 2010 do newspapers interviews begin to refer to Mauricio Broinizi, coordinator of RNSP, showing that the individual rhetorical history loses its importance after a time.
Specific time to build rhetorical history of multiple organizations

In our case, the history of previous organizations is used only until the new organization has a strong subject position in the field. After that, fewer articles mention the previous organizations’ history or its founders. Only Oded Grajew signs his articles for *Folha de São Paulo* as founder of Ethos Institute, WSF, and Abrinq Foundation. Otherwise, mention of the previous organizations is because both organizations organized the activity to which the article refers.

This is a strategic and well-thought-out action since it intends to create a strong subject position, and prevent the organization from referring to its past. At the same time as the other organizations’ histories were important in creating the subject position, it is important also to detach the organization from the previous organizations and one single person (in the case of Oded Grajew) to create an identity of its own and a power that is independent of other past events. So, as soon as RNSP had become a central civil society political actor in the City of São Paulo, establishing its credibility and power, they set aside and did not mention the previous organizations’ histories.

The narratology (Ricoer, 1991) and rhetorical history (Suddaby et al., 2010) literature has pointed to the importance of recreating history in a strategic way, and other research shows the importance of discourse, but both address the collective or organization discourse (Maguire and Hardy, 2009; Fiabane, Alves and de Brelaz, 2014; Suddaby and Greenwood, 2005). We specifically show the importance of individuals’ history (Mutch, 2007) and the stage in which rhetorical history is essential when using ancestral organizations.

Bourdieu’s Homology rhetoric but a focus on the history regarding the field

Usually, when history in retold in our case, it is a “decharacterized history,” detailing accomplishments and, specifically, organizational and institutional creations in a structural way. There is no mention of specificities of each creation or field. We can assume that to yield results in the political field, the practices and actions must be in some way different from those in the business field. However, our case demonstrates that when actors aim to alter social position between fields, they construct history around general elements. Thus, separate organizational creations in diverse fields can have
rhetorical applications in any field. For instance, when discussions of the Ethos Institute’s creation are similar to narratives of RNSP’s creation. “And we decided to do [Ethos] in a movement way, not as a consultancy, mobilizing people towards collective action. Initially, this mobilization would be voluntary: you are not obliged by Law to do it, but you do it [CSR].” (Paulo Itacarambi, 2013)

Bourdieu (1985) argues that separate fields share similarities or “homologies.” We propose that these homologies are used rhetorically in this context. At the same time, when possible, the history in some similar fields or creations is more frequently discussed than in others, as is the case with the WSF in our study.

Limitations and Future Research
One limitation of our research is that we conducted only a single case study. More studies are required to verify our findings’ generalizations. We also studied an unusual case, which was one reason we chose it, but which may have given it some peculiarities that others do not exhibit.

Another limitation is that our data consisted of newspapers articles and interviews. Newspapers might translate the societal or public opinion and discourse construction, and are unrelated to a specific field. Other publications, such as magazines focusing the businesses or on for-profit communities might have different results. We could expect that in a business magazine, the WSF would be less frequently cited or less important even when discussing RNSP, since the business community would not need the neutral interest to create a subject position.

We focus on the discourse and the retelling of history to allow social mobility. However, we found that this history also enabled the creation of networks, newer organizations replicated practices, and the organizations created and changed institutions. Future research could investigate the relationship between the institutional legacy of these practices and history’s use.

Conclusion
We address the call for more studies on history in institutional theory (Suddaby et al., 2013). We specifically address how rhetorical history explains the creation of subject
position, allowing institutional change. To engage these topics, we conducted a single case study to understand how history is retold to allow for agents’ social mobility between fields. We found that RNSP used the history of a founder to boost RNSP’s credibility within civil society organizations. They used that history in the initial years until a subject position formed, a history they told focusing on general elements that can generate legitimacy in any context.
THE CORPORATIONS’ IMPLICIT INFLUENCE ON DEMOCRACY

Abstract
The goal of this research is to create a theoretical framework to distinguish two types of corporate political activity (CPA): explicit/traditional and implicit. To discuss the implicit corporate political activity (ICPA), we use the example of Rede Nossa São Paulo (Our São Paulo Network, RNSP), an organization business people founded to demand accountability from and make propositions to São Paulo’s government. We distinguish this action from political corporate social responsibility, and suggest that a different type of elite, a progressive elite, engages in ICPA. Finally, we propose future avenues for research in this topic.

Keywords: implicit corporate political activity; corporate political activity; political corporate social responsibility; elites
Introduction

Corporations’ political influence on the public sphere has long been strong in spite of corporate discursive support for a natural separation between state and market organizations that neoliberal credo supports (Campbel and Pedersen, 2001; Levy, 2008). Moreover, corporate power in society has been continuously increasing due to several factors. Corporations have merged and become large groups controlling diverse aspects of people’s lives (Soule, 2009). Additionally, corporations exist and act in most parts of the world. Because of their amplitude, national governments can neither monitor nor control them (Vogel, 2005). Single governments alone cannot address global social and environmental problems, so corporations have been major players in global forums to set parameters, for example, on global warming or labor conditions (Scherer and Palazzo, 2011; Vasconcelos, Alves, and Pesqueux, 2012).

Despite corporate power in today’s society, organizational theorists have paid the topic little attention, producing few studies on how corporations influence society and thereby democracy (Banerjee, 2008; Barley, 2008, 2010; Faria and Sauerbrunn, 2008; Scherer and Palazzo, 2011). Aside from ignoring the results of corporate political activities in society, researchers have not discussed how corporations affect democracy by acting indirectly, through other organizations, to influence government. There is extensive research discussing lobbying, political campaign donations, corporate member participation on government committees, and other actions with the direct aim of influencing governments. However, little research exists about how corporations engage in and try to influence the public sphere through civil society organizations.

In one article, Barley (2010) demonstrates how corporations have directly and indirectly influenced the US government through the work of other organizations such as think tanks, trade associations, public affair offices, and peak organizations. However, the organizations that he maps are still clearly representing corporate interests. Another stream of research, political corporate social responsibility, discusses the role of multi-stakeholder organizations in creating global rules and governance (Scherer and Palazzo, 2011).

We aim to understand a separate type of corporate activity in which businesses, together with social movements and civil society organizations, try to influence the
government. Thus, we distinguish a type of corporate political activity that we call “implicit corporate political activity” (ICPA). We empirically identified ICPA when studying a specific organization, Rede Nossa São Paulo (Our São Paulo Network, RNSP), that business people created in Brazil to influence the government and the Brazilian democracy. The organization represents more than corporations and business elites’ interests, but these actors imagined, founded, and endorse RNSP. We wanted to understand why. Our answer, as we discuss later, is that these actors will indirectly benefit from RNSP’s actions.

We more clearly explain our concept of ICPA in the following ways. First, we discuss the traditional CPA literature in the world and how it has been researched in Brazil. We specifically point out the actors engaged in these activities. Then, we address the literature on political corporate social responsibility (Scherer and Palazzo, 2011) and private politics (Baron, 2001; 2003). Third, we discuss RNSP’s actions as distinct amongst CPAs in Brazil. Starting from this empirical example and a broad body of empirical and theoretical research, we develop a conceptual framework showing the main differences between ICPA and the traditional, or explicit, CPA. Based on this theoretical framework, we delineate future avenues for research.

**Political actions and corporations**

Corporations act in a broad environment that impacts their survival and performance, thus they participate in nonmarket strategy, or the attempt to influence institutional and societal contexts (Baron, 2001). Specifically concerning political actions, which we define as actions to order the society and public sphere, there are two main pieces of literature on corporations and politics. The first, on the more developed corporate political action (CPA), focuses on how corporations influence the government (Hillman, Kleim and Schuler, 2004). The second, a more recent piece, argues that corporations (together with other organizations) can create new ways of ordering society and creating rules independently of the State. This stream falls under the concept of private politics (Baron, 2001; 2003) and political corporate social responsibility (Scherer and Palazzo, 2011). We discuss both pieces of literature to then propose a new form, what we call “implicit corporate political action.”
Corporate political action (CPA)

Corporate political activity (CPA) refers to the "corporate attempts to shape government policy in ways favorable to the firm" (Baysinger, 1984 as cited in Hillman et al., 2004). Corporate activity seeking to influence the governmental and political arenas dates back to the seventeenth century when the East Indian Company, a London merchant organization, heavily influenced the government after the Crown incorporated it and the organization’s shareholders were also Parliamentary members (Barley, 2010). Even today, many corporations’ current or former members occupy positions in government, a practice called “revolving doors” (Etzion and Davis, 2008; Soule, 2009). Revolving doors are not the only feature of CPA: corporations also lobby, create corporate political ties (Sun, Mellahi, and Wright, 2012), supply the policy makers with information (Hillman and Hitt, 1999), and donate to charities and political candidates’ campaigns (Himmelstein, 1997), among other functions.

CPA literature has three main themes: CPA precedents, strategies, and results. In the first stream, research shows the variables that predict a company doing CPA such as size, the firm’s dependence on government, and age (Hillman et al., 2004). In a meta-analysis of CPA research, Lux, Crook, and Woehr (2011) demonstrate that institutional-(political competition, government regulation, etc.), market-, and firm-level characteristics rather than economic opportunity are positive but slightly related to CPA. The authors show that the three primary precedents of CPA are politician incumbency (the politician’s ability to deliver a demanded policy, pass a law, or stay in office), government regulation on the firm’s industry, and size.

Another stream in CPA literature is its results. Research shows that CPA increases firm performance (Hillman et al., 2004; Lux et al., 2011), indicating the importance of nonmarket strategy for companies. Furthermore, the literature shows that donations and other CPA activities affect passage of laws, anti-trust policy enforcement (Clougherty, 2003), and regulatory decisions, while influencing international trade (Hillman et al, 2004).

Focusing on a specific activity, Sun and colleagues (2012) contend that corporate political ties (CPT) might be beneficial for a firm contingent on four variables: the market
and nonmarket environments, and the intra- and inter-organizational factors. They argue that CPT can have a negative effect when, for instance, a government or scenario changes and the corporation is incapable of adapting due to cognitive or structural lock-ins.

The literature also specifies CPA’s tactics in typologies, for this paper we focus on Hillman and Hitt (1999) typology dividing it by participation, time frame, and the good exchanged, which was empirically-tested (Hillman, 2003). Participation refers to whether businesses act alone on CPA or collectively, with other companies or in trade associations. For the discussion of ICPA, it is important to note that the previous literature does not mention businesses working with other organizations that do not represent business interests.

CPA’s time frame discusses whether the action is focused on a specific subject – for instance, the passage of a given law, thus, having a transactional and brief relationship – or whether it is a long-term relationship. In the latter case, businesses would engage in CPA to create a long-term relationship with the government or a policy maker, to establish a type of partnership (Hillman and Hitt, 1999).

The ‘good exchange’ typology divides CPA in three categories: information, money, or constituent support. Information exchange is the action to provide policy makers with information about policies, and its main tactics are lobbying, reporting survey or research results, supplying technical reports, and testifying as experts. Financial incentives also target policy makers and aim to “influence public policy by directly aligning the incentives of policy makers with the interests of the principals through financial inducements” (Hillman and Hitt, 1999, p. 834). Within this strategy, actions are providing financial support to parties or the policy maker, paying travel expenses, or providing personal services (which involves having a company’s person in a political position, hiring personnel with political ties and experience, or hiring policy decision makers’ relatives). The last strategy, constituency-building, focuses on gaining support from citizens who in turn express their policy preferences through voting, an indirect way of influencing government. This strategy involves grassroots campaigning, advocacy advertising, public relations, press conferences, and political or economic education.


**CPA in Brazil**

The relationship of business elites and their corporations with the Brazilian political sphere has historically been strong. Business elites have induced the democratic project, allowing its hegemony (Bresser Pereira, 1978), and have greatly impacted the country’s political arena (Mancuso and de Oliveira, 2006; Mancuso, 2007; Leopoldi, 2000). In the Brazilian context, it is important to note that plenty of businesses are still family-controlled although publicly-traded. Thus, unlike corporations, business people and their elites also engage in CPAs, similar to corporations in other countries. Consequently, in our discussion of Brazilian CPAs, we consider business elites as well as corporations.

Brazilian elites influence the government through corporate political activities (CPA) such as corporate donations to political campaigns (Bandeira-de-Mello, Marcon, and Alberton, 2011), lobbying (Mancuso, 2003; 2004), and establishing ties to gain access to and support from government personnel (Camilo, Marcon, and Bandeira-de-Mello, 2012; Lazarini, 2011). Unlike in other countries, CPAs in Brazil are primarily targeting the government’s executive branch, due to a societal understanding that this branch is the most powerful in the political system. However, when the executive does not fulfill the demands or when, if the executive fulfills the demand, the actions benefit more actors than the one engaged with the CPA, firms will engage in CPA aimed at the legislative branch (de Oliveira and Onuki, 2010).

