O papel do Estado na reprodução da informalidade: um estudo de caso sobre Belo Horizonte/Brasil

The role of the state in the reproduction of informality: the case of Belo Horizonte/Brazil

Mara Nogueira¹, London School of Economics and Political Science, m.nogueira-teixeira@lse.ac.uk

¹ Doutoranda em Geografia Humana e Estudos Urbanos, Departamento de Geografia, LSE.
RESUMO

Neste artigo, discute-se o papel do Estado brasileiro na reprodução da informalidade a partir de debates pós-coloniais em estudos urbanos. Nesse contexto, informalidade é definida como uma ferramenta estratégica de governança implantada pelo Estado para regular o espaço urbano. Examinam-se diferentes grupos de cidadãos afetados por três projetos em Belo Horizonte/Brasil, todos associados à Copa do Mundo da FIFA de 2014. As diferentes habilidades desses grupos para ter suas reivindicações sobre o espaço validadas pelo Estado são exploradas. A discussão é estruturada em torno de três tópicos principais (1) como diferentes escalas do Estado interagem no processo através do qual a divisão entre formal/informal é produzida; (2) como cidadãos organizados podem acessar o Estado e afetar esse processo e (3) como agentes do Estado estão implicados nesta prática. O trabalho se baseia em dados qualitativos (entrevistas, notas de campo, e documentos de arquivo) coletados durante seis meses de trabalho de campo em Belo Horizonte/MG, de julho de 2015 a dezembro de 2015, em relação aos três estudos de caso. Os resultados mostram que cidadãos organizados são capazes de influenciar o processo através do qual o Estado valida reivindicações sobre o espaço. De forma a terem suas reivindicações legitimadas, os cidadãos exploram a existência de diferentes escalas do Estado, a relação com os agentes do Estado e os canais formais construídos através de lutas sociais no passado. No entanto, esse processo parece limitado, sendo que grupos diferentes de cidadãos tem mais ou menos condições de terem suas demandas reconhecidas.

Palavras Chave: informalidade urbana, Estado, mega-eventos, remoções

ABSTRACT

In this paper, I will join postcolonial debates in urban studies to discuss the role played by the Brazilian State in the reproduction of informality. Informality is here understood as a strategic tool of urban governance deployed by the state to regulate space. I examine different groups of citizens affected by three development projects in Belo Horizonte/Brazil, all associated with the 2014 FIFA World Cup. I explore the different abilities of these groups to have their claims upon space validated by the state. The discussion is structured around three main topics (1) how different scales of the state interact in the process through which the formal/informal divide is produced; (2) how organized citizens can engage with the state and affect this process and (3) how state agents are implicated in this practice. The paper relies on qualitative data (interviews, field notes, pictures and archival documents) collected during six months of fieldwork in Belo Horizonte/MG, from July 2015 to December 2015 regarding three case studies. The findings show that organized citizens are able to influence the process through which the state validates claims upon space. Citizens explore different scales of the state, the relationship with state agents and formal channels built through past struggle to have their claims validated. However, the process seems limited and even the existent policies that partially recognize the urban poor’s claim to space are eroding, engendering a new movement of insurgency.

Keywords/Palabras Clave: urban informality, state, mega-events, displacement
INTRODUCTION

After enjoying a few decades of academic ostracism, the issue of urban informality is back in the international agenda (Roy, 2005). The discussion has been often associated with the claims around the “urban age” (Burdett, Sudjic, & Cavusoglu, 2011) and alarming accounts of the chaotic growth of the Global South mega-cities and their “planet of slums” (Davis, 2006). In Latin America, informality is a widespread practice in housing strategies and employment alternatives. In Brazil, according to the latest 2010 census, over 11 million people live in informal settlements (IBGE, 2010), whereas 32.5% of the working force was part of the informal economy in 2012 (Barbosa Filho & Moura, 2015). According to Fernandes (2007, p. 203) “one of the main characteristics of urban development in Latin America countries is the fact that the social production of urban space has been increasingly promoted through informal process of access to urban land housing”. He further affirms that “for some time now Brazil’s process of informal urban development has not been the exception, but the main socio-economic way to produce urban space in the country” (ibid). In this regard, it is important to notice that illegal forms of land occupation are not exclusive to the urban poor. The difference is that some forms of illegality, such as “gated communities” that normally do not comply with planning regulations, are tolerated while others are not. Reality thus points to the existence of distinct degrees of “illegality”, with some forms of illegality being more accepted by the state than others (Fernandes, 2012).

Recent debates in post-colonial urban studies have argued for a new understanding of informality that rejects the standard dichotomy of two separate sectors, formal and informal, and instead proposes an understanding of informality as a mode of urbanization (Roy, 2005). According to Roy, informality “is not a separate sector but rather a series of transactions that connect different economies and spaces to one another” (Roy, 2005 – p. 148). She criticizes the understanding of informality as the exception to planning, as the practices that lie outside the realm of planners’ control. In contrast to this view, Roy (2005) points to the fact that informality is produced by the state. Therefore, part of the challenge is to understand how the state, through its planning apparatus, (re)produces the unplanned and the unplannable. Informality is, therefore, not what lies outside planning, but has rather become a strategic tool of urban governance deployed by contemporary states (Roy, 2009a).

