HEC MONTRÉAL

Two Essays about Community Engagement

by

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ABSTRACT

Community engagement has emerged as a significant business practice over the last decades. It is broadly defined as the process implemented by companies to work collaboratively with and for individual citizens and geographically defined community groups to address issues affecting their social well-being.

This thesis, based on two essays, explores two issues related to community engagement. First, I explore the existence of multiple and contrasting understandings of the concept of community; and second, I examine the roles that government can assume, and how this influences interactions between business and society.

In the paper *Community and Community Development: Conceptual Clarifications*, I propose conceptual clarifications of the definition of 'community'. Moreover, after identifying the major differences and similarities between the sociological definition of 'community' and 'society', and the interpretation of 'community' in the field of management studies, I contrast the notions of development *in* and development *of* community. I invite managers to better understand what a community is and how their companies can contribute to its development before engaging in this endeavor. With this in mind, it is expected that managers will be able to define practices that can establish a long-term, mutually beneficial relationship while contributing to the development and empowerment of communities.

In the paper *Government, Businesses and Communities: exploring a process of Framed Empowerment* written with Emmanuel Raufflet, we describe a process of community framed empowerment. This oxymoron refers to the ambiguous situation in which corporate-community engagement outcomes are fenced in by governmental definitions, according to the role assumed by the government. This discussion is based on the analysis of *Projeto Diálogo*, a community

engagement process conceived and developed by the promoters of a hydro power plant in the Marabá area in northern Brazil. A detailed examination of this project shows that conflicting government functions can be a source of ambiguity for companies when exercising corporate citizenship.

The two papers are followed by a discussion and proposals for future research topics.

Keywords: *definition of community, roles of government, community development, community engagement, framed empowerment, Corporate Social Responsibility.*

RÉSUMÉ

L'engagement communautaire a émergé comme une pratique de gestion importante au cours des dernières décennies. Il est largement défini comme le processus mis en œuvre par les entreprises pour travailler en collaboration avec et pour des individus et des groupes communautaires délimités géographiquement afin de traiter de questions qui touchent à leur bien-être social.

Ce mémoire, qui repose sur deux articles, aborde deux questions liées à l'engagement communautaire. D'abord, j'aborde l'existence de multiples interprétations de la notion de communauté et, deuxièmement, j'examine le rôle de l'État et son influence sur les interactions entre les entreprises et la société.

Mon article *Community and Community Development: Conceptual Clarifications* propose des clarifications conceptuelles de la notion de « communauté ». Par ailleurs, après avoir identifié des différences et similitudes entre la définition de 'communauté' dans le domaine des études en gestion et en sociologie, je contraste les notions de développement *dans* et *de la* communauté. Le document invite les gestionnaires à mieux comprendre ce qu'est une communauté et comment leurs entreprises peuvent contribuer au développement communautaire, avant de s'engager dans une telle démarche. Avec cette compréhension, les gestionnaires seront mieux outiller pour définir les pratiques qui permettront un engagement avec la communauté à long terme, dans une relation qui soit bénéfique pour toutes les parties, et qui contribue au développement et à l'autonomisation (*empowerment*) de la communauté.

Dans l'article *Government, Businesses and Communities: exploring a process of Framed Empowerment* publié avec Emmanuel Raufflet, nous décrivons un processus d'autonomisation communautaire encadré. Cet oxymoron décrit la situation ambiguë dans laquelle les résultats de l'engagement entre les

entreprises et les communautés sont confinés par des directives gouvernementales, selon le rôle assumé par l'État. Cette discussion est basée sur l'analyse de *Projeto Diálogo*, un processus d'engagement communautaire élaboré et mandaté par les promoteurs d'une centrale hydroélectrique dans la région de Marabá au nord du Brésil. Une analyse détaillée de ce projet démontre que les rôles contradictoires de l'État peuvent être une source d'ambiguïté pour les entreprises lors de l'exercice de la citoyenneté corporative.

Les deux articles sont suivis par une discussion et des pistes de recherche.

Mots-clés *: définition de communauté, rôles de l'État, développement communautaire, engagement communautaire, autonomisation encadrée, Responsabilité Societale des Entreprises.*

RESUMO

O envolvimento comunitário (community engagement) emergiu como uma prática significativa de negócios nas últimas décadas. Tal atividade corresponde ao processo implementado por empresas com o objetivo de trabalhar para e em colaboração com indivíduos e comunidades definidas geograficamente em torno de questões que afetam bem-estar social destes.

A presente tese, baseada em dois artigos sobre envolvimento comunitário, explora as seguintes questões fundamentais: em primeiro lugar, discute-se a existência de múltiplas interpretações do conceito de 'comunidade'; e posteriormente, examina-se o papel do governo e sua influência nas interações entre as empresas e a sociedade.

No artigo *Community and Community Development: conceptual clarifications*, são propostos esclarecimentos conceituais sobre a definição de "comunidade". Além disto, o artigo ressalta semelhanças e diferenças na definição de 'comunidade' no campo de estudos de gestão e da sociologia, e salienta a diferença entre as noções de desenvolvimento *na* comunidade e desenvolvimento *da* comunidade. O texto convida gestores a melhor compreender o que é uma comunidade e como as empresas podem contribuir para o desenvolvimento comunitário, antes de investirem neste processo. À partir desta compreensão, os gestores estarão mais bem equipados para definir práticas e ações que lhes permitirão estabelecer uma relação de longo prazo com a comunidade, que contribua para o desenvolvimento e autonomização (*empowerment*) desta e que seja benéfica para todas as partes.

No artigo *Government, Businesses and Communities: exploring a process of Framed Empowerment* co-redigido com Emmanuel Raufflet, é descrito um processo de autonomização engessada. Este oximoro refere-se à situação ambígua onde os resultados do envolvimento empresa-comunidade são restringidos por diretrizes governamentais, de acordo com o papel assumido

pelo governo. Esta discussão tem como base a análise do *Projeto Diálogo*, um processo de comunicação social concebido e executado pelos promotores da usina hidrelétrica de Marabá, no estado do Pará, Brasil. A análise detalhada do projeto revela que o fato do governo assumir papéis conflitantes pode ser uma fonte de ambigüidade para as empresas no exercício de cidadania corporativa.

Os dois artigos são seguidos por uma conclusão e de sugestões para pesquisas futuras.

Palavras-chave: definição de comunidade, papel do governo, desenvolvimento comunitário, envolvimento comunitário, autonomização engessada (*framed empowerment*), Responsabilidade Social Empresarial

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Thanks to all of my professors for their teachings, to all how revised my writing and helped me to get back in track, as well as to the staff and the team of librarians at HEC for their kind assistance.

Thanks to all my friends who became my surrogate family during my odyssey in Quebec, a place that now thanks to them, I can call home.

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FOREWORD

If the structure does not permit dialogue,
the structure must be changed.

Paulo Freire

Over the last decades, Corporate Social Responsibility (CSR), an ongoing corporate social commitment to balance the economic objectives of business with greater social objectives, is gaining a lot of attention from researchers and practitioners (Carroll & Shabana, 2010; Dahlsrud, 2008; WBCSD, 2000). However, this concept is currently at a threshold; dividing its future between remaining a limited group of managerial tools or becoming a set of valuable practices to promote the public good, create shared value and generate a meaningful net contribution to the sustainability of business and society (Castill, 2005; Porter & Kramer, 2011).

One CSR area of application, commonly understood as the process implemented by companies to work collaboratively with and for individual citizens and community groups to address issues affecting their social well-being, concerns 'community engagement' (Bowen, Newenham-Kahindi, & Herremans, 2010; Fawcett et al., 1995; Hall & Carolina, 2006; Scantlebury, 2003; Schoch-Spana, Franco, Nuzzo, & Usenza., 2007; Tindana et al., 2007).

Like CSR, community engagement means many things to many people.

For academics such as Bowen et al (2008), such type of stakeholder engagement is described as a set of processes by which a focal organization engages in a wealth-creating process for a significant period of time with a specific community defined by its locality. Community engagement – as a mean of evaluating community needs, finding solutions and creating opportunities – contributes towards community development (Muthuri, Chapple, & Moon, 2009). According to Muthuri (2007), community development is neither the distinct prerogative of governments nor of businesses but rather the responsibility of all societal actors to collaborate in solving complex social problems, creating new opportunities in the process, and attending to the institutions within which these governing activities take place.

On the other hand, for practitioners community engagement is seen as a corporate-community relationship and a key initiative to manage corporate social impact, to develop and enhance societal legitimacy, to obtain or retain a business license to operate, to secure operational success and even to ensure a company's long-term survival (Aguilera, Rupp, Williams, & Ganapathi, 2007; Bansal & Roth, 2000; Bowen, et al., 2008; Ernst & Young, 2011; Skåra, 2003; Veleva, 2010; Welcomer, Cochran, Rands, & Haggerty, 2003). Being consistent with the company's business strategy and part of its strategic CSR approach, a community engagement process is expected to help achieve social and economic benefits simultaneously for both company and for society (Boehe, Barin-Cruz, & Ogasavara, 2010; Husted & De Jesus Salazar, 2006; Porter & Kramer, 2006). In practice, community engagement methods include philanthropy, employee volunteering, training and technical assistance, reporting, definition of policies, dialogue and joint decision-making (Andrews,

Cowell, Downe, & Martin, 2006; Bowen, et al., 2010; Chappell, 2008; Corporate Citizenship, 2010; Gelmon, Seifer, Kauper-Brown, & Mikkelsen, 2005; GRI 2008; Johnson, 2010).

All in all, community engagement, perceived as vital initiatives and investments for the establishment of a cordial relationship between responsible companies and their host communities (Eweje, 2006), are processes that can bring substantive social improvement for the communities (Bowen, et al., 2008; Zandvliet & Anderson, 2009); and, thus, contribute to their development (Muthuri, et al., 2009).

Yet, it is still not clear when and how to implement community engagement processes and even what measures and methods of measurement are appropriate, accurate or legitimate (Bowen, et al., 2008).

Two factors to consider are: (1) the multiple, ambiguous understandings of community and (2) the role of the government and its influence in business and society interactions.

Several authors communities (Bansal, 2005; Bowen, et al., 2008; Muthuri, 2007; Zandvliet & Anderson, 2009) have highlighted the limited concern displayed by managers in preparing the relations with communities early on. This includes not clearly identifying the specificities of communities they are willing to engage with, or not clearly recognizing their role as community developers or as facilitators of enhanced community well-being. In other words, despite the emergence of community engagement and development as fields of practice for corporations

operating in a local milieu, the concept of community and the form of development intended still remain vague.

Another often overlooked issue is the role of government and its influence on interactions between business and society. Through a comprehensive set of specific policies prescribed in the public interest (Geller, Schaeffer, Szklo, & Tolmasquim, 2004; Mitnick, 1989) as a potential antidote to profit motives (Kurland & Zell, 2011) or as a stimulus to substantive improvements in corporate behavior and performance (Vogel, 2010), governments have various impacts on a nation's economic health. Governments can promote conditions for economic development (Rostow, 1955a, 1955b), determine national competitive advantage (Pasquero, 2000), affect competitive dynamics within markets (Porter, 1990), and shape the very nature of the corporation itself (Coen, Grant, & Wilson, 2010). This interventionist role of the government has often translated into the promotion and implementation, most often along with the private sector, of large-scale development schemes and infrastructure projects, such as hydro power plants (Scott, 1998; Selznick, 1949; Tinbergen, 1967). On the other hand, assuming that market failures or competitiveness may distribute incomes in socially unacceptable ways and leave individuals and groups in situations of social and economic exclusion or low participation (World Bank, 1997, p. 26), government is therefore expected to promote fairness and justice, especially when it comes to protecting the most vulnerable groups in society. As a major societal actor, governments not only influence but also fence in corporate-community relations, according to which role governments assume and promote.

To identify corporate strategies that contribute to the development and empowerment of communities and to the establishment of a long-term mutually beneficial relationship between business and society, corporations would benefit from understanding the domain they share with community and government. Managers could gain from an improved understanding of the sociological concept of a community; while also grasping the different roles a government can assume and what the resulting consequences could be. To summarize, as promoters of community engagement initiatives, managers would benefit from understanding the role of all stakeholders, and the relations among them, prior to engaging in this endeavor.

To support this argument, this master thesis is organized around two journal articles:

- Community and Community Development: conceptual clarifications, and
- Government, businesses and communities: exploring a process of framed empowerment.

Community and Community Development: conceptual clarifications.

The first article was published in the Innovation-RICEC Review, vol 3, n. 1, 2011, contributing to the discussion on the need to enhance synergies between scientific actors and those in the governmental and production sectors, when considering economic and social and environmental issues.