One of the chief CPA activities in Brazil is donation to political campaigns. Researchers argue that politicians depend on firms for financial support, due to the expensive political campaigns, and firms are dependent on government to seek protection and better treatment (Bandeira-de-Mello, Marcon, and Alberton, 2011). Corroborating this importance, Bandeira-de-Mello, Marcon, Goldszmidt and Zambaldi (2012) demonstrate a positive correlation between donations to political campaigns and firms’ return on equity. Also in Brazil, research demonstrates that the precedents for corporations’ donations to political campaigns and social projects are firm size, ownership concentration, and past profitability (Bandeira-de-Mello, Marcon, and Alberton, 2008).

Although Brazil does not regulate lobbying, the practice has long happened (Dahan, Hadani, and Schuler, 2013). Mancuso (2004) demonstrates how the business
lobby through Confederação Nacional das Indústrias (National Industry Confederation, CNI) had positive impact in two third of the laws decisions affecting businesses. He further explores how small businesses benefit from bigger companies lobbying, in a free rider process (2003).

Another frequent CPA practice in Brazil concerns political ties. Close government relationships, aligned with community social projects, have empirically increased firm performance (Bandeira-de-Mello, Marcon, and Alberton, 2008). Furthermore, tight relationships with current or former government personnel have yielded significant results for companies. “Capitalism of ties” (Capitalism de Laços) is a concept Lazzarini (2011) introduced to show the network of relationships between big Brazilian business groups and the federal government, resulting in the Banco Nacional de Desenvolvimento Econômico e Social (Brazilian Development Bank, BNDES) strengthening and prioritizing loans to these business groups, called the “national starts,” overlooking smaller business.

A case study of Energias de Portugal (Portugal Energy, EDP) discusses the CPA’s results for the firm, specifically influencing international expansion (Hillman et al, 2004). Fernandes, Bandeira-de-Mello e Zanni (2012) indicate that political factors influenced the firm’s success in Brazil. In this research, the authors reveals CPA tactics such as revolving doors (the a former manager of ANEEL, the energy regulatory body in Brazil, became regulation director of EDP); paying for services and providing information (financially supporting a Meeting of Magistrates); and political ties (a former Central Bank, Petrobras and BNDES president and a former Eletrobras president sit on EDP’s board).

Numerous studies view CPA critically. Mancuso, Gonçalves and Mencarini (2010) demonstrate that the tax benefits that the government gave to firms from 1988 to 2006 could have been useful in social public policies. They argue that the benefits should be more transparent to better understand how they are achieving economic benefit that is worth allocating the money to companies instead of spending it on society.

In conclusion, the international and Brazilian CPA literature shows that companies and elites use CPA focusing on the benefits of this practice to their firm performance. Thus, creating a strong relationship with the government and benefiting
greatly from it. It is important to note that capital is necessary for these activities, and, as shown in the precedents, firm size is a predictor, showing a disadvantage for small businesses seeking the same benefits from the government.

**Private Politics and Political Corporate Social Responsibility**

Another type of political activity in which corporations partake is private politics, the collective or individual actions that impose their interests and opinions on others, that happen without the support of either the law or political order, and that can occur independently or in conjunction with public institutions (Baron, 2001).

Scherer and Palazzo (2011) draw on private politics to create the construct of political corporate social responsibility (PCSR). The authors argue that because of globalization and the fragility of some states, companies “have started to engage in activities that have traditionally been regarded as actual government activities” (p. 1). In this instance of nonmarket strategy, firms do not try to influence the government but are assuming the “government’s role.” This literature focuses particularly on multinational organizations and their influence on the global sphere.

Generally, civil society organizations (CSOs) are partly involved in private politics (Barley, 2010, Scherer e Palazzo, 2011). CSOs (also nonprofit organizations or nongovernmental organizations) participate in public sphere activities with the aim to create benefits for society or a specific group. These organizations are private yet have no intention of turning a profit. CSOs have diverse functions, such as service providers, funders, and advocacy (de Brelàz and Alves, 2009).

Corporations and government agencies are often founders or members of CSOs. For instance, the Forest Stewardship Council (FSC), a not-for-profit, multi-stakeholder organization created to promote environmentally-sound, socially-beneficial and economically-prosperous management of the world's forests; has as members environmental organizations (WWF and Greenpeace) as well as corporations (HP, Procter and Gamble, and Walt Disney) in the United States, making the distinction between for-profit and nonprofit difficult to draw.

The most discussed and studied action inside private politics is soft law (Vogel, 2005; Scherer and Palazzo, 2011). Along with FSC, another example is the Fair Labor
Association, an organization created after Nike came into conflict with activists over the suppliers’ labor practices, especially in Asia. The association – of which corporations such as Syngenta, Nike, and Adidas are members – monitors, certifies, encourages improvements, and informs the public about its audits. Now, there are also complementary and rival associations. The Workers’ Right Consortium was founded to oppose the Fair Labor Association, because they believe that a minimum wage (as the Fair Labor Association advocated) is insufficient for maintaining a life with a minimum quality of life standard. In this new organization, whose norms are more rigid and audits more frequent, the standard is to have a salary above the minimum wage, assuring a dignified life (Baron, 2003).

These two bodies of research show: (a) the impact of corporations, using traditional corporate political activity (CPA), on public policies and democracy in Brazil and the rest of the world; and (b) how corporations have worked together with civil society organizations to create new rules concerning social and environmental problems. These activities, especially from the first piece of literature, have been significantly recognized and studied. We focus on a different phenomenon, whereby a progressive elite engage in a separate type of activity to influence democracy; more implicitly, working together with civil society organizations. Equally with CPA, the elite aims to affect the government but indirectly; and similarly with PCSR, the elite works with civil society organizations without creating a new order outside the State.

As current studies show, two societal domains, business and civil society/social movements, have increasingly blurred boundaries (de Bakker, den Hond, King, and Weber; 2013, Vasconcelos et al., 2012), being difficult to understand and delimitate separate interests or actions. Consequently, it is important to illuminate this new partnership and its actions to better understand their implications.

To conceptualize what we call “implicit CPA,” we draw on the example of Rede Nossa São Paulo (Our São Paulo Network), a multi-stakeholder organization created to increase accountability in and make propositions to São Paulo.
Our São Paulo Network (RNSP)

In 2006, Oded Grajew, Ricardo Young, and Guilherme Leal were in Amsterdam for the Global Reporting Initiative (GRI), a global organization that sets frameworks for sustainability reporting. The three actors are former presidents of their businesses. Grajew had a toy manufacturer that he sold in the 1990s; Young owns a language school franchise, sitting today on the company’s board and the São Paulo city council; and Leal owns and directs that board of Natura, the biggest cosmetics manufacture in Brazil, known for its sustainability strategy. They met as were part of Pensamento Nacional de Bases Empresariais (Businesses National Coalition, PNBE), an organization created to discuss the role of business in society. PNBE brought together a business elite that had a similar identity to the traditional elite regarding their roles. The group that created PNBE (Oded Grajew included) was part of Federação das Indústrias do Estado de São Paulo (São Paulo State industry Federation, FIESP), a traditional trade association. PNBE’s goal was to better represent a group of business people that was not being heard in FIESP (Bianchi, 2001). The organization also understood that business has a mandate to socially and environmentally develop Brazil, and that the relationship between employers and employees should be warmer, not colder (Marco Ernesto, 2014). To learn about examples of distinct groups working together, employees’ leaders and employers traveled to Israel and Germany to understand how the countries created common understanding in groups with divergent interests (Eduardo Capobianco, 2014). As we show, this business elite had a different cognitive approach to their role in society than the traditional elite leading FIESP.

This group created Ethos, an organization to promote social responsibility, the reason they were participating in the GRI conference. At that event, Amsterdam’s mayor presented on how the city used GRI indicators to analyze their sustainability. The three individuals liked the idea and brought it back to the Ethos Committee to implement in São Paulo. One of its participants (Paulo Itacarambi) discussed a similar idea with which he was familiar, “Bogota Como Vamos?” as a starting point.

Initially, this group from Ethos met to discuss what this new organization for creating and monitoring indicators would be and how to build it. Aside from their interest
as citizens, this was an initiative that Ethos thought important to business, which would benefit the sector, especially companies that had corporate social responsibility as core elements, as is evident from this interview with Ethos vice-president (2013):

“People bought [the corporate social responsibility idea…] But between buy and do … it is very difficult. … Technical knowledge to do has been developed … The most difficult [thing] is to build a political environment for [corporate social responsibility]. They are changes that affect interests…. What is the big difficulty? It is that you need a market that recognizes the value of it. … If there is no market recognition, a market demand… it does not become central, it stays in the business periphery. To become central for business, it is necessary to create market value, real value, and that generates financial results. And to generate financial results, it needs to be in demand and recognized. And one of most important inductors is public policy. Be it creating rules of how business should be done, be it with government programs. You need to have scale in any initiative, aggregate demand. Government buying is a strong aggregate demand. Thus, the government needs to do [something]… Want to encourage a path? … It needs to develop funding programs … we don’t have that in Brazil … It advances [the corporate social responsibility]. Now, this can accelerate with public policy. I say that if the Brazilian society had a sustainable development program, then it would happen.” (Paulo Itacarambi, 2013)

Clearly, Ethos understood that although corporate social responsibility (CSR) had developed in Brazil, it was not enough and governmental involvement was key to continuing to spread the CSR project. Thus, the organization took up three “with territorial impact” projects.

“In this moment [of Ethos’ strategic planning] we decided to articulate three programs with this characteristic, in which companies would have a collective engagement articulating civil society and public organizations with territorial impact. One of these was… we talked with other organizations to create an activity that had impact on the Amazon. Then, it was structured into the Sustainable Amazon Forest with other organizations. The other idea was
to create an organization with impact on the City of São Paulo, to create an exemplar so as to impact other [cities]. The Amazon idea was to create something regional, also to serve as a reference for a broader work of national policy. In São Paulo, [the idea] was to create an exemplar in a very complex situation so that we could take this exemplar to other locations.” (Paulo Itacarambi)

As the interviews shows, it is clear that RNSP was imagined as fulfilling business interests, but especially, a specific business engaged in sustainability and CSR. However, they also fulfill the interests of civil society organizations (CSOs) and social movements. Many share the ideals and principles of CSR, and would even be able to achieve great goals if RNSP were successful. We can see RNSP as a project of institutional change in which CSR and sustainability would be the core logics in society. More importantly, RNSP also involved in social justice, not an opposition to sustainability, to attract CSOs (Fiabane, Alves, and de Brelá, 2014).

RNSP was to be an exemplar. From the beginning, the group wanted to expand this type of organization to other cities. After RNSP, 36 other Nossas were created, some more successful than others. Another strategy for disseminating sustainability and social justice agendas in the government was the RNSP Sustainable Cities Program, whereby participating cities share their sustainability and CSR indicator data. It is important to note that one of these indicators is sustainable public purchase (the percentage of sustainable purchases in all municipalities purchases), which includes a goal for the municipalities:

“To define objective standards and a sustainable public purchase policy. To achieve 100% of public purchases/certified to all municipality departments” (Programa Cidades Sustentáveis, 2014).

The program reached 269 municipalities, of which approximately 100 have been active in publishing their indicators and engaging in the program (Maurício Broinizi, 2014). Companies would also benefit from partaking or joining RNSP because they would have access to these cities, more than the number of cities that a Party has elected mayors (Ricardo Young, 2013).
Differences in CPA

The theoretical framework we developed in this paper is premised on observed differences between a traditional CPA, PCSR, and what we call implicit CPA (ICPA). The first is based on empirical evidence of previous literature. The second and third are grounded in our examples of FSC, the Fair Labor Association, and RNSP.

We propose that in Brazil there are two types of CPA: implicit and explicit. We argue that a separate type of elite engages in each. Our theoretical framework first aims to characterize these two types of CPA. Then, we distinguish the three elites (progressive, neutral, and traditional) that we believe are likely to engage in each type of CPA.