In this paper, I will join this debate and discuss the role played by the Brazilian State through its different scales in the reproduction of informality understood as a mode of urbanization. I examine different groups of citizens affected by three development projects in Belo Horizonte/Brazil, all associated with the 2014 FIFA World Cup. I explore the different abilities of these groups to have their claims upon space validated by the state. The discussion is structured around three main topics (1) how different scales of the state interact in the process through which the formal/informal divide is produced; (2) how organized citizens can engage with the state and affect this process and (3) how state agents are implicated in this practice.

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2 For a critical perspective on the “urban age” discourse, see Brenner and Schimid (2014)
3 Officially the Brazilian Institute of Geography and Statistics (IBGE) classify informal settlements as “subnormal agglomerations” in the census.
4 Barbosa Filho and Moura (2015) calculate the informality rate as the ratio between employees without a formal contract and total employment. They choose to exclude self-employment from their definition of informality. Its inclusion would make the rate increase to 49.6% for 2012.
The paper relies on qualitative data (interviews, field notes, pictures and archival documents) collected during six months of fieldwork in Belo Horizonte/MG, from July 2015 to December 2015 regarding three case studies. The first concerns the displacement of a group of informal workers, the “Mineirão stallholders” (barraqueiros do Mineirão), that used to work in the surroundings of the Mineirão stadium prior to the modernization for the World Cup. The second focuses on an informal settlement, the “Vila UFMG”, displaced to give place for a mobility infrastructure project designed to improve the access to the stadium. Finally, the third presents the conflict generated at “Musas Street” around the construction of a hotel also envisaging the World Cup.

After this introduction, the remainder of the paper is divided into five parts. In the following session I discuss the theoretical framework. I use each of my three cases to highlight the role of the state in the reproduction of informality and the limits of the theory. The next three sessions will present findings from my fieldwork data to discuss each of the three main debates outlined. Session three discusses the “Musas’ Street” case and the use of the environment as an argument that allowed the residents to take the conflict from the local state to the regional state, which was paramount for their success. In the following session I discuss the fragmented nature of the state and the everyday interactions of state agents with the “informal workers”, questioning how those impact their ability to achieve their goals. Session five discusses the construction of the institutionalized channels for accessing the local state and how effective this “formal” engagement with the state is in regards to the struggle for dignified housing. Finally I will conclude with some final remarks and discuss how the findings can contribute to theory making.

THE STATE AND THE INFORMALITY

THEORETICAL FRAMEWORK

Until recently informality has been equated with the absence of the state. Informal spaces were, therefore, analyzed through their lack of regulation. According to Haid (2016, p. 2) within approaches such as the legalist or functionalist, “the state is taken as a backdrop against which informality can thrive or perish”. In most recent approaches in postcolonial studies, however, informality is seen as reproduced by the state that holds the power to create “exceptions” (Agamben, 1998) through its planning and legal apparatus. The state acts as the sovereign that draws the boundaries between what is formal and what is not, which kinds of informality are allowed to exist and which ones are not (Roy 2005). The difference, therefore, is not between those practices that are in accordance with the laws and planning rules and those that are not, but rather between those that are identified as strategic and those that are perceived as nuisance.

In this perspective, informality is not what lies outside planning, but a “mode of urbanization” and a strategic tool of urban governance deployed by contemporary states (Roy, 2009b). Such a claim can be understood within the context brought about by globalization and neoliberalization, which many have argued is enhancing competition among cities for private and public investments (Harvey, 1989). In this context, flexibility is being valued as a way to overcome state bureaucracy and increase city’s competitiveness (Arantes, Vainer, & Maricato, 2000; Castells & Borja, 1996; C. B. Vainer, 2009). Within this framework, the “entrepreneurial city” emerges as a profit-seeking entity that should avoid wasting time in long decision processes that could mean lost opportunities.

5 In order to protect the privacy of participants, all names have been anonymized.
(Vainer 2009). The selective enactment of “exceptions” (Agambem, 1998) by the state is, therefore, used to legitimize certain practices that enable the development of desired urban forms even when they do not comply with existing rules and regulations (Follmann, 2015; Gaffney, 2010; C. Vainer, 2015). In Brazil, the proliferation of illegal forms of urban occupation are not exceptions but the general rule. The phenomenon is structural and structures the way in which urban space is produced. Nonetheless, there are distinct degrees of “illegality”, with some forms of illegality being tolerated while others face violent repression by the state (Fernandes 2012).

In this context, it seems very relevant to interrogate and analyze in depth the ways in which the state is implicated in the process through which informality is reproduced. As noted, post-colonial theorizations of urban informality have emphasized this aspect (Roy, 2005, 2009a, 2009b). Nonetheless some scholars have noted that there is a scarcity of investigations that focus on the state and the everyday practices and mechanisms implicated in this process (Tuvikene, Alves, & Hilbrandt, 2016). Others have pointed that although the state theoretically holds the monopoly of enacting “exceptions”, in reality the state itself is a fractured entity, represented by agents with their own motivations and competing interests. As a consequence, power is perceived as dispersed among unevenly empowered state and non-state actors (Hackenbroch, 2011; Schindler, 2014). Moreover, the state has also been discussed as an informal entity in itself, whose power is performed with flexibility in the everyday enactment of state power through its representatives (Haid, 2016). In tandem, such accounts suggest that the implications of the state in the production of informality are much more complex and in need of scrutiny.