In this article, I propose conceptual clarifications of the definition of 'community'. Moreover, after identifying the major differences and similarities between the sociological definition of 'community' and 'society', and the interpretation of

'community' in the field of management studies, I contrast the notions of development *in* and development *of* community. To conclude, the paper invites managers to better understand what a community is and how their companies can contribute to its development before engaging in this endeavor.

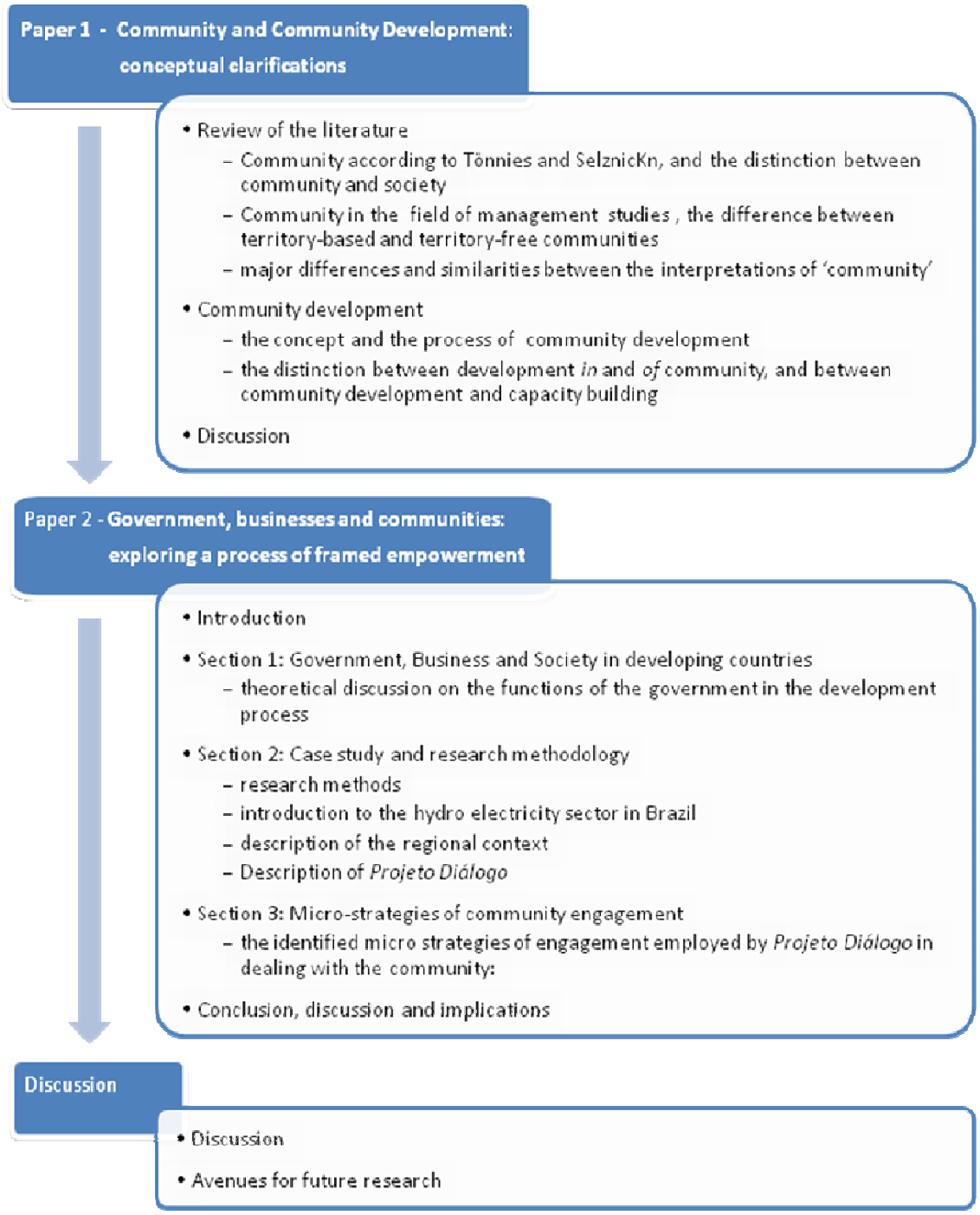
Government, Businesses and Communities: exploring a process of Framed Empowerment

The second article, written with Emmanuel Raufflet, was submitted in November, 2011 for the Business & Society 2013 special issue 'The Role of Governments in the Business and Society Debate', devoted to exploring the role of governments in promoting a holistic approach to the solution of social and environmental problems.

In this article, we explore a process of *community framed empowerment*. This oxymoron refers to the ambiguous situation in which corporate-community engagement outcomes can be restricted by governmental definitions, which vary according to the societal function assumed by the government. This discussion is based on the analysis of *Projeto Diálogo*, a community engagement process conceived and developed by the corporate promoters of a hydro power plant in the Marabá area in northern Brazil, whose objective is the provision of resources and information to local communities on the proposed national interest infrastructure project. A detailed examination of this project shows that conflicting government roles can be a source of ambiguity for companies when exercising corporate citizenship.

The two papers are followed by a discussion. In the final section, I give the main conclusions of the papers and suggest some topics for future research. The structure of the document is summarized in the following scheme.

figure 1 - The structure of the thesis



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PAPER 1

COMMUNITY AND COMMUNITY DEVELOPMENT: CONCEPTUAL CLARIFICATIONS

Community and Community Development:

conceptual clarifications

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Innovation/Innovación/Inovação – RICEC, vol.3, nº1, 2011

This text has been edited since its original publication.

ABSTRACT

Community engagement and community development have not only become significant topics for research across disciplines but they are also present as a bourgeoning field of practice for corporations operating in a local milieu, through corporate social responsibility policies and projects. Yet, it is often unclear which community development process is relevant and appropriate in a given context, how it can be implemented and how the resulting impacts, along with questions of efficiency, be measured. Furthermore, managers could gain from an improved understanding of what community is and how their companies can contribute to its development before engaging in this endeavor.

The main objective of this paper is to propose conceptual clarifications of the definition of 'community' as they pertain to a set of corporate social responsibility practices which have increased in importance over the last few years. First, the paper presents differences between 'society' and 'community' from a sociological perspective, as presented by distinguished authors such as Tönnies and Selznick. Second, it identifies how the concept of 'community' is presented in the definition of community in the field of management studies. Third, the paper contrasts the notions of development *in* and development *of* community. Finally, the paper invites managers to better understand what a community is, and how their companies can contribute to its development before engaging in this endeavor. With this in mind, it is expected that managers will be able to define practices that can establish long-term, mutually beneficial relationships while contributing to the development and empowerment of communities.

Keywords *– definition of community, community engagement, community development, Corporate Social Responsibility, Corporate Community Involvement.*

RÉSUMÉ

L'engagement de la communauté et le développement communautaire sont devenus non seulement une problématique majeure, mais également un important champ d'intervention pour les entreprises qui les considèrent comme partie intégrante de leurs politiques de responsabilité sociale. Cependant, nous avons peu de connaissances sur la mise en œuvre et l'efficacité du processus de développement communautaire. Il apparait essential pour les gestionnaires de mieux comprendre les attentes des communautés, ainsi que la manière dont les entreprises peuvent contribuer à leur développement avant de s'engager dans des politiques de RSE.

L'objectif principal de cet article est d'éclairer, dans une perspective conceptuelle, la notion de « communauté »; un élément important pour un ensemble de pratiques responsables en forte croissance ces dernières années. Après avoir identifié des différences et similitudes entre la définition de 'communauté' dans le domaine d'étude en gestion et de la sociologie, et avoir différencié le développement *dans* et *de la* communauté, il est possible pour les gestionnaires d'envisager un engagement avec la communauté sur le long terme, dans une relation qui soit bénéfique pour toutes les parties, contribuant au développement et à l'autonomisation (*empowerment*) de la communauté.

Mots clés - *engagement de la communauté; développement communautaire; Responsabilité Sociale des Entreprises; implication communautaire des sociétés.*

INTRODUCTION

Community is increasingly mentioned and recognized by corporations as a high priority stakeholder (Carroll, 1999; Freeman, 2005; Jackson & Nelson, 2004; Kobeissi & Damanpour, 2009; Raufflet, Berranger, & Gouin, 2008; Warhurst, 2004; Zandvliet & Anderson, 2009). Nevertheless, there is no common understanding of the concept of 'community' and how it develops. Furthermore, community development has distinctive origins and distinctive effects. This managerial challenge cannot be properly addressed apart from an understanding of the fundamental bonds and interactions among people who live together and constitute a community (Boehm, 2005; Theodori, 2005; Wilkinson, 1991).

To identify corporate strategies that contribute to improving community well-being, managers could gain from an improved understanding of the differences between 'society' and 'community', as defined by several prominent sociological authors, and how these two concepts have been merged in defining community in the management field. Only then, is it relevant to discuss managerial perspectives on how communities influence the decisions and operations of companies, and how companies can respond through community engagement initiatives.

Thus, before becoming involved in the community, managers would benefit from asking, three of questions. First, what is the concept of a community? Second, how can a community be developed? Finally, how does the development *in* community differ from the development *of* community?

This paper proposes, based on distinguished sociological authors such as Tönnies and Selznick, an understanding of 'community'. Moreover, it highlights what management research has to offer in terms of community development. This combined analysis is intended to invite managers to better understand what a community is, and how their companies can contribute to its development before engaging in this endeavor. With this in mind, it is expected that managers will be able to define practices that can establish long-term, mutually beneficial relationships while contributing to the development and empowerment of communities.

COMMUNITY, ACCORDING TO TÖNNIES AND SELZNICK

To illustrate the concept of 'community' from a sociological perspective, a literature review, based on the work of Tönnies and Selznick, was conducted. These two authors were selected for being representative of both classic and contemporary sociological thought on the concept of community. On the one hand, the German sociologist Ferdinand Tönnies (1855 – 1936) is recognized for being a major contributor to sociological theory and field studies, best known for his distinction between two types of social groups, *Gemeinschaft* and *Gesellschaft (*Tönnies, 1988; 2001). On the other hand, Philip Selznick (1919 – 2010), sociologist and legal scholar, is recognized for his influence in the fields of institutional and organizational sociology, the sociology of law, moral and social (public) philosophy and in his later years, humanity and community. In the context on modernity on post modernity, Selznick combines the concepts of the nature of personality, institutions and community to present his perspective of "moral community" (Selznick, 1949, 1987, 1994, 2008; Selznick et al., 2002).

COMMUNITY AND SOCIETY

According to Winter (2007), analyzing social formations in terms of *Vergemeinschaftung* ('Communitarisation') and *Vergesellschaftung* ('Socialization') helps to identify the differences between 'Community' and 'Society'.

'Communitarisation' designates traditionally and affectionately motivated social actions that are oriented primarily towards a peaceful exchange in a *Gemeinschaft* ('community'). 'Socialization' represents limited and purely rationally motivated collaboration among competitors in a same *Gesellschaft* ('society'). These two concepts were modeled by Weber (1971) upon the formulation introduced by Tönnies in 1887 in his book *Gemeinschaft und Gesellschaftand*.

According to Tönnies, individuals living in a 'community' (*Gemeinschaft*) are regulated by dense bonds and obligations, interdependence and 'shared mores' among people who know one another. Those relations are forged by relatively simple social institutions, i.e., personal relationships and strong family ties (Tönnies, 1988; Verity & Jolley, 2008; Waddell, 2005; Winter, 2007).

In the words of Tönnies,

> *"The associations of Gemeinschaft are most perfectly interpreted as friendship, Gemeinschaft of spirit and mind based on common work or calling and thus on common beliefs. Among the numerous manifestations of Gemeinschaft association are guilds, fellowships of the arts and crafts, churches and holy orders. In all these the idea of the family persists. The prototype of the association in Gemeinschaft remains the relationships between master and servant or, better, between master and disciple […]"(Tönnies, 1988, p. 192)*

Distinctively, Tönnies (1988) argues that a 'society' (*Gesellschaft*) is maintained through individuals acting in their own self-interest, and their environment is dominated by ties that are utilitarian and based on external characteristics such as language. Thus, the affinities are characterized by secondary relationships between formal institutions rather than by family or community ties. As a result, these relationships tend to be episodic and contractual and aim to the achievement of desired ends, mirroring the capitalist market contracts. In such a way, the essence of 'society' is rationality and calculation (Tilman, 2004; Verity & Jolley, 2008; Waddell, 2005).

