THE POWER OF MANAGERIALISM IN THE ORGANIZATION OF THE LOCAL CRAFT

El poder del gerencialismo en la organización de la artesanía local

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ABSTRACT

This paper aims to discuss the influence of managerialism in the organization of local craft in the context of the Brazilian neoliberal reformations of the 1980s-1990s. By examining documents which contain the directives of these policies, we face a discourse that imposes the formation of an “enterprising mentality”, mainly through the attaining of short-term training courses. Therefore, we reflect if the enterprization of craftwork can really be synonymous with development, i.e. if giving a new meaning to the crafts-person under the epithet of entrepreneurs, and imposing changes on their work philosophy, is something welcome and desirable. The originality of this work consists in its highlighting that policies of this nature tend to massify the production, the consumption and the taste for cultural goods, and moreover to cause an uncritical acceptance of what we call subordinate entrepreneurship.

KEYWORDS: Craft; Managerialism; Subordinate entrepreneurship; Neoliberal reforms; Brazilian culture.

RESUMEN

Este trabajo tiene como objetivo analizar la influencia del gerencialismo en la organización de la artesanía local, en el contexto de las reformas neoliberales de los años 1980-1990 en Brasil. Mediante el examen de los documentos que contiene las directivas de estas políticas, nos enfrentamos a un discurso que impone la formación de una “mentalidad emprendedora”, principalmente a través de la consecución de cursos de formación de corta duración. Por tanto, se reflexiona si la empresarización de la artesanía puede ser realmente sinónimo de desarrollo, es decir, si se da un nuevo significado a los artesanos bajo el epíteto de los empresarios, y la imposición de cambios en su filosofía de trabajo, es algo bienvenido y deseable. La originalidad de este trabajo está en poner de relieve que las políticas de esta naturaleza tienden a masificar la producción, el consumo y el gusto por los bienes culturales y, por otra parte, para causar una aceptación acrítica de lo que denominamos emprendimiento subalterno.

PALABRAS CLAVE: artesanía; gerencialismo; emprendimiento subalterno; reformas neoliberales; cultura brasileña.
INTRODUCTION

In this paper, we address two aims. Our first aim is to investigate the implications of managerial interventions that reframed Brazilian craft during the neoliberal reforms of the 1980s and 1990s. We assume that certain interventions aimed at promoting handicrafts, besides encouraging local development, also serve to maintain dependent and unequal relationships. We call it dependent because the logic of autochthonous production is altered according to predetermined models that guide the performance of intervening organizations, based on the diffusion of incentive programs within a managerial framework. We call it unequal because, although these programs aim to “develop” craftwork, the mechanism of intervention presupposes a relationship of control and domination – which moves away from a practice that favors the autonomy of groups and communities dedicated to this activity.

In the context of the political reforms of the 1980s -1990s the so-called entrepreneurial ideology or culture was included in the Brazilian administrative agenda as a model for developing activities such as handicraft. At times, this meant disregarding historical elements or the local organizational logic regarding craft. These managerial interventions, which follow policy guidelines such as the Brazilian Craft Program (Programa do Artesanato Brasileiro – PAB), are performed by organizations such as the Brazilian Service of Support for Micro and Small Businesses (Serviço Brasileiro de Apoio à Micro e Pequena Empresa – SEBRAE), which aim to strengthen the competitiveness of autochthonous production. However, by intervening in local specificity within a managerial framework, they tend to compromise the authenticity of the symbolic and cultural expression that defines the uniqueness of the genuine artisanal production.

By examining the proposals that aimed to reshape Brazilian craft, we disclosed a discourse in which a “pseudo-entrepreneurial mindset” is imposed on artisans by conducting short training and instruction courses. This involves replacing traditional practices,
which preserve the historicity and specificity of autochthonous know-how, with the institutionalization of standardized administrative routines that compromise the most authentic traits of local culture. These interventions reveal contradictions in regard to effectively preserving the peculiarities of traditional craftwork. As such, we question the stance that the Brazilian government and the organizations intervening in craftwork activities have taken with respect to imposing predominantly managerial administrative models on the organizational forms of craft-related business, often without considering the nuances of local culture.