In the remainder of this session I use my three study case studies to discuss how the boundaries between formal and informal are been constantly shaped as a result of multiple interactions and negotiations between state and non-state actors.

“MUSAS STREET”: THE STATE AND THE EXCEPTION

So, I think it was in May, my mother called me and said “it is on the newspaper that they are selling your street”… (laughs)… It was then that I found out, so I said “what?”, “yes, it is on Estado de Minas [local newspaper] that the mayor will sell your street”. Then I went to the internet and it was really there, the first article. It was really amusing, including the tone of the article, “Local government has its first victory to build a luxury hotel at Belvedere” (…) [Interview with Prof Antonio - 04/09/2015]

In July of 2012, the municipal government of Belo Horizonte sold part of the Musas Street (Rua Musas) for a private company. The BATUR Enterprises paid R$ 4 million for the land and intended to build a 27-storey hotel in the empty land divided by the street. The company benefited from the municipal Law 9.952/2010 that was created to encourage the construction of hotels and other types of infrastructure envisioning the hosting of the 2014 World Cup. The law made possible the use of an exceptional mechanism, the “urban operation”, for the entire city without abiding to the criteria described in the City Statute, the Federal law that regulates such operations. The construction of the hotel is, therefore, potentially possible because the local state has created two “exceptions”. First, a law was approved that makes possible the street, a public patrimony, to be sold and converted into private property. Second, another law was passed, making planning regulations inscribed in the city’s Master Plan flexible to accommodate the requirements of an international mega-event.
The deal can be easily interpreted within the “entrepreneurial city” discussion. Here the local state is forming an alliance with local business to stimulate growth by attracting investments and visitors. That is achieved through making rules flexible to accommodate investments creating what Vainer (2015) has labelled the “city of exception”\(^6\). Moreover, the whole transaction could be taken as an example of “the calculated informality that undergirds the territorial practices of the state” (Roy 2009a, 82), reinforcing the thesis that the state itself, in this case the local state, can be responsible for creating informality. A new shiny state-of-the-art five-star hotel could be interpreted as an expression “of class power” that “can thus command infrastructure, services, and legitimacy in a way that marks” its substantial difference from a landscape of slums, although they are both “informal” (ibid, p. 83). The important question that would naturally follow from this discussion is the unravelling of the mechanisms through which this particular “urban operation”, considered “illegal” from the perspective of the Public Prosecutor’s office, is not only sanctioned by the state, but also promoted by the state. Nonetheless, what is particularly interesting about this case is that we know that the hotel was never built. Despite all the efforts of the local state and the entrepreneur, a group of residents, with some institutional support was able to stop the construction. The case, therefore, points to a more complex situation in which the state is not able to impose its agenda. Power is seems to be more dispersed among the actors involved and “informality” emerges as the product of negotiations among distinct and unevenly empowered actors (Hackenbrock, 2011; Schindler, 2014). In this paper I intend to discuss how the different groups of citizens I am interested in engage with the state in order to affect the way space is produced.

**THE MINEIRÃO STALLHOLDERS AND THE “STADIUM OF EXCEPTION”**

Well, apart from the fact that there are more street peddlers, there is no workspace, right? Because after this code... This Code of Placements has ruined us. It was the Code of Placements that has ruined the situation for the peddlers. Before that, Mara, anywhere, if it was not for the Code of Placements we could still work. After this Code of Placements, everywhere you look there is a city inspector. This mayor spends way too much money with city inspectors, what is that about? [Interview with Vilma – 19/11/15]

Since 2003, the activity of street vendors in public spaces of Belo Horizonte is prohibited by the Law 8,616/2003, the Code of Placements (Código de Posturas), created in order to “promote the harmony and the equilibrium in the urban space by disciplining behaviours, conducts and procedures of the citizens in the municipality of Belo Horizonte” (DOM, 2003). According to Carriers and Murta (2011), one of the main goals of the code was to remove street peddlers and toreros\(^7\) from the downtown area of the city. The legislation was approved to foster a revitalization policy (Centro Vivo) aimed to transform Belo Horizonte’s city centre into a “lively and attractive modern urban center worthy of being displayed in a postcard picture” (ibid, p. 219). Within the policy, many peddlers were moved to popular shopping malls and became store owners. As discussed by Carriers and Murta (2011), that process was well documented by the local media that expressed their approval to a policy that was promoting the formalization of those

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\(^6\) Carlos Vainer, in his analysis of the Rio de Janeiro case, argues that the “city of mega-events” is undergoing the apex of certain processes that create what he calls a “city of exception” that is, a spatial manifestation of Agamben’s “state of exception”.