According to Tönnies,

> *"The relationship of the first type [Gemeinschaft or 'community'] comes under the family law and law of possession; the others [law of Gesellschaft or 'society'] belong to the law of contracts and property law." (Tönnies, 1988, p. 192)*

Tönnies continues,

> *"The theory of Gesellschaft takes as its starting point a group of people who, as in Gemeinschaft, live peacefully alongside one another, but in this case without being essentially united – indeed, on the contrary, they are here essentially detached. In Gemeinschaft they stay together in spite of everything that separates them; in Gesellschaft they remain separate in spite of everything that unites them.*
>
> *[…] Nothing happens in Gesellschaft that is more important for the individual's wider group than it is for himself. On the contrary, everyone is out for himself alone and living in a state of tension against everyone else. The various spheres of power and activity are sharply demarcated, so that everyone resists contact with others and excludes them from his own spheres, regarding any such overtures as hostile. […] Nobody wants to do anything for anyone else, nobody wants to yield or give anything unless he gets something in return that he regards as at least an equal trade-off. […] all goods are assumed to be separate from each other, and so are their owners. Whatever anyone has and enjoys, he has and*

> *enjoys to the exclusion of all others – in fact, there is no such thing as a 'common good'. Such a thing can only exist by means of a fiction on the part of the individuals concerned" (Tönnies, 2001, p. 52 and 53)*

NATURAL WILL AND RATIONAL WILL

Several recent studies and research still use Tonnies's conceptualization of *Gemeinschaft* (community) and *Gesellschaft* (society) as a reference point to their analyses (Inglis, 2009; Verity & Jolley, 2008). However, they often omit to mention the crucial fact that such types of social formations are themselves derived from two forms of 'will': 'natural will' and 'rational will'.

These 'wills' are the ways individuals conceptualize the world around themselves and how they act therein, especially when they are relating to others . On the one hand, 'natural will' (*Wesenwille*) involves a judgment as to the intrinsic value of an act rather than its practicality. It is characterized by strong affection and group-oriented feelings that constitute a 'communal' social order. On the other hand, 'rational will' (*Kürwille*) involves a conscious choice of a specific mean for the pursuit of a specific end that involves a high level of individualistic calculation of what constitutes the 'societal' social order (Inglis, 2009; Mitzman, 1987; Tönnies, 1988; Verity & Jolley, 2008).

Moreover, after observing the European historical processes of change that culminated in the development of European modernity[1], Tönnies noted in 1887 that

[1] The transition from early Roman history to the period of the Roman empire, and the transition from feudalism to 'modernity' in northern Europe from circa the sixteenth century. For Tönnies, these periods of transition were similar because "they involved shifts from *Gemeinschaft*-like to *Gesellschaft*-style social conditions, from a situation whereby tightly-bound, affectively-based groups were the main sorts of social actors, to one where rationally-calculating, selfish individuals occupied centre stage in the social order" (Tönnies, quoted in Inglis, 2009 : 817)

'societies' and, consequently the 'rational will,' are proliferating as the dominant social formation (Tönnies, 1988; 2001;). According to Inglis (2009), Tönnies suggested that, even if the roots of economic globalization are driven by attitude and mindset, rather than technology the global proliferation of 'rational will' has had a significant impact in establishing the social conditions that shapes 'society'.

VARIABLES FOR THE CONCEPTION OF COMMUNITY

Sociologists often argue that community necessarily implies that family bonds and locality are, in general, the most congenial conditions for forming and sustaining a community life, primarily because a shared understanding of a common good is enhanced by geographical proximity (Selznick, 1994 ; Tönnies, 1988).

In the words of Tönnies,

> *"The prototype of all unions of Gemeinschaft is the family. […] The three pillars of Gemeinschaft – blood, place (land), and mind, or kinship, neighbourhood, and friendship – are all encompassed in the family, but the first of them is the constituting element of it" (Tönnies, 1988, p. 192)*

Community as proposed by Selznick

In more recent years, Philip Selznick presents his parallel and cumulative theories of the moral person, community and institutions which are closely connected due to the interdependence of morality and well-being (Selznick, 2008), and to the relationship between morality, law, politics and coercion (Nonet et al., 1978; Selznick, et al., 2002). For Selznick (1994), morality is a feature not just of individuals (socialization) but also of institutions (institutionalization). While socialization considers the

transformation of human animals into moral persons, institutionalization is the formation of groups and its practices.

In the words of Selznick,

> *[I]n many societies, law is a mainstay of cultural identity. It is also the bridge between justice and community. Law pours content into abstract principles of justice; gives them a distinctive configuration; binds them to a special ethos and a special history. This process is market by an inescapable tension […] How that tension is resolved is a key to the contraction of moral communities" (Selznick, 1994, p.435).*

Moreover, for Selznick, community is not only based on shared identity, shared purpose, or shared understanding of a common good, nor is it based on the three pillars ('blood, place, and mind') proposed by Tönnies. Rather, is "a 'unity of unities' with a 'richly textured social fabric' – full of individuals who are 'independent and interdependent'" (Krygier, 2002).

For Selznick (Selznick, 1987), a community is not a special purpose organization, but a locus of commitment and a setting within which mediated participation takes place. It supposes relatively self-regulating activities, groups, and institutions with substantial degree of autonomy and rationality. Is sum, it is a fictitious body, composed of individual persons, who are its members, and is formed as a result of seven inter-related variables: historicity, identity, mutuality, plurality, autonomy, participation, and integration (Selznick, 1994).

table 1 - seven interacting variables for the conception of a community (based on Selznick 1994)

Historicity	A shared history and culture. Communities are stronger when they share history and culture and weak when based on general interests and abstract ideas.
Identity	A sense of shared being and/or purpose.
Mutuality	Communities spring from, and are maintained by, interdependence and reciprocity.
Plurality	Community members are also members of other communities. Communities draw much of their vitality from 'intermediate associations' such as families, churches, and other peripheral groups.
Autonomy	Within the emphasis on group identity, it is important that communities and its members respect and protect each individual's identity.
Participation	Within social participation in the community, participants can select the level of intimacy appropriate for any relationship with another participant or with the group.
Integration	All of the above elements in a community should integrate, and be supported by, community norms, beliefs and practices.

Nevertheless, Selznick recognizes the importance of Tönnies's book, *Gemeinschaft und Gesellschaft*, 1887, in understanding the two normal types of human association: 'Community' and 'Society'. However, Selznick points out that *Gemeinschaft*, usually translated as 'Community', just refers to a kind of community: the one that "fully realizes values of historicity and mutuality, and does so even at a considerable cost to personal mobility and autonomy" (Selznick, 1994). For Selznick, the most fully developed community will have a rich and balanced mixture of all these seven elements, which compose the framework where plurality among members may flourish.

However, Selznick highlights that several communities emphasize some of these features rather than others. Different types of communities – religious, political,

occupational, institutional, international – bear different mixes of the seven main elements, and the complex interaction of these elements produce the unique characteristics of the community.

The summary of the sociological definition of ‘community’ and ‘society’, based on Tönnies (1988) and Selznick (1994; 2008), is presented on table 2.

COMMUNITY IN THE FIELD OF MANAGEMENT STUDIES

For Freeman (2005), management, and especially top management, has been looking after the health of corporations by balancing the multiple needs and opinions of conflicting stakeholders, which included communities. Moreover, several authors, such as Bansal (2005) Carroll (1999), and Zandvliet & Anderson (2009), highlight that in today's society, the survival of a company depends on the equilibrium of conflicting perspectives in an entire system of social actors with the objectives of the corporation. One of the major stakeholders that the companies are focusing their engagement initiatives on is 'community' (Bansal, 2005; Carroll, 1999; Freeman, 2005; Jackson & Nelson, 2004; Kobeissi & Damanpour, 2009; Raufflet, et al., 2008; Warhurst, 2004; Zandvliet & Anderson, 2009).

Management researchers usually agree with their sociological colleagues that 'community' is an extremely elusive construct and this term is used in a variety of ways across the literature (Theodori, 2005). Generally speaking, community refers to individuals that share a common bond or tradition, and who support and challenge each other to affirm, defend and advance their values and self-interests. By acting powerfully and collectively, a community can also be perceived as institutions, such as NGOs or community associations, organized to represent a community's shared interests (Bowen, Newenham-Kahindi, & I., 2008; Crane, Matten, & Moon, 2004; London Councils, 2010; Miller, 2002).

TERRITORY-BASED AND TERRITORY-FREE COMMUNITIES

Bowen et al. (2008), in a systematic review of management literature, argue that a community is defined by its geography, economics or social situation. In this same line of thought, Theodori (2005) organizes the vast concept of community under two labels: 'territory-based' and 'territory-free'.

On the one hand, the label 'territory-based' community, as defined by Theodori (2005), refers to geographically localized settlements, shared territory, common life, collective actions, and mutual identity. For Bowen et al. (2008), these communities are primarily characterized by people residing within the same geographic region, but with no reference to the interaction among them.

On the other hand, the label 'territory-free' (Theodori, 2005) is related to social groupings or networks such as "the business community", "the farm community", "the Hispanic community", "the academic community", "the prison community", "the Baptist community", and even "the Internet community."[2] For Bowen et al. (2008), these communities are primarily identified by affinity and regular interactions, regarding their situation, and thus represent "a group who shares a sense of belonging, generally built upon a shared set of beliefs, values or experiences; however, the individuals need not live within the same physical locality".

Another perspective highlighted by Waddell (2005) suggests that 'territory-free' communities, which share the same interests, affinities or situations, may or may not

[2] Virtual communities are new contemporary forms of community that have strikingly different implications for stakeholders exploring theory and practice (Lave & Wenger 1991). Thus, internet-based and virtual communities will not be explored in this present research.

be geographically delimited. Thus, geography and affinities are not self exclusive, since a community can be territory-based, formed by social relationships based on shared affinities or by the combination of both place and affinities.

SOCIAL AND COMMUNITY FIELDS FOR SOCIAL INTERACTION

In contrast to Bowen et al. (2008), Theodori (2005) observes that the interactions among people is extremely relevant to the establishment of a geographic community. For the author, the place itself is not the community. On the contrary, social interaction, the linking element of a community, delineates an area as shared territory, contributes to the wholeness of local life, gives structure and direction to collective actions, and is the source of mutual identity.

Therefore, according to Theodori (2005), geographically shared spaces or locality serve as the setting in which a population meets its daily needs and encounters shared problems. This geographic dimension can be deeply analyzed as ‘social fields’ and ‘community fields’. In the former, sequences of actions are carried out by people generally working for various associations engaging in special interests. In the latter, people and associations pursue general community interests rather than an interest based solely on specific goals. In short, shared spaces are where social interactions occur, and those interactions are a substantive element in creating and maintaining a community.

To conclude, amongst the authors included in this paper who represent leading theory in sociology and management' to be more specific, there is no common definition of ‘community’. The similarities and differences in perspectives are summarized in Table 2.

table 2 – the major differences and similarities between the sociological definition of 'community' and 'society', and the managerial interpretation of community

based on: Tönnies (1988) and Selznick (1994; 2008) – sociology
Bowen et al. (2008), Theodori (2005) and Waddell (2005) – management

Sociological approach to 'Community'	Sociological approach to 'Society'	Managerial approach to 'Community'
Individuals regulated by strong bonds and moral obligations among people who know one another.	A fictitious body, composed of individual persons, who are its members, living alongside one another, but without being essentially united by a common denominator.	A social construction formed by individuals that shares a common bond (same affinities, situation and/or locality). One of the stakeholders whose multiple conflicting claims must be balanced by management decisions.
Characterized by strong affection, family ties, personal relationships, and group-oriented feelings.	Characterized by secondary relationships between formal institutions, in an environment dominated by ties that are utilitarian and based on external characteristics such as language. Maintained through individuals acting in their own self-interest.	Characterized by individuals grouped to support each other; to affirm, defend and advance their values and self-interests. Persists as long as its members ensure its survival and unity.
Traditionally and affectionately motivated social actions that are oriented primarily towards a peaceful exchange in a community.	Represents limited and purely rationally motivated collaboration among members in a same society. Relationships tend to be episodic and contractual and aim to the achievement of desired ends.	By acting powerfully and collectively, a community can also be perceived as institutions, such as NGOs or community associations, organized to represent a community's shared interests.
Driven by shared identity, shared purpose, or shared understanding of a common good.	Involves a conscious choice of specific means for the pursuit of specific ends that involves a high level of individualistic calculation.	Social interaction is the linking element of a community. It is the source of mutual identity, gives structure and direction to collective actions, and contributes to the wholeness of local life and living system.
The three pillars of community are: - family (blood or kinship); - place (land or neighborhood); and - mind (or friendship) The first (family) is the constituting element of community.	Formed by a combination of seven inter-related variables: historicity, identity, mutuality, plurality, autonomy, participation, and integration.	Can be geography-based, affinity-based or a combination of both. However, most community engagement projects are defined by the first, also known as 'host communities.'