Thus, our second aim is to highlight contradictory issues which, at times, are relegated to obscurity. The theoretical contribution that we aim to deliver to the field of organization studies is the concept of subordinate entrepreneurship that arises from the recovering of the classical definition of the entrepreneurial activity given by Schumpeter (1988) contrasting the common-sense usage of the term entrepreneur in the jargon of the neoliberal project in Brazil. We argue that the idea of subordinate entrepreneurship helps to maintain the established order in peripheral circuits since this type of “entrepreneur” reinforces, in an a-critical way, the structures that still characterize the Brazilian context, such as economic and socio-cultural dependence and inequality. The originality of our proposal lies on reflecting upon the effects of neoliberalism in the ordinary lives of people, as the onslaughts of the managerial perspective against local craft organization jeopardizes the possibilities of autonomous (re)production of craftsperson’s existence. Concerning the scope of our conclusions, albeit we analyze the Brazilian case, the discussion we start in this paper has a cross-cutting nature and can be thought in relation to different social contexts and over time.

In relation to the structure of this essay, the first section explores the implications of political reforms on the perspective shift regarding the organization of local craft; the second addresses the indiscriminate use of the concept of entrepreneurship in the current Brazilian scenario; the third investigates the contradictions of policies that aim to preserve craft within standardized production
and market entry models, and; the fourth section discusses how incorporated practices that depend on contact between generations to be transmitted within the precepts of traditional know-how have become disjointed as a result of imposed managerial logic. Finally, we close the discussion with the notion that the chosen topic provides a unique viewpoint to ponder the contradictory effects of organizational practice.

**IMPOSING CHANGE ON BRAZILIAN CRAFT**

From the late 1980s to the early 1990s, most Latin American governments implemented economic stabilization programs and adjusted public administration according to International Monetary Fund (IMF) guidelines. A significant proportion of these programs – primarily those involving opening local economies to the new globalization model – consisted of abandoning paradigms of development that were considered outdated. The new agenda envisaged an open economy and imposed the suspension of delayed industrialization policies (motivated by the intention to replace imports in a closed economy and greater state regulation). It sought to increase the competitiveness of local businesses by reducing government influence on the management of private enterprises. This period was marked by the privatization of public organizations, limited government spending, deregulation of the economy and attracting foreign investment (Ahumada & Andrews, 1998; Amann & Baer, 2002).

Arguments in favor of incorporating the neoliberal model maintain that, in a decentralized economy without government regulation, free competition would lead to monetary equilibrium and full employment of the workforce. Consequently, it would rely upon the market – rather than the government or any other institution – the responsibility of solving structural socioeconomic problems, such as dependent economic development, the concentration of wealth, social inequality and a shortage of job vacancies. In addition, advocates of neoliberalism suggest that the current economy is characterized by the relentless advance of globalization and international mobility of financial capital (Saad-Filho, 2010).
However, such strategy, which in theory offers the possibility of accelerated economic growth, tends to be successful only when national public policies are in line with the short-term interests of international financial markets. As such, local initiatives aimed at catering to autochthonous production would be unviable if separated from the main priority of these interests. After all, any policy that challenges financial market gains might lead to capital flight. The political credibility of peripheral economies has become a key element in this system and is no more than a derivation of the preferences of international financial conglomerates, the governments of developed economies and institutions such as the International Monetary Fund - IMF (Saad-Filho, 2010).

In Brazil, the neoliberal agenda became part of the political and administrative framework when Fernando Collor de Mello was elected president in 1989 (Ahumada & Andrews, 1998). Since then, successive governments have proposed structural reforms aimed at diluting old industrial policy and transforming employment and income generation patterns. The old industrial policy was based on import substitution as a means of offsetting Brazil’s position in the international division of labor, which lasted from approximately the 1930’s to the 1980’s. This redefinition of the Brazilian industrial base excluded less competitive economic agents unable to adapt to the new dynamic without state incentives.