\(^7\) The name is used to refer to street peddlers that work as itinerant workers. They normally carry their own merchandise.
working in the “informal” economy, whilst engendering the orderliness of the city centre, which would be free from the mess and troublemaking caused by the street peddlers.

Such programs of revitalization that target street vendors and hawkers as nuisance have been documented in other parts of the world (Crossa, 2009; Itikawa, 2016; Schindler, 2014; Yatmo, 2008). For Itikawa (2016), local governments looking to promote new urban frontiers for capital accumulation target specific groups that represent a scenario of poverty. The vulnerability of street vendors is increased in a situation of growing competition for investments associated with the role of aesthetics in urban governance (Ghertner, 2015). In particular, street peddlers are identified as nuisance and elements “out of place” that disrupt the order and harmony of urban environments (Carrierri and Murta, 2011; Yatmo, 2008). Street vendors, however, are also able to resist, challenging and subverting policies aimed at supressing their presence in the urban environment (Crossa, 2009), while also constantly negotiating with local authorities responsible for supplying work licenses, which sometimes include the payment of bribes (Schindler, 2014, Itikawa, 2016).

In Belo Horizonte, the Code of Placements can be interpreted through this discussion. Whilst proposing the new legislation in tandem with the program for revitalizing the city centre the local government has acted to promote the value of urban land and create a more attractive urban space. The local state has, therefore, shifted the boundaries of the law as a strategy of urban governance (Roy, 2005). Both policies were carried out with the support of the local population, although they represented the displacement of thousands of informal workers from the city centre. Nonetheless, at least initially the new legislation did not directly affect the Mineirão stallholders. That was only possible because they were considered to be under the jurisdiction of the regional state of Minas Gerais, which was responsible for managing the stadium. They had an arrangement with the agency (ADEMG) in charge of the stadium, for which they would pay a fee per match for the use of the space. The confusion between local and regional state regarding the management of the space they used to occupy was at first, therefore, to their advantage. However, after the stadium reopened, the local state has used the regional state responsibility and the Code of Placements as justification to deny their access to reallocation on public space.

In this case, therefore, multiple scales of the state are implied in the process through which the boundaries between formal and informal are negotiated. Moreover, the informal workers also actively engaged with those multiple scales which are part of their repertoire of claim-making. In this chapter I will explore how different scales of the state are implicated in the reproduction of informality and also how scalar struggles are used as a strategy by different groups of citizens.

“VILA UFMG”: THE URBEL AND THE EXCEPTIONS OF THE STATE

(…) But you are the public power there, right? So, my technicians, me, we are the public power. So, you are the one that... you are the one to blame because my house has been moved, you are to blame because I have no access to this or that, or because the school has no vacancies, or because the health centre is full, right? You are the public power acting specifically for one thing, but you end up encompassing and listening to all the issues of other instances of the...
public power as well, right? It is like this. [Interview with Fernanda, URBEL employee – 06/03/16]

The URBEL (Urbanizing Company of Belo Horizonte) was the state agency in charge of managing the displacement of the “Vila Recanto UFMG”, as according to municipal law they are the organ responsible for handling evictions due to public construction in the case of informal settlements. The company exists since 1961 and it was restructured in 1983 to implement Belo Horizonte’s Municipal Programme for Regularization of Favelas (PROFAVELA). According to Rolnik (2013), the program was a pioneer, contrasting with the then existing policies of eviction and demolition of favelas. This program can be understood in the context of gradual changes in state policy within Brazil that led to the creation of specific planning instruments that legally recognize the existence of informal settlements (Fernandes, 1993; Rolnik, 2013).

This process has been thoroughly studied and theorized. Holston (2008) for instance has discussed the “insurgent citizens” arising from the auto-constructed peripheries of São Paulo and their struggle to be recognized as citizens of the city they were building. Moreover, the organized social movements for the right to housing emerging in various parts of Brazil, including Belo Horizonte were key for the later institutionalization of the “right to the city” in the federal scale through the “City Statute” (Fernandes, 2012). The municipal legislation in Belo Horizonte has actually in many ways anticipated many of the instruments present in the City Statute. The establishment in 1993 of the Municipal Housing Policy (MHP) can be understood through this logic. In a way we can interpret this as a movement through which the boundary of the law has been shifted to incorporate some forms of informal land use that become, thus, partially recognized as legitimate by the state. The state could be seen, therefore, as somehow porous to popular demands that can be incorporated through organized struggle.