Table 1: Theoretical framework for corporations’ influence on the public sphere

<table>
<thead>
<tr>
<th>Non market strategy</th>
<th>CPA</th>
<th>ICPA</th>
<th>PCSR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relationship</td>
<td>Direct</td>
<td>Indirect</td>
<td>Direct and Indirect</td>
</tr>
<tr>
<td>Aim of the change</td>
<td>Governmental</td>
<td>Political and governmental</td>
<td>Political but non-governmental and societal</td>
</tr>
<tr>
<td>Interest (reason for action)</td>
<td>Businesses</td>
<td>Businesses and society</td>
<td>Businesses and society</td>
</tr>
<tr>
<td>Sphere of influence</td>
<td>National/local</td>
<td>National/local</td>
<td>Global</td>
</tr>
<tr>
<td>Relationship with the government</td>
<td>To influence</td>
<td>To influence</td>
<td>To engage in activities traditionally left to the state</td>
</tr>
<tr>
<td>Nature of actions</td>
<td>Regulative</td>
<td>Regulative, normative, and cultural</td>
<td>Regulative and normative</td>
</tr>
<tr>
<td>Time frame of actions</td>
<td>Long and short</td>
<td>Long-term</td>
<td>Long-term</td>
</tr>
</tbody>
</table>

Implicit Corporate Political Activities and the differences regarding the other constructs

We conceptualize implicit corporate political activity (ICPA) as the actions of corporations or business elites to influence national or local governments using and working together with other civil society organizations. The aim of these actions is to bring benefits not only to businesses but also to the CSOs involved in the ICPA. We
further discuss this construct, differentiating it from the previous concepts discussed in the literature review.

**Nature of actions: institutional pillars**

Overall, CPA aims to exchange goods, as Hillman and Hitt’s typology (1999) describes. It is based on the interdependence of resources, and the action’s goal is to receive benefits after giving some type of benefit to the other party (in this case, the government). Except for lobbying to change or create laws, traditional CPAs are not involved in changing the rules and norms of society, which is further from changing culture, linked with implicit CPA. Thus, the aim is not to change the political process or political culture, but only specific laws and policies. The same happens with PCSR, whose aim is to create norms on particular themes.

ICPA actions have a broad objective: to change the political culture and norms. Although many actions are to create, pass, or change laws, there is a broad aim to change the political culture so the change can be effective. Thus, even after the Goals Act was passed, the organization still analyzed the goals updates and discussed them in society. Moreover, they changed the relationships between numerous CSO organizations in São Paulo, which they routinely meet to discuss problems and propositions. RNSP also attracts distinct actors and brings business to the discussion with civil society as a legitimate political actor.

As Mills (1956) describes, an elite exists in an institutional setting that allows that group to be elite. Thus, if another group wants to be in the command post making important decisions, it needs to change the institutional environmental allowing it to be in those deciding posts.

**Long-term objectives and indirect actions**

Because of the focus on cultural and normative changes, ICPA is concerned with long-term results. This activity does not aim to influence specific transactions or laws, but rather a broad understanding of how to do politics. ICPA is also performed indirectly, through and together with other organizations; hence, the goals are for business but also for CSOs. In the case of RNSP, they imagined a new type of world and a more
sustainable system, then demonstrated the advantage of implementing that in
government.

**Type of tactics**

As an action attempting to change the political process, ICPA actors repudiate some types of traditional CPA activities such as donating to political campaigns and lobbying. In two separate articles for Folha de São Paulo, Oded Grajewm criticizes these practices, stating, “Unfortunately, disguised corruption actions … are broadly practice in Brazil with the support of the Laws. The funding for campaigns comes primarily from corporations. In the 2010 elections, companies donated R$2.3 billion [approximately US$ 1 billion] and were responsible for … 91% of the resources for candidates for the presidency. Only 1% of donating companies (479) provided 41% of donations, and 10% of the companies were responsible for 77% of the donations. Almost all these companies do business with the government and depend a lot on politicians to be able to do their work. What do all these companies expect from the elected representatives? Contracts and legislations to their benefit.” (*Folha de São Paulo*, November 18th, 2012)

In a second article, he criticizes the pharmaceutical lobby and exposes these companies’ problems with Ethos Institute. We identify that RNPS is composed of an elite that is proposing a new way of influencing government, and criticizes the traditional way.

**Business elites: traditional, neutral, or progressive**

The study of elites has a long history going back to Marx and Weber, however Paretto and Mosca in the 20th century helped to develop an elite theory. Although the increasing inequalities in today’s society and the role of capitalists, corporation managers and politicians; elite discussion has been scarce (Savage and Williams, 2008).

Part of the reason of this decline is that the literature in 1950s focused elite as a cohesive traditional group, or innercircle, identified with conspiracy ideas. Davage and Williams (2008) call for researches that clarify elite compositions and the differences they are able to accomplish. The authors propose the use of Bourdieu’s elite as “dominant
players within semi-autonomous fields” (Savage and Williams, 2008, p. 16). Especially, they discuss how Bourdieu explain that some elites can move between fields connecting disconnected realms, in which they are able to create a more cohesive identity and group.

**Values and cognition**

We understand that the progressive elite advocates different values and cognitive understandings than the traditional elite does. The main difference is that they understand the various groups (or classes) with divergent interests can work together to achieve a common goal. Thus, the business class is not in opposition or “fighting against” workers, social movements, and CSOs. According to them, as a society, especially in Brazil, all these groups suffer from social and environmental problems, and should work together to address those.

We observe these problems, noting PNBE’s actions with employees and also how RNSP was formed. Since the organization’s inception, there has been a preoccupation with CSOs and social movements joining RNSP to increase its success. RNSP was also the first organization that encouraged ideologically-diverse nonprofits to work together. For instance, on RNSP’s education working group, CSOs like Cenpec or Instituto Paulo Montenegro (with a more traditional view of education) and Instituto Paulo Freire (with a more constructivist, libertarian understanding) are discussing and working together regularly to demand and propose actions from São Paulo’s government.

It is also important to note that this elite has a strong engagement with CSR. The companies such as Natura and Yazigi have CSR as a core strategy. This group advocates for CSR and partakes in CSR because of the companies’ founders’ values and willingness to create a more sustainable world. We also understand that some corporations, because of their institutional environment, engage in strategic CSR, willing to engage in anything disseminated in the environment, without the corporation having a strong political ideology. We identify this group as a neutral elite.

**Propositions for Democracy**

Democracy, traditionally, is understood as a political system in which citizens choose formal political actors (politicians) who are responsible for public actions. Citizens act
indirectly through their elected representatives (Schmitter and Karl, 1991:76). However, in the 1970s, theorists drew to attention to the role of discussion on the contemporary democratic process (Avritzer, 2000), proposing participatory and deliberative democracies. Thus, research shows that there are multiple types of democracy, for instance, with varying levels of representation and participation.

Theorists broadly discuss democracy’s taxonomies (Hacker and Van Dijk, 2000; Dalhberg, 2001), but only towards a pedagogical purpose, since empirically, multiple democratic forms might occur concomitantly, at varying levels of presence. In this study, we focus on the variable of participation. Specifically, in types of participatory democracy citizens participate more directly on public decisions. For instance, in the deliberative democracy Habermas (1995) proposes, citizens, universities, and NGOS (not only experts, politicians, and policy makers) should extensively discuss topics before making public decisions.

CPA literature has developed for countries with democratic systems, in particular, it has focused on the influence on the traditional democratic governments. CPA strategies such as lobbying, donating to political campaigns, supplying information to policy makers are widely intended to influence policy makers and political parties. In Brazil, the literature is even more restricted to these actions. However, Brazil is known for its pioneering in participatory democracy, for instance with the participatory budgeting practice (Avritzer, 2009) and Participatory Councils with varied themes such as education and health, in municipalities. We believe that the restriction on business influence on democracy, focusing on representative democracy, occurs because corporate influence on participatory democracy practices is less frequent. More importantly, we believe that the traditional elite understands democracy only as a representative system.

This elite is more conservative, and does not advocate for or have interest in the creation of participatory instances in Brazil. Moreover, the Workers’ Party, which the traditional elite highly criticized, developed those mechanisms. On the other hand, this progressive elite is related to left wings parties. For some examples, Oded Grajew created Cives (an organization to advocate the Workers’ Party in the business sector) and was an assistant to President Lula. Ricardo Young is a city council member from a left wing party, and Guilherme Leal was a Green Party vice-presidential candidate. Consequently,
we see that the progressive elite is engaged in CPAs that influence participatory instances of democracy.

**Professions**

As the Brazilian economy has changed over the years, many business people have sold their companies or opened their companies to public trading. These events led business leaders to leave their companies’ management. Thereafter, many of these former presidents and managers needed new occupations. Since they had previous a engagement with CSR, social, and political issues, they created not-for-profit organizations to occupy. Therefore, we believe that his progressive elite is composed of former managers who are no longer working for companies (rather, living off of investments) but trying to build organizations to solve social, environmental, and political problems in Brazil.

**Sectors of economy**

As with PNBE, we understand that this progressive elite comes from sectors that were under-represented in FIESP. Thus, we understand that it is more likely that medium- and small-business owners, as well as service providers, are in the progressive elite. On the other hand, we believe well-represented groups, such as agriculture and industries, remain a traditional elite, not necessitating separate approaches to influence the government since their ties and political activity have long been estalished.

<table>
<thead>
<tr>
<th>Elite</th>
<th>Progressive</th>
<th>Neutral</th>
<th>Traditional</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSR</td>
<td>Strong</td>
<td>Depends on the institutional environment</td>
<td>Peripheral</td>
</tr>
<tr>
<td>View of working together with distinct groups</td>
<td>Strong</td>
<td>Depends on the institutional environment</td>
<td>Nonexistent</td>
</tr>
<tr>
<td>Democracy understanding</td>
<td>Participatory</td>
<td>-</td>
<td>Representative</td>
</tr>
<tr>
<td>Profession</td>
<td>Part of the board of their companies, now work in the social and/or</td>
<td>-</td>
<td>Managers and presidents of their companies</td>
</tr>
</tbody>
</table>

**Table 2: Elites groups**
Based on our understanding of these two elites, we propose that each type correlates to a CPA type in which they are more likely to engage, as discussed below.

*Proposition 1: Companies and business people more closely aligned with a progressive elite are more likely to engage in ICPA rather than CPA.*

*Proposition 2: Neurtal companies engage in ICPA and CPA depending on their institutional environments.*

*Proposition 3: Companies and business people more closely aligned with traditional elites are more likely to engage in CPA rather than ICPA.*

**Chart 1: The relationship between elites, CPA, and ICPA**

**Future Research**

We contend that the distinction between traditional CPA and ICPA does not only give a better description of CPA activities but also the dual view enables a more theorized
research agenda. We propose that this framework can better advance the following topics: CPA effects on society, precedents of CPA, and other ICPA tactics.

*CPA’s effects.* Previous literature has rarely discussed the effects of traditional CPA on society. However, when we look at ICPA, it is even more important to understand this influence. As ICPA is done through other CSOs, and is believed to be working with them, it is important to understand the effect that ICPA have on the mobilization and activism of social movements. It is especially important to address whether ICPA change main CSO objectives and agendas, focusing on themes and propositions in the interest of corporations rather than social movements. On the other hand, another essential research topic would be how CSOs deal with corporations in this situation so that their aims are not compromised. A comparative approach to CSOs relationships with corporations between PCSR and ICPA would also be crucial to more deeply understanding this theoretical framework.

Furthermore, it would be interesting to understand whether CSOs working together with corporations influence their legitimacy as political actors as well as their reputation. Governments, other CSOs, and the public could see CSOs working with corporations as a negative indicator and, in the long-term, diminish power instead of creating it.

*Precedents of CPA.* There is significant extant research on CPA precedents. When we discuss ICPA, do the precedents hold true? We understand that firm size might have a contrary indication for ICPA, with smaller firms being more likely to engage in ICPA than bigger ones, with the exception of multinationals. We believe that the precedents to engage in the various types of CPA would differ.

Additionally, we propose that the type of elite is a reason to do ICPA. This relationship could use further discussion and empirical testing. The characteristics of corporate and business elite actors taking part in ICPA can show a more detailed understanding of who these actors are and why they choose (if they do) one action over another. It would also be important for generalizing the framework, to test the ICPA
construct and the likelihood of a progressive elite’s participation in other national contexts.

**ICPA tactics.** We identified one example of what we call implicit corporate political activity. Barley (2010) demonstrates that corporations align with other organizations, although rarely CSOs, to affect the government. Future research should focus on identifying new, indirect ways that corporations engage to influence democracy. Another possibility would be to analyze CSOs that aim to influence the government while having corporations as funders or on their boards.

**Conclusions**
The suggested framework provides an approach to understanding a new type of corporate political activity identified in Brazil, whereby a CSO is created to influence the government, in our case, that of São Paulo. The literature has not discussed corporate action through other organizations vastly before, we understand that the reasons for that is that this is a new phenomenon, in which a new, more progressive, elite with a different cognitive understanding has engaged in such actions. Nonetheless; with globalization, as the sustainability discourse and actors’ blurring boundaries increase, we expect this new type of activity to expand and create new configurations.