On the other hand, it also strengthened national economic dependence both in relation to foreign trade (as a supplier of commodities and raw materials of very low aggregate value) and foreign investments in technology. A rise in subcontracting and decline in the number of middle-ranking jobs available in services and industry was another reflex of this redefinition.

One of the alternatives for generating income and employment for the large and unemployed Brazilian workforce, was to reinforce policies encouraging self-employment and the collective organization of the unoccupied workforce into associations, cooperatives or small and micro companies. This involved capitalizing activities such as craft and turning craftsmen into entrepreneurs.
agents who would supposedly be more prepared for the new challenges of the market (Seraine, 2009). It sure has to be done since unemployment is a serious social problem. But policies as such just mitigate it and do not attack the reasons why it happens in the Brazilian developmental model.

In this paper, we stress that the appropriation of the concept of “entrepreneur” by the Brazilian management culture of the 1980s-1990s had brought it closer to the concept of self-employment. If we analyze it through the perspective of an ideological maneuver, such misunderstanding is a euphemism that conceals the precarious status of self-employment meanwhile shaping the compliance of society about the importance of the neoliberal modernizing reforms.

During the 1990s, the standpoint that craft was incompatible with the capitalist mode of production has changed to give room for an integrative perspective. In the neoliberal agenda, craft is considered a business like any other: a market activity with social and economic functions in the organization of the capitalist system.

Certainly, this integration would not be entirely possible without reshaping the meaning and means of performance of craftwork. But more than just a way of doing business, traditional craft is a symbolic and cultural expression of a way of being that runs concurrently with neoliberal economic growth. That is the reason why the existence of craft activities has to be justified as an economic activity that serves for the purpose of “including” certain social groups in the neoliberal order. These groups are: 1) the unskilled workforce that is unemployed; and 2) the skilled artisans that are still culturally identified with traditional lifestyles and that have to be “mainstreamed”.

THE CULTURE (IDEOLOGY?) OF ENTREPRENEURSHIP (SELF-EMPLOYMENT?) AS A NEOLIBERAL LEGACY

When comparing policies that aim to promote craftwork, we found a number of entities that interfere in this activity to some degree. According to Seraine (2009), SEBRAE is the most efficient of these entities at converting craft workshops into small businesses, craft tradition into merchandise, and craftsperson into “entrepre-
neurs”. All these changes establish a context in which the ideology of entrepreneurship as a driving force behind craft makes sense according to the legitimizing discourse of a predetermined socioeconomic development model. Examples of several guidelines for this conversion were found in extracts of manuals or practical guides – such as Orientações para Intervenção (Guidelines for Intervention), published as a booklet entitled Termo de Referência: Atuação do Sistema SEBRAE no Artesanato, 2010 (Therm of Reference: The Work of the SEBRAE System in Craftwork) (Mascêne & Tedeschi, 2010).

In order to underline the context of analysis of the investigation we undertake in this paper, we shall present and discuss the main features of the policy guideline we have identified as an example of our object of study: the Program of Brazilian Craft (Programa do Artesanato Brasileiro – PAB). PAB is a public program that is subordinated to the Brazilian Ministry of Development, Industry and Foreign Trade. The PAB has been created to formulate public policies for developing the craft activity. In an institutional report of the Ministry that mentions PAB (MIDIC, 2006, p.1036), it is said that “craftwork is one of the segments with greatest potentiality to directly contribute for the generation of work and income”. So, it is recognized that craft is “a way of production with peculiar characteristics and with great potential to aggregate value to a product, as well as to enable the insertion of a product in the domestic or foreign markets” (MIDIC, 2006, p.1036).

According to Seraine (2009), this bundle of transformations contains the traits of an ideology – which applies to the production of ideas, beliefs and values in social life. In this sense, the concept of ideology is closer to the broader meaning of culture, which suggests certain political and epistemological neutrality. Ideology or culture, in this context, indicates an intertwining of significant practices and symbolic processes that are present in a society and that relates to how people experience certain social practices. This definition is broader than that of culture as a synonymous with the recognized value of intellectual, artistic and creative work, even though it is more restricted than the anthropological definition of
culture, which focuses on the set of practices and institutions related to a certain way of life (Eagleton, 2009).