For the particular case of the “Vila UFMG”, such mechanisms have made possible the partial recognition of the rights of its residents that received some form of compensation, either monetary or in the form of reallocation to social housing. Nonetheless, although some of the residents would qualify for property titles according to the City Statute regulations, they were only compensated for the constructions and the original owner of the land received compensation for the land located in a prime spot. The local state through the process of expropriating the land for public purposes has extinguished the ongoing usucapião (adverse possession) lawsuit, declaring the original company the legitimate owner. Once again we can identify the process through which informality emanates from the state apparatus, pointing towards a much more complex reality on the ground in which the recognition of rights are interrelated with complex political and economic interests. As pointed by Nascimento (2016) in her discussion about the recent and growing movement of occupations in Belo Horizonte:

(...) the distance between what is laid down in laws, treaties and policies, and what is applied on a daily basis indicates the complexity of an issue which, currently, is much more associated with the imposition of economic and political interests and conveniently more linked to technical parameters than to legal ones. (...) The mere existence of agreements and normative acts has proven insufficient in a negotiation process involving the housing movements, land owners and public agencies. (Nascimento, 2016, p. 13)

During the month of November 2015, the workers of URBEL were on strike. On the 26th of November, I attended a Seminar promoted by the employees to discuss the limits of the Municipal...
Housing Policy (MHP) in Belo Horizonte, as part of their activities during the strike. The seminar had the presence of two leaders of social movements for housing, a public defender from the human rights office and an academic and former URBEL employee. The main issue under discussion was the precariousness of the MHP and its inadequacy to deal with the growing housing deficit. In a way, part of the workers of the URBEL were dissatisfied with the “political” use of the agency. They make a connection between their jobs on the ground and the overall state of affairs. Moreover, as Fernanda has pointed in the opening quote, they are perceived as the state when they are operating on the ground. Both discussions point towards the fractured nature of the state. That is, although the state has the power to use its institutional apparatus to subvert norms and regulations to advance its goals, on the ground level, such policies are performed by agents that represent the state while also keeping some level of human agency. In this chapter I intend to engage with the discussion that interprets the state as powerful, but not all encompassing. Interpreting state agents as the embodiment of state power on everyday life (Marston, 2004), I will analyse some extracts that interrogate their role in the cases under analysis.

In the following sessions I use my three study case studies to discuss (1) how different scales of the state interact in the process though which such formal/informal divide is produced, (2) how the fragmented nature of the state influences this process and, (3) how organized citizens can engage with the state and affect urban policy.

THE MUSAS STREET: THE ENVIRONMENT AND THE SCALES OF THE STATE

The residents at Musas Street were deeply bothered by the fact that their street was being sold to a private company. They’ve used a series of strategies to try to stop the sale. However, in the end nothing worked and the entrepreneur had his first victory. After that they moved on to try to stop the construction of the hotel. They had time on their favour, as the law that allowed the construction had a deadline. Everything they could do, then, to delay the process would give them an advantage. From the arguments deployed, the environmental impact was the most successful. According to municipal law, any project considered to cause considerable impact has to go through an analysis of the environmental impact and have it approved at the Municipal Environmental Council (COMAN). The COMAN is in charge of promoting the municipal environmental policy, while also regulating activities and issuing environmental licenses. It is one of the 24 public policy’s councils existent in the municipality that, in total, has 613 “participatory entities” which are the result of popular demand for increasing participation, as described in the brochure produced by Belo Horizonte’s municipal administration (PBH, 2015).

As part of the participatory process, a public hearing was scheduled at the COMAN. For that meeting, the residents circulated a report produced by two public prosecutors denouncing all the illegalities found in the project. The meeting was held in August 2011 with the presence of many of the residents, the public prosecutors in charge of the report and other allies of the movement. Despite all their claims regarding the alleged irregularities, the project was approved as the local government had issued a report in favour of the hotel. In the following quotes, Prof Antonio talks about his disillusion with the role of the consultative forums.

10 Nascimento (2016) discussed two changes, one in the federal context and the other in the local political context that can be connected to the demise of Belo Horizonte’s MHP, both in 2009. The first refers to the federal housing program, Minha Casa Minha Vida (MCMV) that replaced the municipal policy. The second concerns the current mayor, Márcio Lacerda, that broke down the alliance between his administration and the Worker’s Party (PT). Since 1993, the development of the MHP is connected with the presence of the PT in the city administration.
It is an absurd the way these things work. That is why I think the way I do... you have these councils, this and that, I think it is an achievement, these things that have been engendered by the new constitution, right... the City Statute, great, right? Because then you have arguments for things. But the way they do things, the formation of these councils is... even when you have the social movements there (...). But then you have one or two, and then you have several people that are appointed by the mayor, you have the businessmen, and I don't know what else. (...) I think this is very concerning. I started going to these council meetings that have popular representation, they have the majority of members that are appointed by the mayor or the governor, so it is like a theatre in which you legitimize the things that they want to do. [Interview with Prof Antonio – 04/09/15]

Therefore, although in theory the council was a space for the discussion of the project and the inclusion of the population in the process, the residents felt incapable to have their demands heard within that forum. Nonetheless, after being defeated in the municipal council, their next step was to claim that the environmental impact was not limited to the city, as the project was located close to the city border and was potentially impacting the whole metropolitan region. The following is an extract from COMAN’s public hearing in which Eduardo Santos, a state parliamentary that was also a resident of the region and an ally of the residents, declares his interest in involving the regional state in the matter.