We argue that the proposed framework for CPA makes a contribution to the discussion on three levels. Concerning a descriptive level, the distinction between traditional CPA and ICPA allows for a better understanding of what CPA are, the new forms that emerged, their tactical differences, and the associated actors. On a practical level, it helps corporations and CSOs learn about a new form of organizing that was successful in affecting political change. Yet it also illuminates the limitations of this type of relationship. Ultimately, on a normative level, the distinction exposes a new, more implicit, type of CPA that might not be understood as corporation political activity, but solely as civil societal engagement.
CORPORATE POLITICAL ACTIVITIES THROUGH CIVIL SOCIETY META-ORGANIZATIONS

Abstract
The aim of this research is to illuminate the micro foundations of how businesses influence the political arena through other organizations. Towards that purpose, we conducted a case study of Rede Nossa São Paulo, a meta-organization that aims to influence the municipal government of São Paulo, Brazil. We draw on corporate political activity and institutional theory to build our discussion. We conclude that businesses influence democracy indirectly through social movement organizations. These influence mechanisms are threefold: (a) founding and funding a meta-organization that represents civil society and maintains strong relationships with the organization’s central authority; (b) populating the civil society field while infusing managerial logics and saturating the political agenda with their programs; and (c) using rhetorical strategies of businesses as neutral, essential, and legitimate political actors, so these actors can merge with social movements to influence government.

Keywords: meta-organization; rhetorical strategies; corporate activism
Introduction

Corporations influence democracy and society directly, for instance, lobbying or creating political ties, or indirectly, through other organizations. Although numerous studies discuss the first (Hilmman, Kleim and Schuler, 2004), fewer studies address how corporations indirectly affect democracy. In one of these articles, Barley (2010), shows how corporations have directly and indirectly impacted the US government by means of other organizations such as think tanks, trade associations, public affair offices, and peak organizations. Barley maps the relationships in a detailed network, but he does not explain the relationships between the corporations and the other organizations, nor with the mechanisms that allow corporations to affect the government and society in these relationships (Greenwood, 2008; Hillman, Keim, and Schuler, 2004). Thus, there is a gap for a micro-level understanding of these processes, as Barley (2010) points out.

Furthermore, Schuler (2010) shows that of the few studies that debate corporate influence on democracy, all demonstrate the actions’ results for the corporation (e.g. how corporations can control the environment by donating to political campaigns) but only half discuss the implications of corporations’ political acts on the society. That is curious especially because corporations’ political activities can significantly change democracy and exacerbate many problems in society as a whole.

We focus on these two gaps to address how corporations influence civil society organizations, which then influence the political sphere. We emphasize the role of language and discourse as well as command posts to understand it. Greenwood (2008) highlights the importance of understanding language’s role in business political actions, explaining that “we use language to link actions and interests, and to how political interests are concealed in legitimating rhetoric” (Greenwood, 2008: 154). Language and discourse can be important ways to legitimize interests, and are central elements in achieving hegemony, i.e., the capacity to build and conquer alliances, forming a historic bloc to control the state (Gramsci, 1978; Gruppi, 1978), not only gaining control of economic structures and coercive means, but also controlling the means of perceiving and understanding the world through ideological orientations (Alves, 2004; Gruppi, 1978).
In this work, we seek to understand how corporations act in civil society organizations to influence the civic arena and, indirectly, to influence the government. To reach a deeper, more detailed explanation, we conduct a case study of *Rede Nossa São Paulo* (Our São Paulo Network, in short RNSP), a meta-organization in São Paulo (Brazil) with businesses, unions, universities, and NGOs as members, and that aims to increase the accountability of and introduce propositions to the city government. We chose this organization for several reasons. First, some of RNSP’s founders are major shareholders of large Brazilian corporations. Second, some of RNSP’s members are foundations and institutes that are the corporate social responsibility “branch” of corporations. Third, RNSP created a program called “Sustainable Cities,” through which it disseminates management practice to multiple cities in Brazil, affording businesses access to municipalities’ governments. As one interviewee stated, “when businesses funds RNSP, they create conditions for better public management…[They have] direct influence over more than 300 municipalities….it is greater capillarity than a political party” (2013). Fourth, RNSP has deeply influenced São Paulo’s political arena. Some examples are the Law of Goals’ passage, whereby mayors must present specific goals for their terms; the number of invitations from major Brazilians newspapers and TV stations soliciting RNSP’s comments on city issues; and the passing and enforcement of a law decentralizing municipal governments.

We argue that our research offers three major contributions. The first two concern the literature on corporate political activity. The last is about meta-organization theory. The first contribution relates to Barley’s (2010) proposition that his study of the field corporations created to influence government should be extended to other national contexts. We explain how the field in Brazil has another type of meta-organization, in which corporations invite social movements to take part in influencing the government. The second contribution applies to discussing the micro foundations of how corporations influence government through implicit and indirect political activity. The creation of meta-organizations that “look” more like a social movement organizations than an organization advocating business issues (like a trade association), makes it difficult for society to recognize that the organization is also a carrier of business logics and interests. This discussion leads to a general conception of how businesses’ actions in the social
movement field enable their influence on and transformation of the political and governmental arenas.

We also contribute to the meta-organization literature. Although the seminal work of Ahrne and Brunsson (2008) explains elements and mechanisms in meta-organizations, it leaves a gap in explaining power issues inside meta-organizations, notably, their central authority. In this work, we illuminate how some groups dominate and try to make sure their ideologies prevail.

**Theoretical discussion**

Mostly, business actions to affect politics are not only direct actions like lobbying or donating to political campaigns, but also indirect actions through constituting a discursive platform and using other civil society organizations. Thus, we focus our theoretical framework on two broad areas of literature: the role of language and discourse as a way to exercise power, and how corporations use other organizations to influence democracy.

**Power**

Power is a potential for influence of one actor over another; thus, it is always relative to another actor (Emerson, 1962). Fleming and Spicer (2014) explain that power can occur in distinct ways in relation to organizations: inside, thorough, over, and against them. For the purpose of this research, we focus on the power through and over organizations. The authors argue that “power through the organization occurs when an organization becomes a vehicle or agent to further certain interests and goals” (Fleming and Spicer, 2014:246), they exemplify with NGOs and civil society organizations that create alliances to achieve certain objectives. We analyze organizations collaborating to influence the government as an indirect form of corporate political activity, discussed in more detail below. We understand that businesses influence the government through RNSP. However, to do so, they need to have power over RNSP, according to Fleming and Spicer (2014), this type of power is one in which elites try to “influence the objectives, strategies and makeup of the organizations” (Fleming and Spicer, 2014:246). Since businesses are not actively participating in RNSP, we use the literature on subtle power relations to illuminate this influence.
Subtle power relations: Governmentality, Framing, and Institutionalization

In this section we discuss subtle (or non-coercive) ways of exercising power, specifically, governmentality (Foucault, 2008) and corporate power (Banerjee, 2008; Gephart, Van Maanen, and Oberlechner, 2009). Governmentality is a strategy for discursively and practically regulating populations and individuals. We argue that one form of exerting governmentality is framing the discourses (Fairclough, 1995) that are becoming embedded. Fleeming and Spicer (2014) call this power, “subjectification,” influencing individuals; identities and cognitive understandings. As Phillips, Lawrence, and Hardy state,

“only certain texts will ever become embedded in discourse to form the prescriptive basis of institutions by framing the understanding and experience of actors in different organizations and by shaping the way in which they act in and on the social world” (2004:643).

Governmentality also involves disseminating a group’s institutional logics, or “socially constructed, historical patterns of cultural symbols and material practices, assumptions, values and beliefs by which individuals produce and reproduce their material subsistence, organize time and space, and provide meaning to their daily activity” (Thornton, Ocasio, and Lounsbury, 2012: 51). Institutional logics guide social action and its dissemination while acceptance exerts power, because institutional logics play an important role in creating legitimacy (Suddaby and Greenwood, 2005). Legitimacy refers to an entity being embedded and taken for granted (Zucker, 1977). Actors must obtain legitimacy to be political actors. Suddaby and Greenwood (2005) show that discourse, notably rhetoric, as a key mechanism for creating legitimacy.

Himmelstein (1997:143), analyzing United States corporate philanthropic donations, identifies that discourse can enable a more subtle power, which he explains in the following passage:

“It is not a power in the sense of prevailing in overt conflict; nor being able to set the political agenda, nor possessing structural indispensability. Instead, it involves a more subtle and perhaps smaller-scale kind of power than any of these - a presence at multiple levels in society and a place in multiple
conversations, which allows a set of voices to be heard and a set of interests to be taken seriously almost everywhere. This is power as a discursive presence.”

**Political corporate social responsibility**

Corporate political activity literature has studied direct corporate influence on governments (Hillman et al, 2014). Because our case draws attention to how corporations influence indirectly, we discuss a more recent literature that addresses how organizations influence the public sphere (although not the government) through other organizations in a concept called “political corporate social responsibility.” Scherer and Palazzo (2011) introduce the concept and explain that some CSR activities have political characterizations, since they contribute to the establishment of global rules of self-regulation and the provision of public goods. In both cases, companies operate by associating with meta-organizations, i.e. organization-type "umbrellas" that bring together other organizations (Ahrne and Brunsson, 2005).

We understand that the discursive power is the main reason for corporations to join meta-organizations (Nogueira et al., 2011), i.e., membership organizations of organizations. Also, corporations create nonprofit organizations to be their “social responsibility” actions. So, we have many Foundations and NGOs that corporations created with the mission of addressing a certain social, environmental, or political issue. These organizations might as well participate in other meta-organizations because their presence in institutionalizing spheres modulates the discourse and the institutionalization process. Once discourses that actors with resource power produce are central in a field, they are more likely to become embedded than those that are peripheral (Phillips et al., 2004).

**Meta-organizations**

Meta-organizations differ from organizations because their members are other organizations rather than individuals. Because organizations are more differentiated then individuals, a meta-organization’s characteristics, functions and relations are varied. Drawing on these arguments, Ahrne and Brunsson (2008) developed a theory for meta-
organizations. Organizations depend on their environment and try to influence and control it (Pfeffer and Salancik, 2003). One way to control the environment is to create a meta-organization to promote order in the organizational field (Ahrne and Brunsson, 2008). Thus, meta-organizations are a new way of organizing, in this case, the environment.

A meta-organization combines actors and expresses one opinion. Groups create meta-organizations to express their opinions and to create a specific identity for those groups. Due to the collaboration, meta-organizations are able to powerfully change the environment. However, to be credible and legitimate, organizations in a field need to join the meta-organization related to that identity. The selection of members is essential, since some organizations joining might increase the meta-organization’s attractiveness for others. Also, a meta-organization can only be representative and, consequently, legitimate, if it has member organizations that represent the appropriate identities, aims, and objectives (Ahrne and Brunsson, 2008).

As with organizations, meta-organizations face conflicts over their members’ views, objectives, and ideologies. One way to solve conflicts is thorough hierarchical authority. Anhre and Brunsson (2008), however, assert that central authorities in meta-organizations are weak for three reasons: conflict of autonomy, “active involvement required of its members and the meta-organizations dependence on its members” (Anhre and Brunsson, 2008:114). Because a meta-organization member is also an organization with its own aims and purposes, which take priority, meta-organizations cannot harm the autonomy of any of their members, otherwise the members would leave. Secondly, the authors understand that the members must be actively involved in deciding the meta-organizations’ positions and aims. Finally, meta-organizations depend on their members, especially the more legitimate and powerful ones, to be able to represent an identity.

We argue that when the aim of a meta-organization is to confer with the government, what makes meta-organizations more representative than single organizations is that the members are dependent on the meta-organization not dismantling. Also, when a meta-organization has founders with great legitimacy and social networks, it might depend on the legitimacy and networks as well, making the central authority strong.
Data and Research Methods
The Case Study of Nossa São Paulo

We chose a single organization as our case study so that we could more deeply comprehend how corporations influence government and affect political activities through other organizations, specifically, through meta-organizations and by intensively using discourse. Single case studies are well suited to situations with abundant variables, and to when the objective is to create a deep qualitative understanding of the situation (Yin, 2005).

We decided to conduct our research in Rede Nossa São Paulo (RNSP) because its main activity is government propositions and accountability. RNSP was founded in 2007 as Movement Our São Paulo (Movimento Nossa São Paulo) and unites entrepreneurs and social movements with two distinct objectives of sustainability and social justice (Fabiane, 2011). They changed their name to Our Network São Paulo - RNSP (Rede Nossa São Paulo) in 2010, which we discuss in detail later.

The organization has 697 members, of which 53% are civil society organizations, 32% are businesses, 5% are educational institutions, and the other 10% are media, trade associations, and multilateral agencies (Fabiane, 2011). However, businesses founded and financially supported it. “Instituto São Paulo Sustentável” administratively and financially supports RNSP, which is a nonprofit organization business people founded, and which is connected to “Instituto Ethos” (Ethos Institute), a business peak organization that promotes ethical and social corporate conduct1.