The link between ideology and culture is not inconsistent when referring to the idea of entrepreneurship. Nevertheless, we understand that just as culture cannot be reduced to ideology; ideology goes beyond the meaningful practices of a society since it also encompasses the relationships between these signs and other processes – concerning, for example, the exercise of power and political disputes. Thus, we deemed it appropriate to establish the premise that ideology “is not coextensive with the general field of ‘culture’, but elucidates it from a specific standpoint (Eagleton, 2009, p.39).

Following the culture or ideology of entrepreneurship as an inescapable way for promoting local development, the imposition of managerial intervention mechanisms on craft organization promotes the commodification and disembodiment of traditional craft know-how. By commodification we mean how craft changes from a cultural expression/practice into merchandise of low aggregate value (Peach, 2007). By disembodiment we mean that the craft know-how that was deeply rooted in a person is objectified into formal knowledge or into a form of production organization (Figueiredo, 2015; Figueiredo e Ipiranga, 2015). These issues are closely related and can be summed up in transforming craft in an object i.e. a product or a productive thing/person.

The (re)organization of craft production as a commercial venture means that the craftsperson that has turned into part of the national’s workforce must be trained according to common standards that fit the “taste of the market” and that are different from the standards that the original craftsperson used to define (based on tradition) on their own work. The commodification and the disembodiment of craft undermines the control that the craftsperson exerts over the thing they make, and outlines the dependency established on organizations dedicated to reshaping craftwork.
Reframing the commodification of craftwork as contradictory implications

The issue of how the neoliberal entrepreneurial ideology leads to the commodification of craft brings up some contradictory implications that have to be put on focus. To put it clearly, the contradiction is that it is impossible for traditional craft to keep on out of the managerial order; but managerialism itself disfeatures traditional craft. If, on the one hand, movements guided by reframing craftwork can be criticized as disguising new forms of domination (Zibechi, 2011), on the other they are considered one of the primary means of maintaining local traditions (Soares, 2010).

The policy of reframing craftwork is driven by the idea that new prospects for the activity depend on the adaptation of products (merchandise) and production techniques to the innovative dynamics of contemporary economics. Nevertheless, although the outlining purposes of this policy aim to ensure the dignity of those who make a living from crafts and include guidelines on perpetuating traditional knowledge and local identity, they do not eradicate the tension between maintaining customs unique to autochthonous cultures and adapting it to the tastes of the market. It is our belief that this tension could detract the meaning of craftwork and mis-characterize not only the manners of making, creating, organizing and consuming this type of cultural asset, but the lifestyles linked to the context in which craftwork is still practiced.

The commodification of craft production makes all sense according to the neoliberal agenda for developing countries like Brazil, as it serves two purposes. The first and more conspicuous of them is to “include” into capitalism those people who currently live in or beyond the outskirts of it: the unemployed workers and the traditional craftsperson, respectively. Under the premise of “inclusion” those groups are encouraged to consume goods that are attached to a new – and consumerist – lifestyle that ultimately shifts the actual needs of those people. The second and (supposedly) more surreptitious is to drain the possibilities of real entrepreneurial ac-
tivity in such contexts, as unskilled people can only mechanically reproduce low added value products, i.e. knick-knack.

Therefore, we argue that the discourse on the advantages of the ideology of entrepreneurship is at least partially based on rhetoric, which does not take into account the inherent contradictions of reframing craftwork. After all, why should a craftsperson become an entrepreneur? What is the reason behind investing in training programs driven for this purpose? And considering the way these programs were set up, what are the benefits of the extra income that the commodification of craftwork could generate and who would benefit from it?

The apparently direct relationship established between entrepreneurial training and craft production in Brazil involves other issues, which would demand a detailed analysis of local work philosophies and peculiarities. Such matters have already aroused the interest of researchers such as Peach (2007), who examined the political environment that regulated Scottish craft production in the 1970s. The author questions whether ministries of trade and industry are in fact the most appropriate regulators in the organization of activities related to culture. The study clearly demonstrates that the symbolic aspect of the activity (expressed through authentic cultural manifestations that had special significance for the region) succumbed, giving way to strictly marketing-based purposes catering to the tourism industry.