COMMUNITY DEVELOPMENT

Like community, 'community development' is neither a term that has a unique definition nor is it a recent issue. In 1968, Biddle and Biddle presented a list of seventeen different and even contradictory definitions. Nine years later, Simpkins highlighted that there was still a lack of a concrete definition of community development, a term that is frequently treated as 'modernization', 'urbanization' and 'industrialization'. In 2004, Hudson argued that "located within definitions of community development are multi-variant worldviews and philosophies containing social justice values and principles, ideas about economic development, community consultation strategies, methods for programs and other work based practices and so on" (Hudson, 2004 : 251).

Yet, even without a conclusive definition, community development advocates seem to agree that community development is a process that goes well beyond local accumulation of wealth and regional income-related growth variables. It involves assisting people to collectively respond to events and issues that affect them and to undertake collective action (Gilchrist, 2003; Sen, 1999; Twelvetrees, 1989).

Thus, since business and society are not distinct entities; both societal actors could settle their individual and collective interests and forge mutually beneficial and trustful relationships in collaborative initiatives (Kobeissi & Damanpour, 2009; Muthuri, 2007).

In this matter, the managerial challenge is not to come up with a definition for 'community development', but to assist community when addressing social, political, economic and environmental issues. In practical terms, if community-driven development is to be effective in delivering social assistance, companies, acting as 'facilitators' or 'developers', need to evaluate and contribute to the pre-existing capacities for collective action that underlie its achievements (Beard & Dasgupta, 2006).

THE CONCEPT OF COMMUNITY DEVELOPMENT

As defined on the handbook prepared by a study conference on community development held in 1957, community development is

> *"[…] a process of social action in which the people of a community organize themselves for planning and action; define their common and individual needs and problems; make group and individual plans to meet their needs and solve their problems; execute these plans with a maximum reliance upon community resources; and supplement these resources when necessary with services and materials from governmental and non-government agencies outside the community" (Great Britain. Colonial Office, 1958)*

Accordingly, community development is a process of building and strengthening the community. It is mainly rooted in place-based communities since 'natural will' occurs predominately, if not exclusively, in direct and continuing contacts among the people who live in the same place (Muthuri, 2007; Summers, 1992; Theodori, 2005; Tönnies, 1988; Wilkinson, 1991).

THE PROCESS OF COMMUNITY DEVELOPMENT

According to Muthuri (2007), development is conceived as both an outcome and a process of social interactions. As an outcome, it describes the result or tasks accomplishment of Corporate Community Involvement (CCI[3]). As a process, community development implies changes at individual, organizational, and/or societal levels with those involved in CCI purposely seeking to improve their own capacity to invoke change.

Likewise, Wilkinson (1991) argues that development is a process, rather than an outcome, of social interaction. Such development exists only because actions are undertaken with positive purposes. In the words of Wilkinson, "[t]his is the case because, in interactional terms action is what produces structure, and not the opposite"(Wilkinson, 1991, p. 94).

Similarly to Theodori (2005), Wilkinson (1991) proposes that community development involves purposive, positive and structure oriented actions. Moreover, the latter adds that community development exists in the efforts, as well as in the achievements, of people working together to address their shared interests and solve their common problems.

[3] Corporate community involvement (CCI) refers to the provision of goods and services to nonprofit and civic organizations by corporations and is commonly treated as a simple peripheral component of corporate strategy or even as falling outside legitimate business endeavors. (Voort, Glac, & Meijs, 2009)

Table 3 - Principles, from an interactional perspective that underlie the process of community development, based on Wilkinson(1991) and Theodori (2005)

Principles, from an interactional perspective that underlie the process of community development
*Community development is **purposive**:*
Unintentional actions can influence people's interaction to initiate and maintain a community.
*Community development is **positive**:*
The purposive intentions of the actors revolve around a shared commitment to improving their lives.
It is not positive because people think it improves their lives; but rather because it contributes to social well-being.
*Community development exists in the **efforts** of people and not necessarily in the goal achievement:*
Community development is a purposive action undertaken with positive intentions to improve the community structure.
By this concept, trying is enough to qualify it as a community development.
*Community development is **structure oriented**:*
The purposive and positive actions of actors are direct attempts to establish and/or strengthen the community as an interlinking and coordinating structure of human relationships.
Structural orientation is the central quality of community leadership.

DEVELOPMENT IN AND OF COMMUNITY

Theodori (2005), when studying the concept of local development, suggests that is possible to distinguish between two types: 'development *in* community' and 'development *of* community'. For Bowen et al (2008) and Eweje (2006), both forms of development are not only exclusionary, and both affect the well-being of the local population or host community.

'Development *in* community' refers to an approach that brings improvements, mainly infrastructural enhancements, in the community. Companies act as 'developers' and communities as 'beneficiaries'. Examples include economic growth, modernization,

improved service delivery, and business retention, expansion, and recruitment. With 'development *in* community', the 'development' is conventionally a process applied to, or undergone by 'others' never by the 'developers'. Thus, the community becomes merely a setting or location in which various improvements occur (Judge, 1984; Theodori, 2005; Waddell, 2005; Wilkinson, 1991).

'Development *of* community' thus refers to a much broader process than mere improvements in the community. This second type of development consists of establishing, fostering, and maintaining processes in the community that encourage communication and cooperation between and among individuals, informal groups and formal organizations. With 'development *of* community', companies assume the role of a 'facilitator' who orchestrates purposeful, positive and structured joint-efforts by people from the community and the company to articulate and to sustain a community field. Thus, the company creates a learning environment where not only the community, but also the company, is able to evolve, adapt, and build the capacities needed to generate its own answers in a more inclusive sense (Judge, 1984; Theodori, 2005; Waddell, 2005).

CAPACITY BUILDING

Capacity building refers to the process of assisting a community to develop a certain skill, competence or ability that will allow them to better respond to their own needs (Alim, 2007; Hudson, 2004). Capacity building involves the training of research and development agents to support community members and policy makers. Thus, capacity building may also have a transformational impact on cultural norms and

expectations (Alvord, Brown, & Letts, 2004; Jama, Mohamed, Mulatya, & Njui, 2008).

Nonetheless, capacity building is a long-term, continuing process that goes beyond the conventional perception of training. The main concerns of capacity building are: to empower community members to manage changes, to resolve conflicts, to enhance coordination, to foster communication, and to ensure that information is shared (Alim 2007). For this, it requires substantial commitment from local authorities and policy-makers, citizens and community groups which, in turn, can contribute to social inclusion and further enhance all parties' capacity to be directly involved in decision-making (J. N. Muthuri, Matten, & Moon, 2009).

According to UNESCO (2006, p. 83), capacity building includes:

> *Human resource development: the process of equipping individuals with the understanding, skills and access to information, knowledge and training that enables them to perform effectively;*
>
> *Organizational development: the elaboration of management structures, processes and procedures, not only within organizations but also the management of relationships between the different organizations and sectors (public, private and community);*
>
> *Institutional and legal framework development: making legal and regulatory changes to enable organizations, institutions and agencies at all levels, and in all sectors, to enhance their capacities.*

As it is firmly linked to the concept of development of community, which demands local resources and community participation (Hudson, 2004; Theodori, 2005), this participatory engagement may “help reduce inequalities in the distribution of power and encourage responsiveness to individual and collective needs” (Stoker, 1996).

Similarly, but with a managerial perspective, Alvord et al. (2004) propose that capacity building initiatives "strengthen local capacities for self-help and then scale up coverage to a wider range of clients; package dissemination initiatives scale up coverage with services that can be delivered by lowskill staff or affiliates to individuals or small groups; movement-building initiatives expand their influence by alliances and campaigns to shape the activities of decision makers" (Alvord, et al., 2004, p. 277).

Even if there are examples of successful capacity building ventures (Andrews, Cowell, Downe, & Martin, 2006), there are also many others where a lack of technical, business or regulatory skills have resulted in a failed attempt to transfer knowledge. In all cases, according to Stern (2007), capacity building results from the process of understanding local environmental and social policies, adapting procedures to these circumstances, and developing a process to meet lending criteria that may help tackle gaps in the domestic market.

DISCUSSION

The purpose of this paper was to propose conceptual clarifications of the definition of 'community' as they pertain to a set of corporate social responsibility practices which have increased in importance over the last few years.

First, I revisited the sociological perspective of 'society' and 'community', as presented by distinguished authors such as Tönnies and Selznick. Second, I identified how the concept of community is presented and defined by researchers in the management field. The key result of the literature review was that there is no common definition of community across these disciplines. The main area of divergence is around the definition of community *per se*, how such societal grouping is formed, and what defines its unity and motivates the social actions.

From a sociological perspective, 'community' is commonly defined as individuals regulated by dense bonds, such as family ties; driven by shared identity, shared purpose, or shared understanding of a common good; and oriented primarily towards a peaceful exchange in a community (Selznick, 1994; Tönnies, 1988; Verity & Jolley, 2008; Winter, 2007). On the other hand, from the perspective of management researchers, this stakeholder group is a social construction formed by individuals who share affinities, situations or localities; support each other to affirm and defend their self-interests; and persists as long as its members ensure its survival. Yet, it varies across local societies and within the same local society over time (Bowen, et al., 2008; Freeman, 2005; Theodori, 2005; Waddell, 2005).

Third, I highlighted in the paper that community development has become a significant issue, as well as a significant field of practice, for corporations operating in a local milieu. In practice, studies demonstrate that community development initiatives and investments contribute to establishing a cordial relationship between responsible companies and their host communities (Eweje, 2006). Thus, community development is considered a best practice that socially responsible companies can incorporate in their strategies to manage their social impacts; to assist people to undertake collective action and collectively respond to events and issues that affect them (Gilchrist, 2003; Kobeissi & Damanpour, 2009; Muthuri, 2007; Twelvetrees, 1989). However, it is still not clear which different community engagement processes are appropriate, when they should be implemented, and how successful outcomes should be defined or legitimate measured (Bowen, et al., 2008).

As for 'community', the absence of a common understanding of 'community development' has a direct impact on how management decisions are made in the attempt to balance multiple claims of conflicting stakeholders, which includes the 'host community'. When studying the concept of local development, Theodori (2005) suggests that is possible to distinguish between two types: 'development *in* community' and 'development *of* community'. In the former, companies assume the role of 'developers'; and communities, perceived as individuals gathered to defend and advance their values and self-interests, become 'beneficiaries' of the development applied by the 'developer'. In the latter, companies act as 'facilitators' that sustain community development, through joint-efforts with community members, recognized by the company as united group oriented toward common good.

In sum, business and community could gain from an improved understating on how to reconcile corporate interests with collective and societal issues to forge mutually beneficial and trustful relationships in collaborative initiatives. For that to happen, managers would need to first understand with whom they need to engage, and then define how to engage.

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PAPER 2

GOVERNMENT, BUSINESSES AND COMMUNITIES:

EXPLORING A PROCESS OF FRAMED EMPOWERMENT

Government, Businesses and Communities:

exploring a process of Framed Empowerment

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ABSTRACT

How do companies manage citizenship? How do promoters mandated by companies actually engage with the community in a situation where the government performs several functions? This article investigates *Projeto Diálogo*, a community engagement process conceived and developed by the companies promoters of a hydro power plant in the Marabá area in northern Brazil.

A detailed examination of this process, promoted as "innovative" by the promoting companies, whose objective is the provision of resources and information on the proposed infrastructure project to local communities, represents a process of "framed empowerment". This oxymoron refers to the ambiguous situation in which conversations are restricted by the definitions of the Brazilian growth plan designed by the government to promote national interest.

This article makes two main contributions. First it identifies micro strategies in a process of engagement to effect local acceptance of the prevailing of one government function over the other. Second, this article highlights conflicting government functions as a source of ambiguity in exercising corporate citizenship.

***Key words**: micro-strategies of community engagement, hydro-dam, Brazil, community engagement, framed empowerment.*

INTRODUCTION

Business and society literature concerned with developing countries has often tended to focus on three very significant areas, namely (1) the interactions between international businesses, host governments and societies (Bird, Raufflet, & Smucker, 2004; Hopkins, 2007), (2) the behavior of international companies in situations of state failure (Eweje, 2006; Renouard, 2009), and (3), on a more micro scale, the interactions between international businesses and local communities (Muthuri, Chapple, & Moon, 2009).

All theses studies often promote the view that host governments in developing countries are either absent, monolithic, or failed. All in all, this firm-centered research has led researchers to overlook two interrelated research areas in which business, government and society interact. The first one concerns the different functions of the government. Development economics, a branch of economics, proposes that the government in developing societies has two main functions. The first one concerns economic development while the second one concerns the protection of rights (Sen, 1999; World Bank, 1997; Meier & Stiglitz, 2001). So far, business and society have neither considered the government based on these two recognized functions nor recognized the implications and effects of these functions on business and society. Researchers still have a limited knowledge of the processes by which the government, as a promoter of productive projects, intending to improve wealth creation and national competitiveness, may challenge rights, particularly of more vulnerable groups in society. The second research area concerns the arbitrage

between national priorities and local situations. Government-led development or joint government-private sector development projects are often promoted in the name of national interest; national priority projects, e.g., the creation of infrastructure, may have an enduring and lasting impact on local ecosystems, as well as on the economic, cultural and social fabric of local areas (Scott, 1998; Selznick, 1949). How and to what extent do these projects defined as "national priorities" accommodate local needs or aspirations? To what extent have locals the opportunity to voice concerns, call for accommodation or say "no" to a project defined as a "national priority"?