RNSP has an executive secretariat that performs administrative activities, and 17 thematic working groups to discuss and decide on the organization’s actions in relation to each theme. The working groups (GTs), which typically meet monthly, include welfare, culture, education, environment, budget, work and income, children and youth, communication, participatory democracy, entertainment and sports, indicators, legal, mobility (transportation), health, and town hall (RNSP Working Group, 2012). In addition, there is a monthly council with the participation of GT coordinators, the

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1 Moreover, Ethos Institute had even attempted in 2005 to launch a similar idea to RNSP, the “Business Forum to Assist São Paulo” that aimed to link business and public administration to act together for local development. However, the organization has disclosed the Forum as an initiative of RNSP.
executive secretariat, and others invited because of their importance to the civil society movement or the City of São Paulo.

**Research Questions**

Businesses play a major role in designing RNSP, for instance, a marketing and advertising agency was involved in deciding the organization’s name so that the name would be appealing and would sensitize more citizens. Also, RNSP’s founders are business people, and companies fund the organization. Despite these qualities, only one of the founders participates in the organization’s Committee (all other Committee members are NGO founders and workers or former politicians) or in any of the working groups. Also, although many business people are RNSP members, few to none engage directly in the working groups. In response to this analysis, one question emerged: *how do businesses influence RNSP to indirectly influence the social and political arena?* Our initial answer relies on the ideas of Greenwood (2008), Fairclough (1995), Phillips, Lawrence and Hardy (2004), Himmelstein (1997), and Foucault (2008) about power as a discursive presence, as previously discussed.

We also question what fundamental role corporations have been enacting since the organization’s creation and how those businesses are influencing RNSP through discursive framing without actively participating in it. We aim to understand this influence’s extent and how it affects sociopolitical outcomes. In order to accomplish the research’s aims, we conducted a two-stage analysis.

**Research Strategy**

First, we briefly analyze the businesses’ participation in the organization. In this step we examine five considerations: RNSP’s foundation; the relationship between Ethos Institute and RNSP; the businesses’ participation in working groups; relationships between the organization’s Committee members and corporations; the importance of the Executive Secretariat in RNSP’s action and practices; and the origins of revenue.

Second, we analyze various discourses from the interviews and documents of RNSP actors, focusing on the rhetorical strategies and institutional vocabularies (Suddaby and Greenwood, 2005). In this stage, our aim is to understand how businesses
are influencing RNSP and thus the political arena and government. According to Suddaby and Greenwood (2005), rhetorical strategies are discourses to influence and persuade, in which institutional vocabularies, “structures of words, expressions, and meanings use to articulate a particular logic or means of interpreting reality” (Suddaby and Greenwood, 2005: 43), are one element. Also, in rhetorical strategies, actors might theorize change and other practices that they want to see occur.

**Data collection**

The case study relies on access to multiple data: interview data, participant observation, internal documents and public documents. We conducted 20 semi-structured interviews with the organization’s founders, executive secretariat, and working groups’ coordinators in 2012 and 2013. The interviewees’ descriptions are given below.

**Table 1: Interviews**

<table>
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<tr>
<th>Interviewee</th>
<th>Description</th>
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<tbody>
<tr>
<td>Odilon Guedes</td>
<td>Professor, former councilor of the City of São Paulo from PT (Worker’s Party), but no longer affiliated with PT. Oded Grajew invited him for the initial meeting that explained the idea behind RNSP. Currently, he sits on the RNSP’s Committee and Budget WG.</td>
</tr>
<tr>
<td>Ricardo Vacaro</td>
<td>Owner and director of RL, a company that distributes cleaning products to other businesses and has a sustainability strategy. He participated in the PNBE (Pensamento Nacional de Bases Empresariais – National thoughts of businesses, an organization that business leaders formed to advocate for a more democratic country, better income distribution, and other goals). Oded Grajew also invited him for the initial meeting. His company is an affiliate of ISPS. He sat on the RNSP’s Committee at the beginning, but is not currently involved with RNSP’s activities.</td>
</tr>
<tr>
<td>José Roberto Bellintani</td>
<td>Director of an NGO related to violence and security (Instituto São Paulo contra a Violência). Oded Grajew invited him for the initial meeting. Now, the organization is no longer actively participating in RNSP.</td>
</tr>
<tr>
<td>Fernanda Pinheiro</td>
<td>She has a degree in geography. A former employee of Instituto Paulo Montenegro, she has participated in the Education working group since 2011. She has a Marxist view of capitalism.</td>
</tr>
<tr>
<td>Américo Sampaio</td>
<td>A popular educator, he has participated in the Participatory Democracy working group since 2011. He worked with other social movements such as the World Social Forum. He has a Marxist view</td>
</tr>
<tr>
<td>Name</td>
<td>Background and Role</td>
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<td>------------------------------------------------------------------------------------</td>
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<tr>
<td>Victor Barau</td>
<td>A lawyer, he participated in various working groups, including Judiciary, Participatory Democracy, and Sports. He is part of the Escola de Governo (School of Government), an NGO that promotes education about citizenship and public government. He has a Marxist view of capitalism.</td>
</tr>
<tr>
<td>Jorge Wilheim</td>
<td>An important architect and urbanist, he was the UN’s deputy secretary general of the Habitat II Conference in Istanbul. He worked in the executive government of São Paulo City and São Paulo state. Oded Grajew invited him to the first meeting of RNSP. His daughter works at Abrinq, a foundation Oded created. Currently, he sits on RNSP’s committee.</td>
</tr>
<tr>
<td>Maria Cecilia Amaral (Caci)</td>
<td>A former school teacher, she is part of the Archdiocese of São Paulo (a Catholic Archdiocese) and MCCE (Movimento Contra a Corrupção Eleitoral – Movement Against Election Corruption). She has been one of the coordinators of the Participatory Democracy working group since its beginning in 2007. She joined RNSP with a friend because they believed that a cause that they were working for (to pass a law of Representative Council in the “districts” of São Paulo) had a chance to pass if it aligned with RNSP. Currently, she also sits on RNSP’s committee.</td>
</tr>
<tr>
<td>Francisco Whitaker (Chico Whitaker)</td>
<td>Founder of the World Social Forum and Américo Sampaio’s uncle. He participates in the Archdiocese of São Paulo. He was invited to the initial meeting. Currently, he is not actively participating in RNSP.</td>
</tr>
<tr>
<td>Padre Antônio Luiz Marchioni (Padre Ticão)</td>
<td>A Catholic priest from a neighborhood in East São Paulo, a region with a lot of poverty and violence. Chico Whitaker and Oded Grajew invited him to sit on RNSP’s Council.</td>
</tr>
<tr>
<td>Oded Grajew</td>
<td>Engineer and former business man (owned a toy manufacturer). He created organizations to address social issues such as child labor practices, corporate social responsibility, and the World Social Forum. He is also the founder and executive secretariat of RNSP.</td>
</tr>
<tr>
<td>Paulo Itacarambi</td>
<td>Vice-president of Ethos Institute. He was involved in the Worker’s Party. He had worked at the city government. Currently, he does not participate actively in RNSP.</td>
</tr>
<tr>
<td>Aerton Paiva</td>
<td>Business man, founder of a Corporate Social Responsibility Consultancy. He worked in the first meetings and helped to define RNSP’s mission, vision, and structure. Currently, he does not participate actively in RNSP.</td>
</tr>
<tr>
<td>Luanda Neira</td>
<td>Journalist. RNSP’s coordinator of communication. She has worked at Ethos Institute.</td>
</tr>
<tr>
<td>Ariel Kogan</td>
<td>Responsible for the Sustainable Cities’ Program at RNSP. He has worked at Mendonza Como Vamos?, a similar organization covering the region of Mendonza in Argentina. He believes in the collaborative work of diverse actors to enact social and political changes.</td>
</tr>
<tr>
<td>Padre Jaime</td>
<td>Priest of a neighborhood in São Paulo’s outskirts. Oded Grajew</td>
</tr>
</tbody>
</table>
invited him to participate in RNSP. He is on RNSP’s Council.

<table>
<thead>
<tr>
<th>Name</th>
<th>Role and Background</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maria Alice Setubal</td>
<td>She is the founder of CENPEC and Tide Setubal (both organizations aim at promoting better educational practices in Brazil). She is also from a wealthy banking family. She is part of Rede Sustentabilidade, a political party Ricardo Young and Guilherme Leal, among others, created.</td>
</tr>
<tr>
<td>Ricardo Young</td>
<td>Business administrator. He is heir to Yazigi, a franchise of English schools, and sits on their board. He founded Ethos Institute, RNSP, and Rede Sustentabilidade (a political party). Currently, he is an elected city councilor, and does not participate actively in RNSP.</td>
</tr>
<tr>
<td>Jorge Kayano</td>
<td>Physician. He long worked in public hospitals in Brazil. Today, he is a coordinator at Polis Institute, a consultancy agency to local governments and grassroots associations. He participates in the Participatory Democracy working group.</td>
</tr>
<tr>
<td>Mauricio Piragino (Xixo)</td>
<td>Psychologist. He also works at Escola de Governo (Government School), a nonprofit that promotes public management and government courses for public sector employees and community leaders. He participates in the Participatory Democracy working group.</td>
</tr>
</tbody>
</table>

One of the authors of this paper was involved in the participatory democracy working group from March 2011 to June 2013, totaling 30 meetings, which allowed for participant observation. In this period the working group was advocating for Conselho de Representantes (Representative Council), a council of citizens in each subprefeitura (“district”) of São Paulo that local citizens elect. Because of that involvement, we were able to attend two meetings in which representatives of the government participated. We also participated in other public RNSP events (including a debate with São Paulo mayoral candidates, a discussion of a survey with citizens about their understanding of quality of life in São Paulo and a debate about the Representative Councils) and government events (public audiences). When possible, the author recorded the meetings and made extensive notes in a notebook for all events about actions, speeches, and also implicit communication.

We had access to internal documents such as working groups’ reports and we analyzed RNSP documents, RNSP’s endorsed projects and RNSP affiliates’ websites. We analyzed seven working groups: one through participant observation, and the other six using reports available on the RNSP website. The reports of the other working groups were unavailable. We conducted data collection for each working group as follows.
Table 2: Data Collection

<table>
<thead>
<tr>
<th>Working group (GT)</th>
<th>Data collection</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participatory democracy</td>
<td>One author’s participatory observation and three interviews with other participants. Meetings from 2011 to 2013, totaling at least 30 meetings, including meetings at City Hall. Other documents presented in the meetings.</td>
</tr>
<tr>
<td>Education</td>
<td>6 reports of 2010 meetings available on the RNSP website. 2013 interview with a former participant of the working group.</td>
</tr>
<tr>
<td>Environment</td>
<td>6 reports of 2010 meetings available on the RNSP website.</td>
</tr>
<tr>
<td>Social assistance</td>
<td>16 reports of 2009 and 2010 meetings available on the RNSP website.</td>
</tr>
<tr>
<td>Culture</td>
<td>1 report of a 2009 meeting available on the RNSP website.</td>
</tr>
<tr>
<td>Budge</td>
<td>2 reports of 2010 meetings available on the RNSP website.</td>
</tr>
<tr>
<td>Work and income</td>
<td>1 report of 2008 meeting available on the RNSP website.</td>
</tr>
</tbody>
</table>

Data Analysis

We analyzed our data using critical discourse analysis (CDA) for three main reasons. First, this perspective illuminates practices and understandings to reveal ideologies that are taken for granted. Second, it focuses on social problems and political issues (Mumby, 2007; Van Dijk, 2001). It also allows us to identify which words, phrases, and other rhetorical devices help to disseminate ideology, acting as “institutional vocabularies” (Suddaby and Greenwood, 2005).

According to Van Dijk (2001), critical discourse analysis (CDA) theorists aim to expose and resist social inequalities, for which they analyze how the discourse creates, supports, legitimizes, questions, and reproduces power and dominance relations in society. Power is control over agents. When dominant groups’ power is integrated into institutions through widespread agreement, a specific type of dominance is created: Gramsci’s hegemony.