We cannot also forget, and here is I believe a fundamental point and it was not even necessary to have this meeting, it is an analogous case, we are in the border, in the frontier between Belo Horizonte and Nova Lima, if it is going to cause impact in both cities and in the surroundings, I believe that the COMAN not even has the authority to endorse this, it had to be the COPAM [State Council for Environmental Policy], and if that happened in other cases, the same treatment must be applied. And I warn you in advance that if this licensing process advances here at COMAN, it will make the process even slower, because we will issue the request for the COPAM to demand what is within its right, so it will make the process slower. [Extract from COMAN’s public hearing, speech by Eduardo Santos, state parliamentary – 24/08/11]

The main basis for their argument to make possible the change from the municipality to the regional state jurisdiction was again the potential environmental impact. They argued that the hotel was within a 3 km radio from an environmental protected area, the Ecological Reserve of Cercadinho. Therefore, according to state legislation, the regional state would also be in charge of analysing the project and providing it (or not) with the environmental license for construction. A second argument was the proximity to the “Serra do Curral”, a sierra that marks the limits of the city of Belo Horizonte towards the East portion of its territory. The sierra is also protected as municipal and national heritage.

The process then moved to the regional state and it took a whole year for it to be appreciated by the COPAM. In the interview, Prof Antonio has told me how he found out about the meeting. One day when he was away in a conference his wife called. One of the members of the COPAM that lived in a close neighbourhood came to Musas’s street and knocked on every door to warn them that the project would be under appreciation in a meeting later that day. A few residents organised and were able to attend the meeting and articulate the support of another member of COPAM that represented the civil society. She managed to ask to review the process, which took it out of the schedule and gave them extra time to prepare a report for COPAM’s next meeting. Once again they were supported by the Public Prosecutor’s offices for Environmental Protection and Urban Regulation as the following quote shows.
Then, I know that in the end they decided to take the process to the state, right? There, in the state, we wrote a recommendation pointing the illegalities to stop them from issuing the license. And it is funny, because the municipal government, through its secretary, issued a declaration saying the project was in accordance with all the regulations. And it was not, right? They were following a norm from the master plan saying that for the projects regarding the World Cup they would make urban parameters flexible. That created an opening, [because they were] not making urban parameters flexible, they were making the guidelines for the protection of the “Serra do Curral” which is a different thing. That the law did not authorize. [Interview with Roberta, Public Prosecutor for Urban Regulation – 28/10/2015]

Apart from all their efforts, the project was once again sanctioned by the state and approved at the COPAM. Nonetheless, they were able to appeal against the decision that returned to the same council once again. Their appeal was denied at the council and moved to a higher chamber within the COPAM, where they also had the support of one of its members. They were once again defeated and the entrepreneur was able to resume the process within the municipality level. In the end, therefore, despite the existence of the participatory channels within the municipality, through COMAN, and the state, through COPAM, at least according to the opinion of those consulted, the internal organization of both councils make them ineffective in terms of actually allowing participation. The members of the population are able to go and to discuss the projects, but their imbalanced composition make them much more inclined to sanction the projects supported by the government. Therefore, although the residents in alliance with the prosecutor’s office and others, based most of their claims in the irregularities of the project that was not what caused its cancellation. The “exceptional” law created for the World Cup that allowed the construction was also a timed exception. Although the unfinished projects were later granted a partial amnesty from the penalties established by the law, at that time, the entrepreneur was not aware of that and made the calculated decision to not proceed with the construction.

The residents were then able to stop the hotel because they used a series of strategies to delay the operation until it became unfeasible timewise. In this discussion I have emphasized the role of the environment impact as an argument that made possible a process of “jumping scales”. Although that was not successful in terms of actually having the state revoking the decision made on the municipality level, the delay caused by the scale jump was fundamental to delay the process for over one year. Moreover, it is important to highlight how the residents were able to articulate the support of several institutional actors that gave them access to the state in many formal and informal ways, which allowed them to articulate the process of scale jumping.

**THE MINEIRÃO STALLHOLDERS AND THE EVERYDAY STATE**

After the Mineirão stadium was reopened in 2013, in the absence of the informal market organized by the Mineirão stallholders and any other suitable alternative, the football fans created the habit of remaining in the outside area of the stadium, buying drinks from street peddlers and even promoting private barbecues in the residential streets surrounding the Mineirão. That created an issue for the upper-middle class neighbourhood where the stadium is located. The residents were furious with the messiness and trouble caused by the presence of dozens of street vendors and thousands of drunk football fans hanging out on their doorsteps. They are organized and articulated by a neighbourhood association and after the stadium reopened they have incessantly demanded a solution from the local and regional states for a better management of the space. The following is an extract from an interview with Alessandra, which is a resident of the...
area and an active member of the neighbourhood association. She comments on their relationship with the local state. 

Currently in the city’s inspection sector, in this council, I believe that Marcia is our greatest contact. We have a very good relationship, she comes to our meetings and she responds to the residents’ complaints, you know? She is always trying to work as to minimize the impacts of the street peddlers and everything. However, as she narrates in the meetings, it is very hard for a group of inspection agents to be able to arrive at this environment of drinking, of skewers, of barbecues, where the person has a knife, a skewer’s stick, everything. And sometimes they react aggressively to the inspection interventions. So, thus, they have a limit for their agency. They try to act in tandem with the police, they restrain it, right? The action of a few street peddlers, but they are not able to restrain 100%, right? Insofar as we don’t have a situation of politeness, conscience of the population and a serious punitive legislation, only the activity on the day trying to stop those caixeiros\(^\text{11}\) is not enough, right? [Interview with Alessandra – 25/08/15]

On the July 29 there was a football match happening at Mineirão stadium. The match was scheduled for 10 pm, but I arrived around 6.30 pm to check the movement. The following is an extract of my fieldwork notes of that day.