This paper will contribute to these two interrelated areas. The examination of the micro strategies in the process of community engagement in the prefeasibility study of the Marabá hydropower dam, State of Pará, Brazil, documents this situation of conflicting government functions. The Marabá hydropower dam is part of a national hydropower generation and transmission scheme which is presented as a Brazilian national priority. The foreseen local impacts include the flooding of 1,000 km^2, comprising a sensitive ecological state park, and the displacement of 40,000 individuals (Almeida & Marin, 2010; Carvalho, 2003; Dams in Amazonia, 2011; Franco, 2007; *Projeto Diálogo*, 2010b). Locals potentially affected by the projected dam face high levels of uncertainty about the implications of this national priority project for their lives and livelihoods. This detailed study of community engagement processes – as the very locus where the government-conflicting functions meet in a locale – highlights the tensions between the national and local interests as well as between the efficiency and equity functions of the government. Here we focus on the *Projeto Diálogo* engagement process, which was conceived and mandated by CNEC

WorleyParsons (CNEC), Construções e Comércio Camargo Correa S.A. (CCCC) and state-owned Eletronorte, the public-private partnership in charge of the feasibility study for the power plant.

In so doing, this article makes two main contributions. First, this article proposes the oxymoron of "framed empowerment" to analyze the micro strategies employed in this process of community engagement. Second, it shows how the employment of micro strategies of engagement contributes to the conditions for acceptance of one government function over the other. The remainder of this article is organized in the following way: first, based on the definition of corporate citizenship in developing countries proposed by Crane and Matten (2005), we build on development economics literature to provide a theoretical discussion on the functions of the government in the development process and how these functions affect business and society. Second, we introduce the research methods, the case study in its context with a brief introduction to the hydro electricity sector in Brazil, followed by a description of the regional context of the projected hydroelectric dam in the Marabá region in Pará, northern Brazil. The third section focuses on the micro strategies of engagement employed by *Projeto Diálogo* in dealing with the community. The last section provides conclusions, implications and future directions for research.

SECTION 1: GOVERNMENT, BUSINESS AND SOCIETY IN DEVELOPING COUNTRIES

Citizenship

Matten and Crane (2005) contrasted the conventional with the extended view of corporate citizenship. The "conventional" view of corporate citizenship focuses on corporate actions ranging from charitable donations and corporate philanthropy to corporate social responsibility. All in all, this view of corporate citizenship focuses on how the corporations meet their obligations in a given context and how it coincides with the definition of corporate responsibility. Based on a theory from political science, the extended definition of citizenship is based on a shared understanding of basic sets of rights and implies membership in a bounded political community (Matten & Crane, 2005, p. 170). Citizenship is thus defined as a set of individual rights. There are three types of these rights: (1) social rights, or the right to access healthcare, education, and markets; (2) civil rights, which involve protection against abuses, and (3) political rights, which consist of taking part in collective decision-making processes.

They argue that, in this extended view of citizenship, corporations – as legal figures – are not citizens *per se*, thus are not entitled to rights. Citizenship is limited to citizens. However, corporations are expected to exhibit citizenship behaviors, as they exert significant influence and power on society; corporations have the responsibility to respect individuals' citizen rights, and have the potential to contribute to the exercising of rights. Corporate citizenship concerns the capacity and willingness of

corporations to make sure that they contribute to strengthening access to and the enforcement of rights within a policy.

The overlapping roles of government and business

In the context of developing countries, corporations frequently take over certain functions of the state such as protection, facilitation and the enabling of citizen's rights. This definition of corporate citizenship in development reads as follows:

> *Our premise is that corporations enter the arena of citizenship in circumstances where traditional governmental actors fail to be the "counterpart" of citizenship (Matten & Crane, 2005, p. 171).*

The author describes three different ways in which governmental and corporate roles in administering citizenship are changing: (1) where government ceases to administer citizenship rights, (2) where government has not as yet administered citizenship rights, and (3) where the administration of citizenship rights may be beyond the reach of the nation-state government (Matten & Crane, 2005, p. 172). All in all, this view of corporate citizenship assumes that the function of the government is limited to the promotion and enforcement of rights.

Efficiency and Equity –two functions of government

However, development economics proposes a more complete view of the functions of the government. To understand the role of the government in development better, we build on the field of development economics, a branch of economics concerned with the theorization of the role of the government in the development process with a constant focus on and an analysis of the interdependence between the government, the market and society (Hoff & Stiglitz, 2001; Meier, 2001; Pleskovič, Bank, &

Stern, 2001; Stern, 2001). Development economics attributes two functions to the government. The first one concerns economic development and focuses on efficiency while the second one, conceptualized as the equity function, focuses on the protection of more vulnerable groups in society (Sen, 1999; World Bank, 1997).

The *efficiency* function of the government consists of promoting the conditions for economic development and national competiveness (Rostow, 1955a, 1955b). Development economists have analyzed different scopes of efficiency intervention by the government from *minimal* roles — including law and order, property rights, macroeconomic management, education, and defence – to *intermediate* roles— including basic education and market regulation and antitrust policy – to *activist* roles in which the government is the promoter or coordinator of private-public economic activity (Hoff & Stiglitz, 2001; World Bank, 1997, p. 27). In this *activist* role, the government is an agent of change which, through planning and programming, contributes to move a country and its economy through stages in capital accumulation and development (Rostow, 1955a, 1955b; Stern, 2001, p. vii; World Bank, 1997). This interventionist role of the government has often translated into the promotion and implementation, most often along with the private sector, of large-scale development schemes, such as green revolutions, urban planning and large infrastructure projects (see Scott, 1998 for a review and critique of these projects; see Selznick, 1949 for the TVA in the United States; Tinbergen, 1967).

As said, the second function of the government concerns *equity*. Equity is defined as the resort to general principles of fairness and justice, especially when it comes to protecting the most vulnerable groups in society. The function is based on the

assumption that market failures or competitiveness may distribute incomes in socially unacceptable ways and leave individuals and groups in situations of social and economic exclusion or low participation (World Bank, 1997, p. 26). In this view, "development" is defined in terms broader than mere economic development and includes institutional dimensions:

> *Development requires the removal of sources of oppression, including poverty, tyranny, poor economic opportunities as well as systematic social deprivation, neglect of public facilities as well as intolerance or overactivity of repressive states (Sen, 1999, p. 3).*

The government has the potential to develop these forms of participation in different ways, through electoral participation, inclusion of diverse groups underrepresented in the majority-based electoral participation process, and alternative channels including dialogues with non-governmental organizations and voluntary associations. This second function of the government as conceptualized in development economics literature rejoins the notion of rights-based citizenship.

Understanding these two functions of the government – the simultaneous quest for *efficiency* through intervention and the promotion of market conditions and the promotion of *equity* in Society – matters to the conceptualization of business and society relations, as these government-led stances, policies and interventions contribute to defining and shaping the configuration of relations between business and society, as development is an inherently disruptive process of societal transformation which alters the context in which business operates as well as the very texture of human life in societies (Bird & Velasquez, 2006; Polanyi, 1946).

These two functions of the government may collide in such a process: the quest for economic efficiency and growth may conflict with the need for respect of processes of protection implied in the equity-related function. Hence our research question: how do corporations manage citizenship in situations in which the government aims to simultaneously achieve economic and equity development objectives?

SECTION 2: CASE STUDY AND RESEARCH METHODOLOGY

Case context

The case study selected concerns the process of community engagement in Marabá, Brazil around a projected hydropower dam, namely *Projeto Diálogo*. *Projeto Diálogo* was designed by the companies responsible for the feasibility study and conducted in 2010 by a team of specialists in community development and communication.

The projected Marabá hydropower dam is part of a national electrification scheme, a priority for Brazil's economy and society, as defined by the national government through its Growth Acceleration Plan (*Programa de Aceleração do Crescimento* - PAC) decided on by President Lula[4] in 2007 and confirmed by President Dilma Rousseff[5] since 2010. Local implications of this national priority are potentially significant. The Marabá dam implies the flooding of more than 1,000 km^2 and the displacement of 40,000 people from several villages, two indigenous reserves and one quilombola (Afro-Brazilian) community in three Brazilian states: Pará, Tocantins and Maranhão (A. W. B. d. Almeida & Marin, 2010; Carvalho, 2003; Dams in Amazonia, 2011; Franco, 2007; *Projeto Diálogo*, 2010b). In addition, this reservoir

[4] Luiz Inácio Lula da Silva, known popularly as 'Lula', served as the 35th President of Brazil, from 2003 to 2010. He was elected in 2002, after four attempts, and re-elected in 2006. Founding member of the Workers' Party (*PT – Partido dos Trabalhadores*) and the first left-wing contender to hold the country's highest office in nearly half a century.

[5] Succeeding Lula, Dilma Rousseff assumed the office in 2011 for a four-year term, becoming the first woman and also the first economist elected President of Brazil. Prior, during Lula's administration, she was the Minister of Mines and Energy (2003 to 2005) and Chief of Staff of Brazil (2005 to 2010).

will alter the region's geography and flood a section of the ecologically sensitive "Encontro das Águas" State Park[6].

The energy sector in Brazil meets our criteria for selection for this research. First, the energy sector is a Brazilian national priority (Almeida, 2008). Second, the Brazilian government plays a dual role as a promoter of the dams as well as a protector of rights (Rego, 2007; Tolmasquim, 2011). Third, the processes of dam preparation, construction, and exploitation have long been contested because of their limited respect for the rights of locals – especially under authoritarian rule (1964-1985). However, legal frameworks for participation have been elaborated and refined over the last two decades to include more space for popular participation (La Rovere & Mendes, 2000; MAB, 2009a; WCD, 2000a).

Case selection criteria

We decided to focus more particularly on the Marabá dam because of the following criteria. First, the situation in the region of Marabá is illustrative of where these functions of the government collide at the local level. Second, the process of engagement at a prefeasibility stage is characterized by a high level of uncertainty of basic issues such as whether, where exactly, when and by whom the dam will be built, how much land and how many people will be affected and what the compensation schemes will be. Third, *Projeto Diálogo* per se was indicated to us by experts in the electricity sector in Brazil, who were interviewed in the preparation phase of this research, as an innovative engagement initiative that goes beyond "what

[6] Created in 2004 with 108,960 hectares, the "Encontro das Águas" State Park has a "hydrological wealth" which, associated with different types of habitats, makes it a unique place with regard to maintaining biodiversity of the Pantanal region.

is legally required" in processes of consultation as stated by the Brazilian ministries and related agencies[7].

Data collection

This research is based on semi-structured interviews and secondary data. We conducted 22 interviews (60 minutes on average) in April and May 2011 in Brazil (São Paulo and the Marabá region) with representatives of organizations including electricity companies, civil society organizations, local experts and researchers, NGO officials, activists, community leaders and local dwellers potentially affected by the dam construction.

All interviews were conducted in Portuguese, tape-recorded and transcribed. Anonymity was guaranteed to all interviewees. Following s the recommendations of Miles and Huberman (1994) , the selected group represents a representative sample of local stakeholders whose livelihood may be directly or indirectly affected by the proposed dam. Table 1 provides a list of interviews conducted.

The broader government and political perspective was acquired and documented through the analysis of media, newspaper and public data. Documentary evidence included government statistics, official reports, videos and a diversity of published documentation and newspaper articles. One of the authors has nine years of experience in the electricity industry in Brazil.

[7] Brazilian ministries of the Environment and of Mines and Energy and related agencies, such as IBAMA and ANEEL

Table 1: List of interviews conducted

Stakeholder	Function	date
CNEC	Environmental studies coordinator	April, 25, 2011
	Socio-economic specialist	
	Project manager	
Projeto Diálogo	Communication coordinator	April, 26, 2011 May, 16, 2011
	Field activity coordinator	April, 26, 2011
	Local assistant	April, 29, 2011
Activists	Lawyer from Pastoral Commission for the Land (*CPT - Comissão Pastoral da Terra*)	April, 29, 2011
	National coordinator from Movement of Dam-affected People (*MAB – Movimento dos Atingidos por Barragens*)	April, 29, 2011
Local Research Institution	Agricultural science professor and researcher	April, 29, 2011
	Social science professor and researcher	
	Rural education professor and researcher	
Local Communities (directly affected)	President of a fishermen community	April, 28, 2011
	Former president of a fishermen community	April, 28, 2011
	A villager and ex-militant in Guerrilha do Araguaia	April, 28, 2011
	3 fishermen	April, 28, 2011
Local Communities (indirectly affected)	3 residents of an urban center (Marabá)	April, 27, 2011
	2 former local communities that migrated to an urban center (Marabá)	April, 27, 2011

Data analysis

We used grounded theory procedures (Glaser & Strauss, 1967; Strauss & Corbin, 1997, 1998) to develop a detailed understanding of the process. Data coding focused primarily on (1) the process of community engagement and (2) the identification of the micro strategies of engagement of *Projeto Diálogo*. Tables 4 to 7, in the appendix, provide illustrative data segments for each of the four micro strategies of engagement, explained in detail in the section 3 of this paper.