The process by which discourse and power relate occurs as follows: elites have access to specific forms of discourse and disseminate their ideas through that discourse, which influences people’s minds (their knowledge and opinions), which can in turn indirectly control their actions. By this approach, social institutions are “an order of
discourse” (Fairclough, 1995), so institutions facilitate and constrain action (Fairclough, 1995) because they provide actors,

with a **frame** for action, without which they could not act, but it thereby constrains them to act within that frame. Moreover, every such institutional frame includes formulations and symbolizations of a particular set of ideological representations: particular ways of talking are based upon particular *ways of seeing* (Fairclough, 1995: 749, our emphasis)

After carrying out a critical discourse analysis, we conducted a theory-informed narrative (Langley, 1999), whereby we were able to show two main processes: (a) the participation of business in the creation and maintenance of Rede Nossa São Paulo; and (b) the pervasiveness of profit-oriented logic in the discourse and practices of RNSP. As a result, in the findings section there is a narrative related to those processes that rely on the framing of the discourses of this movement. In the discussion, we try to relate these findings to the theoretical framework, showing how they answer the research questions.

**Findings**

We identified three mechanisms by which businesses influence the political arena through meta-organizations: (a) to be founders with a strong, direct relationship with the meta-organization’s central authority (in this case, the Executive Secretariat); (b) to disseminate its managerial practices and institutional logics; and (c) to became legitimate political actors for social movements and confusing who’s agenda (business, social, or both) the meta-organizations are serving. We explain the mechanisms in the figure below.
Businesses as founders strongly connected with central authority

RNSP was first created as Movimento Nossa São Paulo (MNSP). Oded Grajew, Ricardo Silva Young, and Guilherme Leal envisioned this organization. In an interview with a magazine (*Pagina 22*), Ricardo stated,

"The mayor of Amsterdam opened the first congress of GRI [Global Reporting Initiative] showing that he had applied the GRI principles for the city and had created new public management metrics regarding sustainability. It was the first time I saw it. Guilherme [Leal], Oded [Grajew], his wife, Mara, and I were walking in Amsterdam, we went into a cafe - not an unorthodox coffee, so you cannot say it was a result of a trip [laughter] - and
we started dreaming. It was 2006, Al Gore had just released the film *An Inconvenient Truth*, the report from [Nicholas] Stern was published and the IPCC [Intergovernmental Panel on Climate Change] was preparing theirs. It was that environment and then the idea of creating Nossa São Paulo was born, to influence the elections in 2008.” (Safatle and Pereira, 2013)

They invited leaders from diverse businesses, social movements and NGOs in two stages. The first was a smaller group composed of more central organizations in each field. In the interviews, people were unsure of the number of organizations, but the average response was around 30 to 40. After some initial discussion, MNSP expanded by inviting other organizations to join a meeting around Christmas 2006. At the meeting, they explained the idea of MNSP and its strategies. They presented MNSP’s mission, vision, values, and marketing identity (including name, concept, content, brand, and graphical matrix) that Percival Caropreso, an owner of an important advertising agency, created voluntarily. According to interviews, this meeting is believed to have included at least 200 business people and leaders of NGOs, labor unions and cooperatives, which indicates the importance of the initiative, showing that the idea was “plural and democratic” and also that “the São Paulo’s civil society was significantly represented there” (Interviewee 1, 2013).

According to interviews, at the meeting all participants talked about their understanding of what MNSP should be, and some participants who had previously worked in government (executive or legislative) explained the processes and responsibilities of diverse areas. Also, many participants wanted to confirm that the movement was actually nonpartisan. Although the main ideas were predetermined, the participants were able to contribute to defining MNSP’s structure and processes. MNSP’s proposition was interesting to CSOs: together they had more power, and being part of RNSP gave the organizations more legitimacy. Also, it became easier to schedule meetings with and access the government, which is consistent with one of the authors’ experience with the Participatory Democracy work group.

After this meeting, a select group (of about 36 people) went to Bogota, Colombia, to understand Bogota Como Vamos?, an accountability organization that business groups
created and manage. Afterwards, Instituto São Paulo Sustentável (ISPS) was founded and each working group started their activities independently.

As stated, business people created the concept for RNSP (previously Movimento Nossa São Paulo). As other research shows (Hwang and Powell, 2009), there are increasing professionalization of NGOs and managerialism colonizing nonprofits (Alvesson, 1987; Ekenberry and Kluver, 2005). In this case, RNSP used marketing strategies, such as creating a mission, vision, and brand, all of which we discuss in more depth later.

It was and is the income of the many business associates or business people that made a staff and the organization possible. Instituto São Paulo Sustentável financially maintains RNSP. The ISPS financially supports RNSP by paying for an administrative group (executive secretariat) responsible for organizing events, articulating the working groups, attending São Paulo’s government and council events, reporting thereon, and creating space for the working groups to speak with important individuals in São Paulo’s government.

Ricardo Silva Young (a businessman and current member of the São Paulo city council) and Guilherme Leal (owner of Natura, one of the main Brazilian cosmetic companies) created ISPS on January 22\textsuperscript{nd}, 2007. They are the two founding members who participate in the Deliberative Council of the organization. They chose Oded Grajew and José Aguiar de Cunto as the management (diretoria). The first bylaws of ISPS states that there are three types of affiliates: founders, organizations and individuals. The first type is those (it cannot be an organization) that signed the bylaws or persons who have been affiliated for more than one year and of whom the Deliberative Council approves. The organizational affiliates are organizations that participate in the ISPS activities and contribute financially. Another member must propose affiliation, which the Deliberative Council must approve. An associate who does not contribute financially will be excluded from the ISPS. Then, ISPS income as well as equipment donations come from private businesses, as RNSP’s website states. ISPS’s financial disclosure lists that the majority of the income comes from associates, with corporate associates donating more than the individuals. However, individual member donations are inaccessible, aside from the founding members donating to the ISPS in the first year.
The Executive Secretariat completes RNSP’s daily activities. Its coordinator is Oded Grajew, the former businessman who founded the business meta-organizations PNBE and Instituto Ethos. The former was created to generate new business practices for a new mode of business, while the latter disseminates corporate social responsibility in Brazil. In the Executive Secretariat, there are some people who previously worked at Instituto Ethos (i.e. the coordinator of Sustainable Cities’ Program, who had sat on the City Council). Numerous business people or people with work experience in business meta-organizations are RNSP employees.

From the data above it is clear that the Executive Secretariat has strong ties to business, because they are financially dependent on it; the Secretariat’s director, Grajew, created Instituto Ethos and PNBE as well as the concept behind RNSP with Guilherme Leal and Ricardo Young. Perhaps unintentionally, because of these connections, RNSP is embedded in a business logic even while trying to escape it. Grajew is an engineer who had a company. They are widely considered business people with a institutional trajectory (Vialle and Suddaby, 2009) inside business logics and frameworks. The Executive Secretariat has a central role in RNSP, having conceptualized and created many of RNSP’s practices and projects. Other projects might be under the purview of the working groups, but are Secretariat creations. RNSP’s Council “discussed” one of the projects, “Cidadão Paulistano,” at a meeting the author attended. Grajew simply explained that the project was going to launch. The majority of the Council seemed unaware of the project’s existence. One interviewee stated that in the indicator creation for the Sustainable City Program, the Secretariat never asked the WG’s opinion, and that the WG’s theme content used data that the WG thought unreliable, and included things they found unbelievable. This incident angered a significant number of WG participants. In another situation regarding the Participatory Democracy WG, during discussions about how to proceed in advocating for the Conselho de Representantes (Representative Council), the author repeatedly witnessed people saying that they needed to check with Mauricio (the Executive Secretariat’s secretary). It seemed like a precaution since a new government has just been elected and the group needed to confirm that the decision would not damage their nascent relationship with the new government and complicate future dialogue. Nonetheless, they needed secretariat approval.
The Executive Secretariat’s centrality, even if unintended, is clear. Probably the two central actions of an advocacy group trying to influence the government are media discussions, which form public opinion and municipal council’s actions. The two most important newspapers, the main TV station and an important radio station have an ongoing relationship with RNSP, specifically with the Executive Secretariat. As the communications coordinator stated, RNSP’s reputation in the media is as a source of opinions and expertise on a range of public policies and topics. Therefore, media groups call the organization to solicit their opinion on diverse topics from transportation to education to the environment. It is the Executive Secretariat’s responsibility to invite a member to comment when a member has the expertise. Moreover, the Executive Secretariat has one person responsible for reporting to the City Council (on RNSP’s website) what RNSP’s Council discussed and decided. This person is also responsible for participating in meetings with members of the City Council. This finding is similar with Courpasson (2000) understating of soft bureaucracy and Diefenbach and Sillince (2011) proposition that even organization with no formal hierarchy have an informal hierarchy or informal political domination. Courpassion (2000) argues that in soft bureaucracy domination is not exercised with punishment but using “sophisticated managerial strategies” (p. 142). Although the author studies business organizations, his strategies are impersonal and personal obedience, in which the leaders have a charismatic domination; centralization of decision although not hierarchical; soft coercion mechanisms and, fusion of internal and external legitimacy. In our case, we also identified this informal domination but that was enabled but the organization structure with the Executive Secretariat helped this domination.

Managerialism practices and business logics
Beside a group of businesses strongly connected to RNSP’s Executive Secretariat, their direct participation in the working groups or RNSP Committee is low. Of the Organization Committee’s 25 participants, only one is a business person, Ricardo Vacaro, although in an interview he stated that he is not currently participating in the Committee. In our data, we identified six businesses-funded organizations participating in the working groups: SECOVI (São Paulo’s real state union), Consulado da Mulher (an NGO
Whirlpool created as its social responsibility project), ITCP-FGV (a student organization inside FGV, a business school in São Paulo, that assess groups for creating cooperatives), Instituto Paulo Montenegro (IBOPE’s social responsibility project), Fundação Tide Setúbal (a bank-owner-created foundation), and Fundação ABRINQ (a Foundation Oded Grajew created to disseminate children’s rights and certify businesses that follow certain rules around them). Apart from ITCP-FGV, all others had frequent participation in the working groups.

The network of organizations shows that 75% of CSOs receive money or have a partnership with corporations. These findings corroborate Himmelstein (1997) on how corporations fund NGOs in order to be present and occupy space related to social and political discussion. Nonetheless, business participation in RNSP generates more than occupation in social space, it influences the discourse, the civil society organizations’ agendas, and the frameworks, thus bringing in business logics. We can trace business logics in RNSP’s programs involving managerealism concepts such as surveys, indicators, goals, and strategic planning, as shown below.

Table 3: Programs and projects

<table>
<thead>
<tr>
<th>Program or project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>IRBEM</td>
<td>IRBEM is a survey of São Paulo citizens about various topics to understand the city’s perceived quality of life. RNSP’s idea is that the IRBEM results could guide the actions of &quot;companies, organizations, governments and society as a whole.&quot;</td>
</tr>
<tr>
<td>Observatorio social (Social Observatory)</td>
<td>The program discloses social, environmental, economic, political and cultural indicators about the City of São Paulo. RNSP frequently updates, evaluates, and discloses these indicators. OSC and RNSP’s WGs selected most of the indicators.</td>
</tr>
<tr>
<td>Sustainanle Conexions</td>
<td>Conexões Sustentáveis (Sustainable connections) is a project to mobilize the supply chain of products coming from Amazonia to São Paulo to reduce harm to the Amazon forest and its inhabitants.</td>
</tr>
<tr>
<td>Map of Participation</td>
<td>Mapa da Participação (Map of Participation) is a map on Google that has several organizations and councils in which citizens can participate. The Participatory Democracy work group originated and developed the idea, however, the Executive Secretariat hired someone to execute it.</td>
</tr>
<tr>
<td>Forum Empresarial de</td>
<td>The program was created prior to RNSP, but the Instituto</td>
</tr>
<tr>
<td>Apoio à Cidade de São Paulo (Business Forum to help the city São Paulo)</td>
<td>Ethos and Rede Nossa São Paulo later “resurrected” it. Little information exists about the forum, such as which companies participated or the topics of discussions.</td>
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<tr>
<td>---</td>
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</tr>
<tr>
<td>“Para onde foi meu dinheiro?” (Where has my money gone?).</td>
<td>The program discloses and discusses São Paulo’s budget. The budget WG created the project with the Executive Secretariat’s close help.</td>
</tr>
<tr>
<td>“Lei de Metas”</td>
<td>A Municipal Law establishing a program by which the elected mayor needs to present his or her term goals (mandate). These goals must be based on the candidate's plan of government and its development must be periodically publicly reported.</td>
</tr>
<tr>
<td>Programa Cidades Sustentáveis (Sustainable cities program)</td>
<td>The program gives public managers a set of indicators to evaluate the city against a benchmark of international and national good practices.</td>
</tr>
</tbody>
</table>

When these primary projects are discussed in the working groups and prioritized for dissemination, other objectives are overlooked. All the capital and the efforts of participants and the Executive Secretariat are focused on this agenda instead of others. Although many working group participants might agree with the projects, they themselves do not create the projects. Considering this analysis, we can affirm that in this case, corporations and businesses (as a sector) not only have discursive presence as Himmelstein (1997) discusses, but further their influence by changing civil society’s agenda. Most importantly, they actually change the institutional environmental (for example, by passing laws).