After that I stood there for another half an hour just watching the group of city inspection agents and policemen. They finally started moving and I followed with my phone in hand, as I wanted to photograph any action against the street peddlers. They, however, just walked through the avenue towards the stadium, where they stopped close to the ticket boxes and started talking again. I overheard one of the agents talking to two other guys from their support team saying that if he was in charge of the operation he would call it off and send everyone home, because their numbers were too small to take any action against the street peddlers. He also said that if they tried anything, the people would react against them, taking the peddlers’ side. [Field note– 29/07/2015]

During my fieldwork I also followed closely the activities of the Mineirão stallholders. They were still active in 2015 with their struggle for reallocation, even though they have been displaced five years ago. On the 7th of August they received a hard blow from the municipal government that decided to organize a market in the surroundings of the stadium through a public bid, partially in response to the residents’ concerns. The bid was set to select 96 stallholders that would be authorize to sell food and drinks to the football fans in four different locations. The criteria for competition was the highest bid and there was no mention about the former stallholders. After five years with no secure income, many of them lacked the resources to compete. Moreover, the city council in charge of the competition was using the exact same design for the market that they had proposed before as an alternative for reallocation which was denied for security reasons. Finally, the number 96 was exactly the same number of stallholders registered as the group affected by the construction after the stadium closed\(^\text{12}\). They were, therefore, furious when the local media announced the bid with the headline “Belo Horizonte’s government launches a bid for the return of the Mineirão stallholders”. They responded by organizing a series of activities to try

\(^{11}\) Street peddlers that carry thermal boxes where they store the drinking products.

\(^{12}\) The “Mineirão stallholders” were identified as a group directly impacted by the renovation project through the environment impact report. After the stadium has closed for the construction works, the Minas Arena has registered those belonging to the group. Since 96 stallholders attended to register, this group became equated with the historical “Mineirão stallholders”.

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DESENVOLVIMENTO, CRISE E RESISTÊNCIA: QUais OS CAMINHOS DO PLANEJAMENTO URBANO E REGIONAL? 12
to stop the bid and on the 18th of August they decided to occupy the City Hall building. They brought their tents and their banners and set camping at the pavement in front of the building located in one of the major avenues of Belo Horizonte. The following is an extract from my fieldwork observations regarding the second day of the occupation.

After this conversation, Manuel and I walked back to the City Hall while talking about his experience working as a street vendor. He made a clear distinction between the old agents that knew him since he was a child (“they are getting old, just like I am getting old”) and the younger ones (“full of adrenaline”) with who it was harder to negotiate. He told me that in the past the agents would complain if their products were on the floor (“occupying the ground”), so when the inspectors came, they would simply put their products over their heads and they wouldn’t be bothered. (…) [Field note– 19/08/16]

In tandem what the empirical findings show is that although the state is, in theory, invested in the task of constraining the presence of the street vendors, which is illegal from the perspective of local legislation, on the ground the reality is that it cannot always do so. That does not mean, however, that the occupation of urban space is unregulated. As we saw from Alessandra’s quote, there is great pressure from the neighbourhood association for a stronger control of the space. The manager in charge of the operation is conscious of her role in working in tandem with the neighbourhood association to create a better place for them. The public bid, although not so well received among the residents, is in part an attempt of the state to organize the occupation of the space and, therefore, meet their demands. Nonetheless, the inspection agents, as the embodiment of state power on the ground are also constrained in their agency to execute their duties, either because they are outnumbered or because they prefer to negotiate. Both field notes can be used to illustrate this point. In my comment about the match, what we notice is that the context generated by the football culture partially legitimizes the presence of the peddlers. The power of the state, represented by city agents with the support of the police, is unable to perform the role that theoretically emanate from their position. In Manoel’s description of the inspection agents we can see that there is some sort of relationship that affects their ability to negotiate. The power of the state is not exerted with the same strength because of those affective ties. That allows the “encroachment” of the space. Nonetheless, the situation is not ideal as it does not translate into the actual recognition for the right to workspace.