THE ENERGY SECTOR IN BRAZIL

The Brazilian government needs to constantly promote the expansion of its electrical energy generation capacity to keep up with its pace of economic growth, with a focus on the development of the hydrological potential Amazon and Tocantins / Araguaia basins. The Amazon region represents the new national hydroelectric frontier where is 70% of the hydrological potential and more than 20 new hydropower plants projects (ANEEL, 2009; Brasil, 2009; EPE, 2010; MME, 2007). Marabá, with a planned production capacity of 2,160 MW, which is to be operational by 2018, forms part of this energy expansion plan study.

Energy: a source of economic growth and welfare

The PAC[8] is promoted by the government and in the national media as a condition for both further industrial development and welfare for all. An article in *Veja* magazine, Brazil's leading weekly publication, states:

> *The country must first win a battle against a ruthless opponent in its quest for growth. The outcome of this battle will define the country's ability to survive as a competitor in the global economy. The enemy is within their own borders, namely inefficient ports, poorly maintained roads, obsolete railways and an energy shortage.[...] All these factors reduce the efficiency and competitiveness of the*

[8] The Brazilian Growth Acceleration Plan (*Programa de Aceleração do Crescimento* - PAC) is promoted as new relations between the Government and the market to stimulate economic growth and promote social justice and security (Sicsú, 2007).

The first phase of the program – from 2007 to 2010 – called for investments of US$349 billion (R$638 billion) to finance the construction, replication and recovery of 45,000 km of roads and 2,518 km of railroads, the expansion and improvement of 12 ports and 20 airports, the generation of 12,386 MW, the construction of 13,826 km of transmission lines, the construction of four new units for refining of petrochemicals, the construction of 4,526 km of pipelines, the construction of 46 new plants to produce biodiesel and 77 ethanol plants. (Brasil, 2010; Secom, 2010).

The second phase (PAC 2) – from 2011 to 2014 and post-2014 – includes a new set of projects for the periods, which demands an additional investment of US$872.3 billion (R$1.59 trillion). However, the governmental communication approach put forward the equity role of the government by defining the PAC 2 on six fronts as: Energy, Transport, "Better City," "Citizen Community," "My house," "My life,", and "Water and Light for all."

> *economy and reduce the potential for national growth. (Guandalini, 2007) (translated by the authors)*

The 'Water and Light for all' program within the PAC is promoted by the national government as a condition for universal access to energy, particularly among the poorest; it aims to provide electricity to an additional 813,000 households by 2014 (Barin-Cruz & Colombo, 2011; Brasil, 2010).

PARÁ: A FAST-CHANGING AND VOLATILE REGIONAL CONTEXT

Pará, the state in which the construction of the Marabá dam is being planned, is undergoing a fast economic, social and cultural transformation. The traditional economy is composed of 500, 000 small agricultural, fish and forestry producers while the mining industry is growing quickly and accounts for 86% of the state's exports (Diário do Pará, 2011; Governo do Estado do Pará, 2010; Ideflor, 2008). The state of Pará is Brazil's largest producer of iron ore while the region of Marabá is the Brazilian capital of iron and pig iron production, delivering more than 25% of all Brazilian production (Sindiferpa, 2007). Last, Pará is becoming the country's largest hydro-electricity producer of which 77.2 % is used by the industrial sector (Borges & Zouain, 2009). This fast economic transformation has led to accelerated demographic growth. The population of Pará grew from 2.2 million in 1970 to 6.2 million in 2000 to over 7.5 million in 2010 largely due to population in-migration (IBGE, 2010).

Structural social and economic challenges

Yet, Pará faces several enduring structural social and economic challenges. First, land conflicts represent a major issue as Pará faces a record number of land ownership conflicts in the country. Large land areas are contested and claimed. Between 1988

and 2006, there were 407 land occupations in Pará involving 67,024 landless families. This culminated in 2009 with a massive land occupation of 15,000 men and women in the south and southeast of Pará (Coca, 2008; NDA, 2009). A second issue is related to the low socio-economic situation of the region with a 40% illiteracy and functional literacy rate of the population and income levels well under the national average (IBGE, 2009). A third, unresolved question concerns the disruptive and unresolved legacy issues from the construction of previous dams in the region built since the late 1960s (Bermann, 2007; CDDPH, 2010; La Rovere & Mendes, 2000; MAB, 2009a; WCD, 2000a; WCD, 2000b).The most controversial dam was the Tucuruí Dam (1975-2007). Primarily built to power bauxite smelters and provide electricity to the region, Tucuruí Dam is credited to have led to an unmanaged influx of 20,000 workers, a massive loss in primary forest, the depletion of downstream fisheries, and the displacement of 40,000 people of whom a mere 14,000 were relocated by the government and 3,750 moved to islands created by the reservoir, with inadequate infrastructure (La Rovere & Mendes, 2000; WCD, 2000b).

Legacy

Several factors cause locals to be anxious about the capacity and willingness of both government and the private promoters of Marabá dam for history not to repeat itself with the new project. First, the leading role of Eletronorte and CCCC, respectively the owner and the constructor of the Tucuruí dam, in the feasibility study of Marabá dam, creates fear among thousands of locals, who moved here two or three decades ago as a result of the construction of the Tucuruí dam, to be relocated in similar poor conditions if the Marabá dam is to be built (MAB, 2009b; MAB, 2011a; MAB, 2011b). A local fisherman:

> *"First came Tucuruí dam and I was forced to move […] I went south […] then came Lajeado and then Estreito and I had to move again. Now, they talk about the Marabá dam. Where am I supposed to go now?"*

Second, the Marabá dam project has been "in the air" since 2001 when the legal authorization to conduct feasibility studies was released. Only in 2009 the "license to gather data" was released; this license is one of the prerequisites for the company to conduct field research. Several groups have provided information on the dam to local communities in an uncoordinated way. Locals complain about the scarcity, fragmentation and contradictions in the information provided by dam promoters to locals. All in all, there is a sense that "*few [members of the community] are able to put together and make sense of all this information, which is provided in intervals" (local activist).*

Not repeating history

Companies and the government agencies involved in the power plant implementation process reply that local dwellers should not worry for several reasons. They claim that they have learnt the lessons from previous experiences of dam construction and that they are committed to "doing the right thing" with Marabá. They insist that the Brazilian institutional process of dam preparation and construction has changed since the time of the more recent dams. Along with several social and environmental studies, licenses and approbations, the implementation of a power plant has some windows of opportunity for public participation. These hearings are defined by the Brazilian constitution and energy sector regulation to protect the rights of the potentially affected people.

However, the companies involved in the feasibility study highlight their need to have access to adequate and accurate information from local communities regarding their properties and plantations, the existence of archaeological sites and cemeteries, and

the inventory of flora and fauna. They aim to accurately evaluate the social, environment and local economy impact estimates to prepare compensation schemes, and to define the optimal position of the dam (CDDPH, 2010; La Rovere & Mendes, 2000; WCD, 2000a; WCD, 2000b). These claims motivated the design and support of *Projeto Diálogo*, a community engagement initiative which operated from January to December 2010.

The companies in charge of the power plant feasibility study of the Marabá dam are CNEC WorleyParsons (CNEC), Construções e Comércio Camargo Correa S.A. (CCCC) and Eletronorte. CNEC, formed in 1959, is a consulting company that specializes in project management and engineering solutions mostly related to infrastructure projects. In 2010, CNEC was acquired by WorleyParsons, an Australian provider of professional services to the energy, resource, and complex process industries (CNEC, 2011). CCCC, established in 1939, is one of the world leaders in the construction industry and a subsidiary of one of the biggest Brazilian private conglomerates, with an established expertise in the construction of dams, such as the Itaipú and Tucuruí hydropower plants. In 2010, the company had 32,000 direct employees and a net income of US$3.5 billion (R$6.1 billion) (Camargo Corrêa, 2011). Eletronorte (Centrais Elétricas do Norte do Brasil S/A) is the public utility that generates and supplies electricity to the Amazon region. One of its plants is the Tucuruí Dam (Eletronorte, 2011).

PROJETO DIÁLOGO

Description

Projeto Diálogo is composed of a team of community relations and engagement specialists and three local assistants. Its mandate is:

> *to help people and institutions make informed decisions about their activities, now and in the near future, taking into account the possibility of the dam to be built[; and] to create conditions for the information, questions and inquiries from local institutions and people are brought to the attention of the responsible for the feasibility studies, mitigation and compensation programs.* (Projeto Diálogo, 2010a, p. 3) (translated by the authors).

A chronology of *Projeto Diálogo* is presented in table 2.

Table 2: Projeto Diálogo: Chronology

DATE	KEY EVENTS
2001	CNEC obtains the legal authorization to conduct the feasibility studies.
2005	Eletronorte, CCCC and CNEC signed the Statement of Commitment to conduct the feasibility studies of AHE Marabá.
2007	6 Public Meetings are promoted in potentially affected communities to help IBAMA (Brazilian Institute of Environment and Renewable Natural) gather the community perception on what should be included in the Term of Reference
2008	IBAMA publishes the Terms of Reference for AHE Marabá (containing the bases for the feasibility studies).
May, 2009	IBAMA publishes a revised version of the Term de Reference.
November, 2009	CNEC obtains the "license to gather data", which is, according to the Term de Reference, a prerequisite for the company to realize the biotic field activities.
January, 2010	CNEC forms the *Projeto Diálogo* team.
June, 2010	*Projeto Diálogo* begins its field activities.
September, 2010	CNEC finishes the biotic field activities.
December, 2010	*Projeto Diálogo* finishes its field activities.
December, 2011	Deadline to present AHE Marabá feasibility studies, as defined by the Brazilian Electricity Regulatory Agency (ANEEL) in January 2011
To be defined	Public Hearings

SECTION 3: MICRO-STRATEGIES OF COMMUNITY ENGAGEMENT

How do companies manage citizenship? How do promoters mandated by companies actually engage with the community? In this section, we provide a detailed analysis of the process of community engagement promoted by *Projeto Diálogo* between January and December 2010. We identified four micro strategies of engagement which were employed at both the preparation and meeting stages.

Going native

The development of authentic, culturally sensitive, and, mutually beneficial relationships require a broader range of relational competencies than those typically needed or used within conventional transnational models (Simola, 2007). The application of such body of relational competencies, termed 'native capability' by Hart (2005), would enable companies to become truly embedded in the local context by developing fully contextualized solution to real problems in way that respect local culture and natural diversity. These competencies include establishing connections; facilitating voice in those who have been traditionally excluded; attending to the subjective experiences of others; engendering trust; and, creating win–win solutions.

Similarly, in the case of *Projeto Diálogo*, the first micro strategy consisted of **going native**. Going native implies carefully adapting its messages to the targeted audience in the design and building of presentation materials as well as designing meetings. To go native, *Projeto Diálogo* researched the local historical and cultural context to identify areas so as to adapt communication tools such as videos and printed

materials for meetings. They realized that local community audiences composed of a significant number of illiterates or functional literates and prepared visually attractive and comprehensive presentations.

A member of *Projeto Diálogo*:

> *Building these materials was like building a jigsaw puzzle. We had to ensure that the factual information was spread and understood by all. We were very concerned about low literacy in the region. ...We build our approach on oral communication, and on printed material we prioritized illustrations over texts.*

Audio material such as radio programs and audiovisual presentations included vivid colors, such as red, orange and purple, which are locally perceived as typical of the region; local musicians were also invited to produce the soundtracks of the jingles to be broadcast on regional radio stations.

The second stage (June-December 2010) consisted of conducting more than 150 meetings with stakeholders from the five groups identified: the local community (including the potentially affected) being the main target; local NGOs, activist and social groups (including their leaders and associates); governmental institutions; universities and research institutions; and local media. Altogether, thousands of people participated in these presentations. *Projeto Diálogo* gave priority to small group meetings.

Predefining the scope of conversations

Projeto Diálogo employed three other micro strategies in these meetings. The first one is **predefining the scope of conversations** at the outset. They carefully introduced meetings by clarifying (1) their mandate, (2) their position in relation to

the parent company/ sponsor, (3) their situation in the formal consultation process in the feasibility study for a dam.