Furthermore, businesses populate the NGOs and social movements’ RNSP involvement with a business vocabulary that disseminates the institutional logics (Suddaby and Greenwood, 2005) of managerialism. One argument of the managerialism logics is related to city management and disseminates a new public management ideal and the view that current Brazilian mayors lack management tools and knowledge required for their jobs. The other vocabulary is related to business expression and practices interviewees and RNSP’s documents often use to explain RNSP’s foundation and functioning.
Table 4: Institutional vocabularies

<table>
<thead>
<tr>
<th>Institutional vocabulary</th>
<th>Original words or expressions business-related individuals used</th>
</tr>
</thead>
<tbody>
<tr>
<td>City management</td>
<td>“Business way of organizing cities,” “Sustainable cities that function with sustainable businesses,” “New ways to manage cities”</td>
</tr>
<tr>
<td>Strategy</td>
<td>“indicators,” “management with goals,” “they did anterior strategic work, a work of strategic position,” “tool”</td>
</tr>
</tbody>
</table>

Through evaluating RNSP’s foundation and executive secretariat we argue that they framed the disseminated discourse for its affiliates and for those outside the organization. We identify at least four frames of for-profit logics and their political interests: “political accountability through indicators,” “political responsibility using a Plan of Goals,” “advertising for citizenship,” “division in topics/specialization of themes” and “sustainability.”

As discussed above, businesses populate the civil society organization and social movements, creating and/or financing NGOs. This process increasingly broadens the managerialism logics in the social and political arena. When this same logic affects a meta-organization that wants to influence government, it acquires a new level because the logics are stronger and spread faster. In this case, it is not only a charity type NGO, as in Hwang and Powell (2009), but an organization with political objectives. As Ahrne and Brunsson (2008) argue, meta-organizations “seem to have a strong tendency to achieve a monopoly, there being only one meta-organization for a certain category of organizations with a particular purpose” (Ahrne and Brunsson, 2008: 88). In this case, the organization has a broad identity of wanting to change the City of São Paulo into a more just and sustainable city, as Fabiane (2011) discussed. In this sense, the probability of a second meta-organization with the same members would be unlikely. Specifically, in this case, we can argue that RNSP organizes social movements and CSOs in São Paulo, or organizes in the city’s civic arena, in “a cluster of 'public' settings in which sectorally diversified actors provisionally suppress their particularistic projects in order to formulate and pursue an emerging common purpose” (Mische and Pattison, 2000).
Businesses as political actors with social movements’ goals

The Brazilian political arena presents a strong group of family businesses with strong, direct relations to the federal government created through social ties from business boards and ownership (Lazzarini, 2011). This group has a powerful say in policies. Thus, other businesses must find their own ways to influence government. A common path is to associate with civil society organizations and social movements to make claims and influence the government with an agenda of sustainability. However, to accomplish that, social movements’ organizations should agree to work with business and to partner in advocating for governmental change. Importantly, businesses’ influence becomes obscured in the meta-organizations, such that public opinion and media may not immediately recognize that business people founded RNSP, which is contained within the Ethos Institute and has strong relations with various businesses. Even if RNSP’s strong relationships with business are clear, the business interests inside RNSP are more legitimate, because even if RNSP represents some business interests, other social movements and CSOs approve of the organization.

How does a business become the central actor in creating a powerful organization to influence the government of one of the main cities in Brazil, especially given a group that strongly believes business should have no role in political or social change? We show that businesses use rhetorical strategies to be legitimate and essential actors in this process. We summarize the rhetorical strategies in the table below.
Table 5: Rhetorical strategies for businesses legitimation as a political actor

<table>
<thead>
<tr>
<th>Phase two coding</th>
<th>Phase one coding</th>
<th>Selected original excerpts</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Businesses as a neutral, essential and legitimate political actor</strong></td>
<td>Essentiality/ necessity of business actors</td>
<td>“without involvement, not a lot would happen, it was important to use all the experiences, not only civil society’s [experience] but also from other actors” (Interviewee 2, 2013). “Oded was important because people trust that he is going to do it… not only him, but Ethos… they think ‘you are going to do it, not only have the idea’” (Interviewee 2, 2013). “to establish conditions so the “thing” can happen, you need work, work needs to be sustained, continuously financed… who is going to do and finance this work? It needs to have political and financial sustainability” (Interviewee 2, 2013).</td>
</tr>
<tr>
<td>Neutrality regarding political parties</td>
<td>“in this meeting, people want to test whether there is any bias, and it became clear that the bias was towards the City of São Paulo” (Interviewee 1, 2013). “to have a political result, the policy needs to be continued … we need to change the municipal laws” (Interviewee 2, 2013).</td>
<td></td>
</tr>
</tbody>
</table>
### Diversity and Representation

“time to listen to what everyone wanted” (Interviewee 3, 2013)
“collective construction is a fundamental element for success” (Interviewee 2, 2013)
“the value of the meeting for me is that it created potential for the success of the organization, because it showed it was plural, democracy and open, Priest Ticao, Priest ‘I do not know the name’ from the periphery of São Paulo” (Interviewee 1, 2013)
“in the meeting, it was all São Paulo civil society… many NGOS, well-known, founded by businesses, recycle pickers, unions” (Interviewee 1, 2013).
“in the beginning, we determined people who had many relationships and after that, we invited about 400 organizations” (Interviewee 4, 2013).
“open space, with diverse segments, with diverse experiences” (Interviewee 11, 2013).

### Against conflict

“it needs collective work, even if you have conflict in the process, the work needs to be collaborative, the decision-making must be collaborative” (Interviewee 2, 2013).

### Translation

“[Actors in the political arena] are talking about different things but the essence is the same” (Interviewee 1, 2013).
“to know how to listen is to be able to understand the similar points inside what is apparently divergent, it is to know how to translate in a way that those who have divergent opinions will think it is correct what you wrote” (Interviewee 4, 2013).
“we needed to find a lowest common denominator” (Interviewee 16, 2013).

### One objective for diverse actors

“the idea of convergence… to listen, to balance the ideas, to find common points of view… to achieve consensus” (Interviewee 1, 2013).
“we created a manifesto that enabled everyone to look in the same direction” (Interviewee 16, 2013).
“we need to make a big movement, about which the society, that all organizations would say ‘it is ours’… the work needed to converge… we needed to seek the convergence between many… Things to not happen/develop because of [lack of convergence]” (Interviewee 2, 2013).

### Convergent ideals

“we created a manifesto that enabled everyone to look in the same direction” (Interviewee 16, 2013).
“we need to make a big movement, about which the society, that all organizations would say ‘it is ours’… the work needed to converge… we needed to seek the convergence between many… Things to not happen/develop because of [lack of convergence]” (Interviewee 2, 2013).
Discussion

Corporate political activity regarding more direct actions such as lobbying, political campaign donations and ties with government officials, if illegitimate in public understanding, is at least acknowledged. It is also explicit that businesses are pursuing their interests in the same way as other organizations Barley (2010) discussed. We showed that corporations need not act directly. Based on the data and analysis above, indirectly acting by using meta-organizations and/or creating nonprofit organizations are other ways of influencing the political arena and democracy. One could argue that these means are, inclusively, more effective since they are difficult to recognize, resist or fight. We demonstrate that businesses become blurred or hidden inside powerful meta-organizations viewed as social movements aiming to influence government. Even if businesses inside the organization do not objectively disseminate or pursue interests, they still control the environment and generate relationships and information for a specific business group. This research corroborates the argument that interests, roles, and identities between corporations, social movements, and civil society organizations have recently become blurred (de Bakker et al, 2013), and demonstrates how businesses achieve that blurring.

However, we recognize that the participants are not naïve, but are aware of the corporate and business participation, analyzing its limitations. Some people see RNSP’s moral infringements yet see advantages to participation. One interview participant commented on joining RNSP:

“I was invited by Lucrecia precisely ... because ... Lucrecia and I worked, we were involved [in] the previous mobilizations for the Representative Council, I think Lucrecia knew about the Network ... and then we saw the possibility of continuing the work on the Representative Council in [the] Participatory Democracy working group ... [and] our perspective was that through the Participatory Democracy work group we resumed the fight for the Representative Council.” (Caci, 2013)

Others stated that being part of RNSP made it easier to schedule meetings with government personnel and that the name carried a legitimacy that was helpful in many
situations. From our observations in the Participatory Democracy work group, the Executive Secretariat requested the important meetings, or Oded Grajew scheduled even more important ones. Participants recognized they might not have received the appointments, were it not for RNSP or Grajew.

Another important fact is that participants, mainly the more radical ones with Marxist views of capitalism, sometimes resist certain practices. They believe business has no place in a social movement, the role of business being to act according to the law and maintain a high-quality work environment. For example, the working group of participatory democracy created the “Mapa da Participação” (Participation Map). However, the working group members’ priority was not to evaluate its effectiveness. When one of the authors, who was participating in the working group, requested data about website traffic, participants suggested asking the listed organizations about new participation in the organization due to the “Mapa da Participação.” Though the working members agreed, participants “ignored” the initial request.

Furthermore, the name change (from Movement to Network) might characterize the down-top direction of the dialectical process of institution construction (Fairclough, 1995). Primarily, RNSP’s Council rather than exclusively the Executive Secretariat decided to change the name. Although some endorsements still existed, relating the organization to businesses, the actual decision to change the name did not come from businesses. That said, the for-profit logic is evident — if somewhat constrained — in RNSP. In an environment and with a government that legitimates business, that logic helped RNSP to be more legitimate, less related to “radical” views and to involve all sectors of society. As previously discussed, RNSP’s creator was a former businessman who garners significant respect and legitimacy in the public realm. These characteristics help not only centrist NGOs but radical ones that “use” RNSP’s legitimacy to advance requests to government, for example, to pressure the government to approve a law instituting a participatory council in each of São Paulo’s districts.

These examples demonstrate that despite strong corporate influence on the political sphere, participants of social and political movements may not automatically accept it or may be unaware of complicated relations emerging in RNSP for aggregating divergent organizations and people. The analysis corroborates Burchell and Cook’s
(2006) conclusion, based on CDA, that in the sociopolitical arena, organizations outside business have power, shaping and influencing discourse (in their case, social responsibility discourse).

So, we suggest a dialectical process of social construction (Fairclough, 1995) whereby corporations influence RNSP, and consequently São Paulo’s government, at the same time as RNSP’s members of social and environmental CSO resist some for-profit logic practices, frameworks, and projects; however, it is not a discussion that happens collectively and most business influence passes.

Although scholars and non-academics (as discussed, concerning some interviewees’ positions on corporations) argue that corporations may not be legitimized actors in the political sphere, currently the division of roles between government and economic actors and civil society are not as clear as the classical democratic view advocates with separation between state, market, and civil society (Vasconcelos et al., 2012). Corporations are constantly working to legitimize their presence in the political realm in a broader sense, through discussing policies and governmental issues, which are only indirectly related to business interests, for instance, laws affecting taxation or importation.

In this context, it is important for civil society to comprehend that at some point they need to at least discuss or work together with businesses, or even be business-funded. Our work shows that an aware and critical civil society can work together with business without necessarily advocating and directly helping disseminate for-profit logic.

We showed how RNSP’s founders were able to retain their members, however, we diverge from Ahrne and Brunsson’s (2008) proposition to argue that RNSP members were as dependent on RNSP as not. RNSP created a legitimacy of representation that each organization alone, even if it is legitimate, with status and a powerful CSO, could not hope to achieve alone. In our case, not only peripheral or less powerful actors were interested in join meta-organizations, but powerful ones as well. So we disagree with Ahrne and Brunsson’s argument that “meta-organizations have a tendency to become organizations for the weak rather than the strong” (Ahrne and Brunsoon, 2008: 83).

Limitations and Future Research
We face limitations in this research mainly because we focus on one case study. Conducting other case studies of meta-organizations that aim to change cities, states, and countries, while having businesses as members, could support the findings and elucidate other micro mechanisms allowing corporations to influence the political arena. Related research would be to analyze meta-organizations with more specific themes, such as Fair Labor or Forest Stewardship Associations and discuss whether the mechanisms vary.

Further, we confine our discussion to the Brazilian context. It is important to remember that capitalism in Brazil differs from capitalism in other developed countries in some aspects. Families and business people still control our companies. What is sometimes difficult to relate in quotations is that the corporation has no soul or sense of responsibility. While corporations lack these characteristics, the owners may possess them, which might change how corporate social responsibility works. As this paper shows, quite a few companies participating in RNSP are family-owned or founder-controlled. There are also many former business people who recently stopped working in the sector. Some participants worked or work at RNSP, not as business partners, but as citizens. It is not due to being business people that they are simply committed to acting in their own interest, although they are embedded in these institutions. Theorists have discussed how people can be reflexive and overcome the paradox of embedded agency (Holm, 1995; Seo and Creed, 2002).