According to Peach (2007), the dependence imposed on craftwork by the tourist industry ultimately reduces it to the universe of souvenirs, altering the production and consumption trajectory of this form of cultural expression. While the expansion of market exchange possibilities resulting from investments in tourism and the preservation of craftwork can ensure continuation of the activity. Conversely, it tends to compromise the authenticity of the activity in that autochthonous interests are almost exclusively focused on the commercial viability of such investments.

According to Graburn (2004), who studied the transformation of craft production among the Inuits in North Canada, the
main problem with such policies is that they irreversibly alter the identity of people who still produce crafts for their own use. Within this framework of productive reframing, the emphasis given to aesthetic adaptation to market tastes makes many artisans – previously identified by a particular universe of local practices and customs – change their point of view regarding their own knowledge and production. As a result, concerns about exchange value overlap those values traditionally related to the use of craft.

**THE DISEMBODIMENT OF CRAFT KNOW-HOW AS ANOTHER CONTRADICTORY IMPLICATION**

Our critic to policy guidelines such as PAB and to the work of institutional agents like SEBRAE relies on the fact that the neoliberal reforms they represent have a global dimension (Böhm, 2006) and, as so, they are a threat to traditional practices that are intrinsic to certain ways of life. Nevertheless, we recognize that today’s capitalism leaves too little room for the survival of such ways of life and that the preservation – or at least the maintenance – of traditional practices depends on the incorporation of those practices into a commercial logic, as the neoliberal management is essentialized as the only way organizations can be articulated today (Böhm, 2006). The break with the strictly preservationist perspective in relation to the activity can lead to tensions between the culture’s customs and peculiarities and the need to adapt the local craftsperson’s production to the taste of the market. This tension can ultimately empty the indigenous significance of these practices, as well as the ways of life attached to them (Figueiredo, 2015).

Craft is characterized as a form of tactile knowledge, not necessarily associated with formal and systematized transmission processes. However, this peculiarity is a threat in terms of its perpetuation on the contemporary context. Different circumstances, ranging from economic issues to the loss of identity ties with a given culture or the ubiquity of certain practices to new lifestyles, mean adherence to handmade crafts is no longer attractive to many people.
National craft policies stipulate that the perpetuation of this skill should balance tacit and explicit knowledge. However, they propose the disembodiment of know-how still in the possession of master craftsmen and its rapid multiplication among a vast number of new practitioners. The performance of the PAB, for example, is regulated by the guidelines of the National Plan for Professional Education (Plano para Educação Profissional – PLANFOR), which aims to train workers through professional (re)qualification courses. The program prioritizes workers with low schooling levels, from the formal and informal labor market, the unemployed, underemployed, businessmen and employees from small and micro companies, that is, precisely those who are most vulnerable to processes of productive restructuring and modernization (MIDC, 2011). We recall that the people to which such policies are driven to surely are vulnerable and that actions like the ones proposed are mandatory to avoid the risk of social collapse. But they are a reductionist way of dealing with such issue, and for that reason they are far from being enough.

Typically, the training of artisans is a cultural practice of the social group in which craft is produced. As craft know-how cannot be detached from a way of life, or a certain way of being in the world, this kind of knowledge shapes the identity of the person who incorporates it (Figueiredo and Ipiranga, 2015). Within the managerialist logic, there is a disjunction of the identity of the artisan and that of the identity of entrepreneur: after all, greater consideration is given to how identity characteristics attributed to the craftsperson by common sense can increase the value of the products commercially labeled as craft. Meanwhile, market prerogatives change the characteristics of the local craft, according to a sense of utility and to certain aesthetic guidelines that are contemporary and that may be very different from the original purposes of craft production. What the managerial logic does though is to adapt autochthonous production to whatever is fashionable at a particular time with the goal of making it desirable and saleable.