Projeto Diálogo carefully recalled its mandate at the outset of the meetings. A member of *Projeto Diálogo* emphasized that their role is:

> *not to persuade, to take positions, to make judgments of value for or against the project or energy sector policy. These discussions and disputes have their own forums situated in other instances.*

A member of *Projeto Diálogo*:

> *We mentioned to the community at the beginning of the meeting: "This is the development model that is being implemented and we will not discuss it at the meeting. You [community members] have every right to pressure [the government] to discuss a different development model . However, we [Projeto Diálogo] cannot discuss it. [...]Our role is to provide information [about the dam]. You have the right to information and this is the information that had been produced from the studies so far.*

Second, they clarified the relation with the company that is the promoter of the dam. A *Projeto Diálogo* staff member:

> *Even if we [Projeto Diálogo] are sponsored by the promoting companies, we did not present ourselves as their spokespeople or representatives. We explained the relation with them but we emphasized that the role of the Projeto Diálogo was to provide transparent information.*

Local stakeholders perceived the ambiguous position of *Projeto Diálogo* members in relation to the promoter. A local social researcher:

> *We [researchers] knew that the Projeto Diálogo team was framed. They had very clear boundaries set by the promoters; we could see this. [In the end] we have no dialogue. We have superficial and cordial presentations. The real dialogue*

> *occurs with social movements, where we can bring about a discussion, deepen reflections and thoughts, and connect them to local, national, and global issues.*

Third, *Projeto Diálogo* situated themselves within the formal legal process of consultation in the feasibility study, as well as the scope of their possible contribution. A member of the *Projeto Diálogo* team:

> *There are established procedures we had to comply with. But we knew that having just a folder [as requested in the formal procedures] would not solve the problem, because people would continue to neither understand what might happen to them, nor understand the message.*

Providing information

The third micro strategy employed by *Projeto Diálogo* was **providing information.** *Projeto Diálogo* explains that local population, especially the illiterate local communities, has limited access to the formal processes, such as public consultation and public hearings, included in the energy sector decision-making process. *Projeto Diálogo* defines its role as helping people and institutions make more informed decisions about their activities, given the possibility of the dam to be built (Projeto Diálogo, 2010a). A member of *Projeto Diálogo*:

> *We advised the local community to think carefully when the time comes to negotiate compensation. Our main advice was: "Stay tuned [...] the important thing is that you get organized to be able to get improvements for the whole community rather than individual gains [...] You need to be cohesive and strong to pressure [from the entrepreneurs and local governments] and exercise your civil rights."*

The invitation "to get involved" as promoted by *Projeto Diálogo* converges with social movements' points of view. A representative of the Land Pastoral Commission:

> *The poor living here do not access their rights, acquired in the past even with blood. [...]The rights are now part of the Brazilian constitution. To have people realize this is no easy task. [...]It is not about providing information about their rights; what is needed is to educate them and get them involved [to exercise their rights].*

At the same time, activists diverge on the content of the dialogue and promote a more community-centered and emancipation-based view of "community development". They highlight the difference between information and reflection:

> *Information is one thing ... reflection is another... Information on its own does not generate emancipation. Information can be manipulated. [...] True dialogue is not the one that provides information, but the one that promotes interaction and is based on local knowledge.*

Bringing peace

The fourth micro strategy consists of **bringing peace**. Peace is defined in a process in which all parties have accepted the dam and will contribute to building "solutions" within the scope of the dam. *Projeto Diálogo* frames conversations around adapting to the dam and inviting groups opposed to the dam to adapt and propose suggestions to adapt to it. A representative from one of the promoting companies:

> *We try to gather the feelings and needs of community members and insert them into the guidelines to be complied with when the dam will be built. This guideline will take into account how the community sees things. For that, it is important that they explain their concerns to us. At the same time, representatives from activist groups should also have a program to help feed these proposed guidelines. [...] This would result in a balanced proposal. Our intention is to bring peace to people, is to show that there is someone that will listen and explain.*

Company representatives invite locals to go beyond the struggle for unresolved land issues and adapt to the proposed dam:

> *We want leaders and community members to look beyond their struggle for land. Our process of community engagement tries to bring the idea of the dam into their reality, so that they can understand what a dam is and then question it. Then we (technicians) can consider their point of view in our studies and look for a project that is feasible and has technical consistency.*

A local researcher highlights the limitations of dialogue in relation to decision making:

> *By participating in a dialogue does not mean that our opinion will always prevail. We [all stakeholders] could decide together that this is the form of development we agree to follow because this is a better solution at the national level. [...] But this open dialogue is not called for. It comes with a postulate that the dam will be built.*

A local activist highlights that the conversations are framed/ predefined and does not consider alternatives:

> *I'm not saying that that's bad. It may have something worse or something better. What I mean is that there is no dialogue on a range of alternatives. The alternatives are: this model or the recession (the backset of being in the dark). [...] What we have is an already set model, not open to discussion.*

An activist highlights the limitations of this dialogue's scope:

> *[In a real dialogue] people have the right to say "no". The purpose of a participatory process is that people can decide democratically. [...] It is not only about "how", but also "what project" they want and "what kind of development" they want for their region. [...] The dialogue as it is framed here promotes pseudo-participation because the dialogue is about the implementation of the project and not it conception.*

All in all, we analyze this process of community engagement as “framed empowerment.” This oxymoron depicts the ambiguous nature of this process. This process relates to processes of “empowerment” to the extent that the intentions of its promoters consist of providing information intended to help locals access rights and make more enlightened decisions about their future and, more specifically, about their position in relation to the dam. At the same time, this process is “framed” to the extent that it is circumscribed by the boundaries of the Brazilian growth plan designed by the government, in its efficiency role, to promote national interest. Table 3 summarizes the two sides of this community engagement process, namely, empowerment as claimed by promoters of the process, and framed empowerment as perceived by local groups.

Table 3: Claimed and framed empowerment

Micro-strategies	Claimed empowerment	Framed empowerment
Going native	"Translating" information on the dam and on forums for participation in the cultural, educational local context.	Making the message familiar and more acceptable to locals.
Predefining scope of conversations	Situating (1) *Projeto Diálogo*'s mandate; (2) relation with parent company; and (3) position in the larger process of consultation.	Excluding past and present potentially contentious issues from conversations including regional legacies and national priorities and the form and pace of national economic development.
Providing information	Access to factual information on project. Access to citizenship rights and procedures as a condition for participation.	No information on the broader national model of development is provided which could lead to questioning the whole relevance of the dam *per se*.
Bringing "peace"	Making sure that conversations unfold in a serene and peaceful context. Provide a space to listen to locals.	Peace defined as absence of conflict, as a set of conversations to adapt to the future dam construction. Making the hydro project acceptable and inevitable; ask locals to focus on adaptation.

CONCLUSION, DISCUSSION AND IMPLICATIONS

The purpose of this article is to explore how corporations manage citizenship in situations in which the government aims to simultaneously achieve economic and equity development objectives. We have investigated this issue in the context of the prefeasibility study of a dam, defined as a national priority by the Brazilian government, in which companies in charge of this study are engaging with the local community to "empower" locals.

We introduced the concept of 'framed empowerment' of local stakeholders, as distinct from 'claimed empowerment', in the context of structured community engagement processes related to forthcoming infrastructure projects with strong social impact. Simultaneously, we have identified four micro strategies of the community engagement process: (1) going local, (2) predefining the scope of conversations, (3) providing information, and (4) bringing "peace".

This article makes two main contributions to research and practice. There have been several calls for critical evaluation and research on corporate community initiatives (Muthuri, 2008; Muthuri, et al., 2009). First, this paper provides a critical examination of the process of engagement and identifies micro strategies in community development employed to frame local conversations from *whether* to *how*, from the discussion around the local implications of a national priority decided in the country's capital, to conversations based on action-related and pragmatic solutions. The second contribution concerns the ambiguous roles of the government.

Literature on business and society has tended to examine the citizen-related role of the government more than its function as an economic promoter (Crane & Matten, 2005; World Bank, 1997). The literature on business and society that focused on developing countries has often viewed the government from the lens of the guarantor of citizen rights based on a role it does not play (Crane & Matten, 2005). The study of the community engagement process suggests that what prevents the government from performing this citizenship-related function concerns the other function the government is performing, namely its economic development function.

Based on the results of a unique study case, we highlighted the extent to which public participation has been "framed" into the business and government's high level purposes. Future analysis may be that of assessing the varying degree of 'framed empowerment' in relation to the different steps of the participatory process, including the possible adoption of virtual and technological means to enable and further engage stakeholders. Another extension of the current analysis may be that of considering how the nuances of the concept of 'claimed empowerment' and 'framed empowerment' and, as well as the identified micro-strategies might vary acroos cultures and across industries. Moreover, the insights that emerged of this present study could be explored in future research comparing the relationship between business and government functions surrounding several centrally-planned social-engineering projects of societal relevance in a developing country or for communities of older democratic traditions.

This paper's main implication for practice concerns the social acceptance of projects. Issues related to the social acceptance of large infrastructure projects in the energy

and mining industries have become significant business issues over the last years; a report by Ernst &Young (2011) on the salient issues in extractive industries highlighted that four[9] out of the ten main business risks relate to the social dimensions of mining projects . In this perspective, "gaining" the social license to operate has become a critical business issue; several tools have been promoted as ways of "getting it right" with communities through dialogue, transparency and respect. The detailed examination provided here should be a reminder of the ambiguities of these micro strategies in what they aim to achieve. From the standpoint of local communities, dialogue, transparency and respect should include the possibility to say "no" to a project.

[9] Skills shortage; Resource nationalism; Maintaining a social licence to operate; Fraud and corruption

APPENDIX

Table 4 - Illustrations of coding for 'Going native'

GOING NATIVE	Illustrative Quotes
Claimed empowerment **"Translating" information on the dam and on forums for participation in the cultural, educational local context.**	Building these materials was like building a jigsaw puzzle. We had to ensure that the factual information was spread and understood by all. We were very concerned about low literacy in the region. ...We build our approach on oral communication, and on printed material we prioritized illustrations over texts. (member of *Projeto Diálogo*) 'Our process was based on oral communication .. for this you have to be close [to the local communities], you have to build trust. Orality is the basis, the rest come to aggregate.' (member of *Projeto Diálogo*)
Framed empowerment **Making the message familiar and more acceptable to locals.**	'We had to reach the people's level and make information available to everyone. We have to respect all people who may be affected. We never thought of going there and change people's thinking. Our goal was to go and say what we were going to do [technical researches], how we would do it and what they could do to strengthen themselves and be able to fight for what matters for them that we might not yet had taken into account in our project' (representative from one of the promoting companies). We never got into anyone's property without first asking permission. ... By doing so, the villager would become our partner in the exchange of information and he would fell more comfortable [by understanding what is happening]' (representative from one of the promoting companies)

Table 5 - Illustrations of coding for 'Predefining scope of conversations'

PREDEFINING SCOPE OF CONVERSATIONS	Illustrative Quotes
Claimed empowerment **Situating :** **(1) *Projeto Diálogo*'s mandate;** **(2) relation with parent company; and** **(3) position in the larger process of consultation.**	'Even if we [*Projeto Diálogo*] are sponsored by the promoting companies, we did not present ourselves as their spokespeople or representatives. We explained the relation with them but we emphasized that the role of the *Projeto Diálogo* was to provide transparent information'. (member of *Projeto Diálogo*). 'There are established procedures we had to comply with. But we knew that having just a folder [as requested in the formal procedures] would not solve the problem, because people would continue to neither understand what might happen to them, nor understand the message (member of *Projeto Diálogo*). 'A new infrastructure project cannot be considered as an island. It is part of a complex economical, social and cultural context, which may facilitate, delay or even block the project implementation. In the case of AHE Marabá, several elements had to be taken into account when planning all the implementation phases, including the community engagement process.(representative from one of the promoting companies) 'You have to understand the local dynamics to be able to set a consistent community engagement process. You need to understand the macro environment in which the activists have a role, the entrepreneurs have an interest, the government has another ... and everyone is on the same 'stage'.' (member of *Projeto Diálogo*) 'We knew that the *Projeto Diálogo* team was tied out. … They have very clear boundaries; we were able to see the limits defined by the promoter.' (local researcher).
Framed empowerment **Excluding past and present potentially contentious issues from conversations including regional legacies and national priorities and the form and pace of national economic development**	'Projeto Dialogo's role: not to persuade, to take positions, to make judgments of value for or against the project or energy sector policy. These discussions and disputes have their own forums situated in other instances, where each person or entity may seek to act according to their convictions (Projeto Diálogo 2010). 'We mentioned to the community at the beginning of the meeting: "This is the development model that is being implemented and we will not discuss it at the meeting. You [community members] have every right to pressure [the government] to discuss a different development model . However, we [*Projeto Diálogo*] cannot discuss it. [...]Our role is to provide information [about the dam]. You have the right to information and this is the information that had been produced from the studies so far. (member of *Projeto Diálogo*) 'We [researchers] knew that the *Projeto Diálogo* team was framed. They had very clear boundaries set by the promoters; we could see this. [In the end] we have no dialogue. We have superficial and cordial presentations. The real dialogue occurs with social movements, where we can bring about a discussion, deepen reflections and thoughts, and connect them to local, national, and global issues. (local researcher). ' [The objective of the activists in the macro level is] to obtain political support for the struggles and demands, by making pressure on the companies involved in the construction and operation of dams and on the government and multilateral agencies [such as the World Bank, the Inter-American Development Bank] that finance these projects.' (MAB) 'The activist groups organize themselves around the construction of a major infrastructure project such as a dam. [...] it is a great 'stage' of negotiation which uses infrastructure project to negotiate with the government itself. [...] Based one a dam, they seek to pressure the companies in the attempt to reach the public authorities ..... they [activist groups] are not there only to defend the affected people... They are there to question the social cost of the economic development model.' (member of *Projeto Diálogo*)