This research raises numerous other questions. For instance, it would be interesting to conduct further interviews and understand why corporations, not business groups that found them, affiliated themselves with RNSP. Other interesting research would be to investigate the CSOs with direct and indirect relationships with business, and participate in their working groups to comprehend the limits or lack thereof that corporations effect on those groups. Other interesting questions are whether there is any contingency regarding the direct and indirect corporate political activity and in which situations corporations act directly or indirectly. A determinant could be the position of the business group in the field (Battilana, 2006). The case presented here might give us a hint about that issue. The business groups linked to RNSP were a group that opposed a major trade association and a peripheral actor in the field. The latter group is known for
using more direct CPA, such as lobbying and political campaign donations, and is central in the business field.

**GENERAL CONCLUSION**

Focusing on three distinct researches allowed us to understand deeply this case specific mechanisms: the use of history to the creation of subject position and, consequent social mobility; the use of rhetoric to position businesses as legitimate political actors and; founding and commanding a meta-CSO to influence indirectly and implicitly the government. Additionally, we were able to focus on the role of business in this process and propose the concept of implicit corporate political activity that can be understood as a mechanism of corporations and businesses elites to influence the government. This approach was essential to theory building as we were able to focus on specific constructs and show novel findings regarding institutional change and power relations. However, each article needs the others in order to understand the phenomenon in a broader sense. When analyzing together the three articles they explain a power elite construction project.

We identified how a business elite is able, over time, to create organizations to disseminate a common institutional understanding of society and the political sphere, engaging along the way with other businesses, civil society organizations, social movements, and unions in a process that builds a network and populates the field. These three processes of institutional change, populating the field, and network building, created an institutional infrastructure for subsequent institutional change and social mobility. Furthermore, it allowed this group, which aggregate other participants with time, to occupy a greater political space in Brazil.

We argue that this group created significant institutional changes but that a broader, more pervasive change concerning sustainability and social fairness is still underway. Consequently, this group or elite, seeking to become a power elite, now composed of business and CSOs with shared objectives, is still undertaking many projects and actions. RNSP is still active and trying to pass the Goals’ Act federally. Some group members tried to create a new political party, Rede Sustentabilidade, in Brazil. Globally, Natura’s Guilherme Leal is one of 14 initial leaders that Virgin Group founder Richard Cranson invited to partake in a project called “B Team.” The B Team
mission is “to catalyze a better way of doing business for the well-being of people and the planet.” This global approach seems relevant, given that one interviewee claimed the sustainability project could only be deeply incorporated if governments and markets beyond Brazil would accept and valorize it.

Thus, we observed a power elite (Mills, 1956) that is still under construction, or the work of a group of people trying to achieve more power decision in Brazil, as well as the world. The literature on elite has diminished (Savage and Williams, 2008) and, specifically, in organization theory is limited (Zald and Lounsbury, 2010). One reason for the diminishing research is that critics claim elites are in greater competition than when working together as a class; an argument that we can corroborate by the example of this research. Acknowledging that competition, Zald and Lounsbury (2010) propose a new way to understand elites, calling attention to the role of expertise, specific positions, and topics dealing with commanding posts for instance on the board of directors; the regulatory arena; and social movements. They call for researchers to investigate how professionals and people in these areas interconnect to shape legal institutions. Most of the recent studies, however, focus on elites inside organizations (Diefenbach and Sillince, 2011; Courpasson, 2000) or in professional and class discussion (Alvesson and Robertson, 2006; Maclean, Harvey and Kling, 2014). Our case represents a broad approach and discuss the intermingling of various areas (regulatory, social movement, corporations) and indicates that an elite might establish such organizations with people of diverse classes to work towards a specific ideal or understanding about how “society should work.” Thus, differing from Maclean, Harvey and Kling (2014) work that show that power elites tend to choose one another. In our case, it was necessary that this power elite would choose others to be representative of society.

Our case showed, especially when discussing the role of history in creating a subject position, this power elite construction along time. Specifically, we showed the part of RNSP in this process; as RNSP is not only a space that enables accountability and participation in São Paulo, but allowed this business elite to strategically changes its position to influence the government to its benefit. This finding is similar to Vizeu and Bin’s (2008), which demonstrates that the Conselho de Desenvolvimento Econômico e Social (Social and Economic Development Council, CDES), initially created to enlarge
society’s participation in the government, was also helping its actors strategically evolve their interests. They show that participation did not occur because the participants’ political equality was unrecognized, and that the government listened to the discussion yet acted in agreement with their own political conception. Trying to show a more participatory government with the creation of CDES but changing nothing about their way of governing. Furthermore, other Council members, such as business people or left wing groups similarly focused on strategic gain.

In our case, social movements have a strategic understanding of RNSP, as we discuss in the last article. Both businesses and CSOs help one another to achieve their interests, demonstrating the relevance of social movements in the elite project. RNSP created a social bloc, political centers, or a hybrid governance of elite grouping (Reed, 2012). We can further state that this case represents a command situation in which we can analyze the “dialectical interplay between institutional (the power as domination) and interstitial (power as network) power as it opens up new ‘zones of maneuver’ that are exploited, with varying degrees of strategic vision and tactical skill, by hierarchically stratified elite groups as they strive to shape and control the governance regimes” (Reed, 2012, p. 214). Precisely, this elite group trajectory shows the creation of a network over time; how to influence a “network” organization, in the case RNSP; and the way that institutions allow domination and that is pursued by groups aiming at achieving greater power. This was possible due to the network creation and the enactment of institutional work. We propose that the social mobility of this progressive elite happened not only because of their institutional work but also of other actors (such as CSOs) institutional work. However, they were still able to have a certain degree of control over these other actors, as discussed in the third actor. Thus, we propose a relationship between types of institutional work based on agentic elements and power.

Institutional work is the purposive action to create, maintain or interrupt institutions (Lawrence, Suddaby and Leca, 2011). Although the literature of institutional entrepreneurship (or the creation of news institutions) focuses on a small group of actors with heroic characteristics (Lounsbury and Crumley, 2007; Lawrence, Suddaby and Leca, 2011), later studies show the distributed agency of institutional creation (Garud and Karnoe, 2003; Delbridge and Edwards, 2008). According to these studies, institutional
creation is a process that many actors engage and are needed to create institutional change. The literature, however, does not explain deeply how this distributed agency would occur and the role and power of each actor. Importantly, how actors activities with different interests allow the advancement of one specific group aim is not addressed. Our case gives a more detailed explanation of this question. To that, we identified that diverse actors enact different types of institutional work.

The progressive elite engaged in the beginning of RNSP and maintained the executive secretariat activities. And the civil society organizations were important in the daily activities of RNSP and to push to the Law creations and proposing new projects. Therefore, we understand that each actor had a different type of agency than others.

We draw on the agency concept of Emirbayer and Mische (1998) to discuss this distinction. According to the authors, agency is an engagement of actors in a specific time and context to reproduce or transform structures. They identify three agentic elements: habit or iteration, imagination or projection and judgement or practical-evaluation. The first element, iteration, regards the routines and habits that actors engage giving stability to a specific institution. The projective element is the imagination by actors of different paths and trajectories of actions to reconfigure an institution. Lastly, the practical-evaluative element concerns the ability of actors to make normative judgements about different possible trajectories and to respond to demands of the environment.

For the authors, the three elements occur in any action, however one might be more saliente than others. We analyzed that different institutional work engage more with a specific element of agency and this relationship can indicates the power relations in the future. Based on the case studied in this thesis, we propose that the projective element of agency is related with the early stages of institutional change when an organization is created to enact this change. Thus, the early and projective work sets the path for the later actions, thus proposing norms, rules and structures to the actions of other actors. The ability to imagine and create this structures and norms enable a power of the group engaged in this activites to influence the other actors that are going to engage in practical-evaluative and iterative work.

We can understand rhetorical history as institutional work. As discussed in the first article, this work was held majoritly by the progressive business elite first using
media discourse and historical construction of RNSP. They framed RNSP history and its previous organization in a way that was favorable to them, putting Oded Grajew in the centrality of the narrative and portrayed as the founder of this so needed and diverse organization (RNSP). As showed in the last article, this group also imagined RNSP, what was its mission, vision, how it was going to be composed, the need to an Executive Secretariat, for a General Council, for working groups, who should participate. It was this institutional work that created rules, norms, and identity for RNSP. Thus, when a different member, for example, a social movement would participate, they would follow RNSP’s scheme.

At the same time, RNSP’s participants on working groups have leeway to act and were the actors that would be frequently discussing and meeting with the municipality representatives. Thus, using more the practical-evaluative element of agency. In our case, the design of RNSP created the Executive Secretariat as the representative of RNSP and thus, most meeting were schedule by them for the working groups. At the same time, the progressive business elite knew that RNSP’s members would likely engage in activities that would be socially and political favorable to São Paulo. The main goal of RNSP was to create a strong organization that would allow this group to have even a higher subject position, and not to accomplish some specific institutional change in the city; any institutional change that the participants would achieve was a bonus to the group. For this group, there is no risk in allowing RNSP’s participants to be the most active, it actually could be understand as dimishing the costs. RNSP would be the one that accomplished change with the work of many CSOs.

Concluding, we propose a relationship between the most proeminent element of agency and the power to influence. Thus, the type of institutional work with more power (or influence over other actors) is the one that have a high level of projective agency. Institutional work with most practice-evaluative element of agency has a medium level o power. Finally, when the iterative element of agency is more salient, the less power the actor is going to have regarding distributed institutional agency.

We showed in this thesis how a progressive business elite was able to articulate institutional changes, using many actors and engaging in institutional work, allowing their social mobility. Specifically, focusing on business people, we examined the
numerous organizations creations and institutional change projects whose implementation constructs this group as a power elite. We further discussed how we understand the way that this group acted, with CSOs and social movements, as implicit corporate political activity, and how they were able to influence RNSP and convince social movements to partner with them.

It is important to not that this work has limitations. The research is based only in a single case. To be able to generalize theory, further researches are needed to corroborate our theoretical propositions. It was also a specific case that happened in Brazil, additional discussion of types of ICPA and how corporate influence CSOs should focus in other national context to evaluate whether those practices happen in other environments. If researches find that our findings are restrict to Brazil, it would be interesting to elaborate contingencies about why ICPA happens in this country and not in other.

Regarding the CSOs participating in RNSP and our discussion on how social movements use RNSP strategically and have a critical and reflexive understanding of the process, we interviewed mostly people that was part of the Participatory Democracy working group. Interviews with members active in different working groups might have shed light to different directions. Further research could more deeply adress how these CSOs and social movements that are still active in RNSP, act to have a position inside RNSP of governmental influence.

Another important limitation is the lack of interviews and discussion with actors that were not part of RNSP but was affected by them. Thus, although we understand that RNSP’s institutional changes are positive, we did not look at how they affect, for instance, the media and legislative branch, which might show other intended or unintended consequences of RNSP’s actions.

Furthermore, on the topic of RNSP’s results, it is important to understand whether the civic arena of São Paulo is indeed using the Goals Act indicators to make demands on the government, whether the Councils whose creation RNSP advocated are being heard or only formally created as CDES. Thus, we believe that many other studies could address this case and shed light on how this institutional development impacted other actors beyond the progressive business elite discussed here.
Considering elite formation, additional research could understand the other projects and organizations created by this group. We discussed some of these organizations in the first article and explained they importance on allowing the groups social mobility. However, we did not discuss the actions that took place after RNSP’s creation, as stated before, for example, discussing the creation of *Rede Sustentabilidade* (Sustainability Network) and many other organizations this group founded. As we focused our research on this group trying to influence the government without being a “traditional political actor” (political party or policy maker) and, moreover, positioning as a non-partisan group; it is important to understand how some individuals in this groups changed to the field of real politik and how that is affecting the actions of RNSP as well as this power elite project. In one of our interviews, RNSP’s coordinator stated that a difficulty of RNSP was to argue and “prove” that they were not working in the interests of a particular political party. With the new developments of this group, especially the initiative to create *Rede Sustentabilidade*, we believe that this former difficulty might have been central again. This might have created also separations inside the initial group of business people; intensified by the name chosen to the new party that is similar with the RNSP name and propositions.

Despite its limitations, we posit and hope that this research opens new avenues to discuss how corporate power and corporate elites try to influence the government and society in implicit and indirect ways. Furthermore, we call for studies to explore the power and interests dynamics between the different groups (social movements, CSOs, business) and how less powerful groups are able to negotiate and advance their interests in these new form of political engagement.

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96


doi: 10.5465/amp.2011.0164