These training and qualification programs for artisans break from the purely preservationist view of craft and are consistent with
the proposal that “popular art and craft should be appraised by means of contemporary design and appropriate technologies in order to ensure the preservation of intangible heritage, the passing of traditional knowledge to new generations and individual dignity” (Soares, 2010 p. 19). By contrast, these actions involve the breakdown of traditional transmission of knowledge, homogenizing production and transforming social relationships possibly guided by other logics. Initiatives designed to ensure craft activity is maintained via quick entrepreneurial training courses presuppose that knowledge sought by this tradition can be disembodied, decontextualized and translated in accordance with managerial categories. Thus, in parallel to the appreciation of cultural tradition, is the homogenization process triggered by the culture industry (represented primarily by the idea of design) or by the intrusion of capital on cultural goods.

This leads us to consider that these actions favor a change in identity for an entire profession in the social scenario: artisans must now become entrepreneurs. Nevertheless, since the label “handmade product” still retains strong commercial appeal, it should be exploited as a commercial strategy even when the supposedly handmade product is produced in a standardized fashion, in small factories coordinated by entrepreneurs from rapid training and instruction programs. Moreover, discourse on reframing advocates social inclusion and change within a managerial perspective, which implies a contradiction in terms. In this regard, authors such as Parker (2002, p. 9) are concerned that managerialism is an ideology used to “justify considerable cruelty and inequality” between the dominant and the subordinate, with no justification for denying it or using it as a basis for the sociocultural, political or economic emancipation of subordinate social groups.

CONCLUSION: SUBORDINATE ENTREPRENEURSHIP REINFORCES DEPENDENCY

Given that intervention processes have reframed Brazilian craft production, neoliberal policies such as the ones we have mentioned
here tend to compromise the structures that are unique to this form of symbolic expression, culminating in the naturalization of managerial ideology. What takes place is simply the incorporation of increasingly more people in the tangled world-system feeding the matrix of modern/capitalist power (Grosfoguel, 2010). This process, which favors the enterprization of craftwork, both trivializes and reproduces the idea of development as a synonym of expanding consumption capacity. The logic behind this ideology is the notion that the proclaimed freedom inherent to neoliberal policy resides in the potential for individual consumption.

It is important to underscore that “consumerism results in consumers being consumed” (p. 98) and “culture is also an item of consumption” (Lefebvre, 1971, p. 108). It is not enough to have the potential to undergo emancipatory sociocultural transformation if the social players that might undertake it are prisoners of the ideological chains that hamper such action. Our view of the subordinate entrepreneur is that of a dominated agent (Žižek, 1999), functional to the dominant order and the exclusionary logic of capital. Since programs that induce the transformation of craft activity into a productive sector facilitate the entry of new players in the consumer market, this prompts us to ask: to what extent can this be considered a change? Indeed, we see no effective sociocultural changes through intervention programs focusing on Brazilian craft. Instead, we find dependent relationships and, as such, we do not understand how there could be evidence of sociocultural emancipation for those who became involved in this process by means of managerialism.

The distinctions that ensured the originality of different groups of artisans, organizations or communities, are becoming increasingly less evident, outlining a process of mass production and mass produced organizational practices, obscuring fundamental issues that have yet to be satisfactorily addressed. The commodification of this process completes a cycle that eradicates the autonomy of artisans, removing them from an emancipatory perspective and perpetuating dependence in a situation in which there are no appa-
rent prospects of transformation. Social inclusion, much-touted in programs aimed at reframing craft activity, is a euphemism for the inclusion of new consumers in the mass market, which completes the neoliberal picture in line with the idea that that society would become confused with the concept of market.

Finally, we argue that this structure is based on a discourse that targets more than it can accomplish. Furthermore, it is only partial in that it boasts some “Success Stories” (Duarte, 2004) without considering the contradictory aspects of the interventions it encourages. In summary: we aim to contribute to a movement that proposes rethinking organizations, their purposes, forms of action, practices and their implications of a social, cultural, economic, ethical and political nature. The topic selected for this study, focusing on craftwork as a genuine form of cultural expression, provides a complete basis for questioning the contradictory effects of the organizational practice on society. It also corrodes the core cultural production against which we debate the meaning of considering other forms of organization, given that the current situation reinforces contradictions that are not always explored in research on this theme.

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