Table 6 - Illustrations of coding for 'Providing information'

PROVIDING INFORMATION	Illustrative Quotes
Claimed empowerment **Access (1) to factual information on project, and (2) to citizenship rights and procedures as a condition for participation.**	'We advised the local community to think carefully when the time comes to negotiate compensation. Our main advice was: "Stay tuned [...] the important thing is that you get organized to be able to get improvements for the whole community rather than individual gains [...] You need to be cohesive and strong to pressure [from the entrepreneurs and local governments] and exercise your civil rights."'(member of *Projeto Diálogo*). "Projeto Dialogo Mandate: to help people and institutions make informed decisions about their activities, now and in the near future, taking into account the possibility of the dam to be built[; and] to create conditions for the information, questions and inquiries from local institutions and people are brought to the attention of the responsible for the feasibility studies, mitigation and compensation programs". (Projeto Diálogo, 2010a, p. 3) (translated by the authors). '[In many communities] there is the feeling: "Oh, if it is the will of God than everything will work out" or "If it is not the 'will of God' than it will not happen". [...] Thing like this, the community acts as the arrival of the dam is not its problem, as if someone else will solve it. With that reasoning, the community does not assume its responsibility, or only become involved at the end of the implementation process, when there is no more time to chance.' (member of *Projeto Diálogo*) 'We do not want people to be idly, with their arms crossed, thinking that nothing will happen. [...] Our goal is to not only to inform, but also to motivate them to continue seeking information, from us and others, and not be passive facing the possibility of the project to be implemented.' (member of *Projeto Diálogo*) 'Since the beginning, our idea was that people need to organize themselves. [...] Acting as individuals, the chances of things go wrong are much greater.' (member of *Projeto Diálogo*)
Framed empowerment **No information on the broader national model of development is provided which could lead to questioning the whole relevance of the dam *per se***	'The poor living here do not access their rights, acquired in the past even with blood. [...]The rights are now part of the Brazilian constitution. To have people realize this is no easy task. [...]It is not about providing information about their rights; what is needed is to educate them and get them involved [to exercise their rights].' (representative of CPT) 'Information is one thing ... reflection is another... Information on its own does not generate emancipation. Information can be manipulated. [...] True dialogue is not the one that provides information, but the one that promotes interaction and is based on local knowledge.' (local activist) 'We promote the direct confrontation [without any kind of violent action] and we advice the communities to be against and to not accept the dam. But we also raise the community awareness to the need to protect their rights, if there is no power to stop and prevent the development of the dam. It is also necessary for them to know their rights.' (representative of CPT) 'Few [members of the community] are able to put together the fragment information they receive' (representative of MAB). 'We have to bring consistent information into the debate to help people to understand the complexity of the issue. By doing some, we expect to raise the community awareness and engagement.' (local researcher)

Table 7 - Illustrations of coding for 'Bringing peace'

BRINGING PEACE	Illustrative Quotes
Claimed empowerment **Making sure that conversations unfold in a serene and peaceful context.** **Provide a space to listen to locals.**	'Our intention is to bring peace to people, is to show that there is someone that will listen and explain.' (representative from one of the promoting companies) 'we, technicians and executives, normally know what we must do to implement a sustainable and ethical project. But, in the absence of dialogue, we cannot properly explain our proposal and bring peace to people. We need to better prepare them to understand the process of change' (representative from one of the promoting companies)
Framed empowerment **Peace defined as absence of conflict, as a set of conversations to adapt to the future dam construction.** **Making the hydro project acceptable and inevitable; ask locals to focus on adaptation.**	'We try to gather the feelings and needs of community members and insert them into the guidelines to be complied with when the dam will be built. This guideline will take into account how the community sees things. For that, it is important that they explain their concerns to us. At the same time, representatives from activist groups should also have a program to help feed these proposed guidelines. [...] This would result in a balanced proposal. But what you see is a situation of confrontation' (representative from one of the promoting companies). 'We want leaders and community members to look beyond their struggle for land. Our process of community engagement tries to bring the idea of the dam into their reality, so that they can understand what a dam is and then question it. Then [we technicians] can consider their point of view in our studies and look for a project that is feasible and has technical consistency' (representative from one of the promoting companies). 'By participating in a dialogue does not mean that our opinion will always prevail. We [all stakeholders] could decide together that this is the form of development we agree to follow because this is a better solution at the national level. [...] But this open dialogue is not called for. It comes with a postulate that the dam will be built.' (local researcher). 'I'm not saying that that's bad. It may have something worse or something better. What I mean is that there is no dialogue on a range of alternatives. T alternatives are: this model or the recession (the backset of being in the dark). [...] What we have is an already set model, not open to discussion.' (local activist). ' [In a real dialogue] people have the right to say "no". The purpose of a participatory process is that people can decide democratically. [...] It is not only about "how", but also "what project" they want and "what kind of development" they want for their region. [...] The dialogue as it is framed here promotes pseudo-participation because the dialogue is about the implementation of the project and not it conception' (local activist) 'All problems reported [during the construction of previous dams] were considered as 'lessons learned'. Now, in new projects such as Marabá, all entities involved try to solve the problems earlier so they do not emerge too late'. (representative from one of the promoting companies). 'What we always say is: if the community tells us their concerns, this will give us elements to think about and seek a design solution that addresses this. In this case, that person is contributing.' (representative from one of the promoting companies).

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THESIS CONCLUSION

DISCUSSION AND AVENUES FOR FUTURE RESEARCH

DISCUSSION

This master thesis examines community and corporate-community engagement from conceptual and from empirical perspectives.

From a theoretical perspective, after identifying how sociological traditions differ from management traditions, the discussion around the definition of 'community' highlights that it is impossible to have a unique categorization for this stakeholder group. Community is a social construction wherein people share the same affinities, situation or locality, and persists as long as its members ensure its survival. Yet, it varies across local societies and within the same local society over time (Freeman, 2005; Theodori, 2005; Waddell, 2005).

Therefore, as active players in such an unpredictable and changing environment, managers would benefit from understanding the difference between community and society as well as the particularities of geography-based and affinity-based communities. With this in mind, managers could establish community development strategies that focus not only on the development *in* community but also on the development *of* community. In the first case, companies assume the role of 'developers' and communities become 'beneficiaries' of the development initiated and directed by the developer; while in the second case, companies act as 'facilitators' that, through joint-efforts with community members, sustain community development. As a result of the development *of* community, companies have a better chance to establish a long-term, mutually beneficial relationship that will produce

long lasting business results while contributing to the development and empowerment of communities.

From an empirical perspective, the field research conducted in Brazil shows that corporate-community engagement outcomes can be restricted by governmental definitions, which vary according to two roles assumed by the government. The first concerns economic development and focuses on *efficiency*; while the second, conceptualized as the *equity* function, focuses on the protection of more vulnerable groups in society. The situation pictured in the case study is illustrative of where these roles of the government collide at the local level.

In the Brazilian macro-level context, where limited infrastructure constrains economic growth and limited economic growth constrains economic development, the government designed a growth plan to promote national interests. This included promoting new relations between government and markets to stimulate economic growth, promote social justice and security, and simultaneously achieve economic efficiency and equity development objectives. However, the micro-level analysis on where the two roles of the government collide shows that development projects, such as the construction of a hydro-power plant, even if promoted in the national interest may result not only in deep impacts on local ecosystem, but also on the economic, cultural and social fabric of the local communities.

The study of the *Projeto Diálogo* community engagement process suggests that, on the one hand, what prevents the government from performing this citizenship-related equity function concerns the other function the government is performing, namely its

economic development efficiency function. On the other hand, this corporate-led local community engagement initiative may have limited outcomes since the conversations are fenced in by the definitions of the governmental plan to promote national interest. The consequence is ‘framed empowerment’.

In summary, the key message from both articles is that community development should not be pictured as an arm wrestling match between the invisible hand of the market and the iron fist of the government; where the winner defines which economic, social and cultural transformations are promoted and implemented in a nation, or even presented as inevitable for a local community. The development *of* community, rather than *in* community, should be an ongoing process established, fostered, and maintained to encourage communication and cooperation among the representatives from society, government and business. As a collective-oriented multi-stakeholders' process, community engagement should be based on a transparent and respectful dialogue where communities have a voice and are able to take part in defining their own futures, including the right to say “no” to a project.

The originality of this thesis relies on how the discussion of the concept of community is conducted, taking into account opposing sociological and managerial traditions; and considering the impact of the role of government on a corporate-led CSR activity such as community engagement.

On the one hand, the thesis brings up the sociological concept of a community to support the argument that it is essential for managers to understand what a

community is and how their companies can contribute to its development before engaging in community development processes.

On the other hand, rather than asserting that corporations should take the lead, or even act as a substitute for government, when broadening societal development goals, providing infrastructure and solving humanitarian crises and endemic problems, this thesis highlights the overarching role of government and its influence in, and on, business and society interactions. In emerging countries such as Brazil, despite the economic need to 'catch-up' in order to face global competition, governments are still important sources of power and legitimacy to accelerate the pace of change and to promote the national capacity to innovate. Such innovation not only occurs when promoting the conditions for economic growth but also when defining innovative CSR practices adapted to national and local social, economic and environmental issues.

In summary, even if recent economic growth in emerging economies is lifting an unprecedented number of people out of poverty and into the middle class, community, government and companies must work collaboratively to solve and even preventing complex social and environmental problems that emerge as consequences of abrupt economic growth.

AVENUES FOR FUTURE RESEARCH

The concept of community engagement and the conflicting roles of the government in the Brazilian socio-political environment propose interesting topics for future research.

In the context of developing countries, corporations are frequently expected to take over certain roles of the government such as the protection, facilitation and enabling of citizen's rights. This occurs mostly because for managers, corporate citizenship is based on the premise that corporations enter the arena of citizenship in circumstances when traditional governmental actors fail to be the "counterpart" of citizenship (Matten & Crane, 2005, p. 171). In contrast, in emerging countries such as Brazil, the field research conducted for this thesis shows that corporate citizenship does not only occur in the arena where the government is failing, or has failed, to promote welfare nor should the corporations be expected to fulfill the responsibility to protect, facilitate and enable citizen's rights. Consequently, future researchers could focus on how emerging countries deal with the conflicting interests of government, business and community within its borders.

It would also be of interest to conduct further research on the ambiguous role of government, the nuances of government roles and how governments with different degrees of influence or capacity may lead to, frame or even impose different forms of corporate-community relations. In order to broaden the view of government political intervention on corporate-community relations, future research could build on the examination of how governments officially state their societal role when it is, in

itself, a source of tension between national and local interests. Moreover, based on the relationship between CSR and government as proposed by Gond et al. (2011), this research could be complemented by the analysis of how regulations and policies contribute to enhancing community engagement practices and to reducing social tension resulting from the conflicting efficiency and equity roles in competitive contexts.

Moreover, as proposed by Hardy and Philips, “different patterns of power distribution have profound implications for the way in which the domain evolves” (1998, p. 219); thus, future researchers could link an analysis of corporate-community engagement with the concept of power and dependency in interorganizational domain.

Another possible extension of this research could consist of the critical analysis of the corporate-centered stakeholder management model where corporations are the central node of stakeholders’ relations, and community is considered a major stakeholder only if managers recognize that their company's success and community prosperity are intertwined. The research focus would thus shift to a collective-oriented model where corporations share the central decision-making role and become an actor among all other stakeholders in a social interaction network. In that matter, community engagement and community development should be interpreted as processes based on the principle of multiple stakeholders cooperation (Bansal, 2005; Muthuri, 2008) and on the rare capabilities of shared vision (Aragón-Correa & Sharma, 2003).

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