**QUEUING FOR THE STATE: THE (POTENTIAL) RIGHT FOR HOUSING**

Ana was a resident of the “Vila Recanto UFMG”. I first met her during a Seminar organized by the Pastoral Care for Street Dwellers, a group connected to the Catholic Church that provides support for the homeless population. In her speech, she told the story of how she moved to the Vila and how when “The World Cup rhythm came” her home was taken away from her. Nonetheless, she was also proud to say that she was a former homeless person, but now she had her home, “If I have a home today, it was through fighting”. She was there to remind other people that were homeless like she was before, that the way to secure their right to dignified housing, to a dignified life, was through the struggle, that is, through the engagement in social movements. Later I interviewed her in two opportunities, first at the Pastoral and later at her house. She told me that in the beginning of the 90s she was living at a precarious shack underneath a viaduct with her partner and both were working as waste pickers for an association, the ASMARÉ13. She recollects

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13 ASMARÉ is an association of waste pickers of Belo Horizonte that was funded by them in 1991 with the support of the Pastoral.
that at that time, Belo Horizonte’s mayor was Patrus Ananias, a PT politician. He was elected in the 1992 municipal election, the first after Brazil’s re-democratization. His coalition was named “Popular BH Front” (Frente BH Popular) and the urban reform agenda was a priority of his mandate. His administration promoted a profound restructuring of the urban and housing management within the municipality that engendered the creation of an institutional and juridical framework to deal with the issue of social housing. Patrus was also connected to the Catholic Church that had, since 1987, constituted the Pastoral Care in Belo Horizonte to develop actions among the homeless population. In my interview with Claudia, a social worker at the Pastoral, she narrated how, in 1993, due to the forthcoming visit of an international personality to Belo Horizonte, there was an increasing pressure to “clean” the city. The Pastoral pressured the local government for an alternative to the existent hygienist approach and that engendered an experience that was regarded as the first “dignified eviction” in the city.

Ana was among the group displaced and she was reallocated to one of the shelters and started to develop a relationship with the social approach workers. She told me that “it was the first time I was contacted by the local government, until that point the government didn’t even know I existed”. The promise made by the city administration was that they would stay at the shelter for one year, before being reallocated into social housing. However, when she realized that time was passing and no final solution was presented, Ana gathered with the other residents and went to the City Hall to protest. Eventually they got a deal from URBEL and she used the compensation to buy a shack where she lived until 2000 at São Lucas. However, her son got involved with drug traffic at the neighbourhood and she had to go back to the streets to avoid getting him killed. Finally in 2001, through her contact with the Pastoral, she found out about the occupation near the Federal University campus. She narrates the process through which she moved to the Vila UFMG.

Well, my name is Ana Silva. I am a former resident of the old 7070 Presidente Antônio Carlos Avenue, located in front of the Federal University of Minas Gerais. Story that started in 2001. Why? I was in the “Avenida do Contorno” occupation, there where it used to be the “Rede Ferroviária” occupation. So, we articulated and we mobilized so we could really fight for dignified housing, right? Then it appeared the space that was empty that used to be an old car shop, which was there in the “Antônio Carlos 7070” occupation. We participated of several meetings with a few residents that were already occupying that space. But the fight needed to be strengthened. And I received the opportunity to be part of this community, to which we decided to give a name after a few meetings. Then we named it “Vila Recanto UFMG”.

[Interview with Ana, former resident of the “Vila Recanto UFMG” – 15/10/2015]

After Ana and her group moved in, the group of then 17 residents started to work in tandem with the Pastoral to organize the space and fight for access to water and electricity that was eventually provided. In 2004 they faced an eviction threat through a repossession lawsuit that was reverted by an attorney from the Catholic University Legal Assistance Service (SAJ). Then, later when the “World Cup rhythm” finally came, she was displaced once again along with other 89 families that were living at the Vila in 2011. She was compensated, like all the other families, for the construction, but not for the land. In her own perspective, hers is a victorious trajectory, she was homeless and now she has a house. Although the situation is not ideal since she had to move to the periphery of the metropolitan region, away from Belo Horizonte, where she grew up. The

14 For a discussion about the “Frente BH Popular”, see Bedê (2005).
juridical framework that allowed the partial recognition of the residents’ rights and their compensation is the MHP through the Laws 6.326/93 and 6.508/94. According to the (URBEL, 2010, p. 16), the MHP

(...) has the goal to reduce the housing deficit through the production of new housing for families residing in the municipality for over 5 years with family income up to five minimum wages; to assist families living under risk and insalubrity; to reallocate families evicted as a result of public construction, besides promoting the improvement of living conditions at favelas and vilas, through urbanization works, infra-structure and land regularisation. (URBEL, 2010, p. 16)

It is, therefore, the MHP designed during the already mentioned administration of Patrus that gave legal support for the reallocation of Ana and the rest of her community. The MHP, however, was never effective to deal with the growing social housing deficit in Belo Horizonte. Moreover, since the creation of the “Minha Casa, Minha Vida” program in 2009, the municipal housing policy was replaced by the federal policy. Additionally, the current administration of Belo Horizonte has proposed changes to the MHP that weakens its effectiveness even further. Both of these issues were under discussion during the said seminar organized by the URBEL employees in November 2015.

The current housing crisis has recently culminated in the proliferation of new occupations in Belo Horizonte. According to Lourenço (2014), more than ten thousand families in the metropolitan region of Belo Horizonte are living in thirteen occupations that were formed between 2008 and 2014. They are formed by families who do not believe any longer in the MHP, who are tired to wait in the “queue” for a “formal” solution from their government and decided to take the matters into their own hands. In a way, what the resurgence of the occupation movement shows is that the modes of engagement with the state have retroacted. The advances from the past that created institutionalized channels for discussion and hope for the “right to the city” to prevail are evading in the context of entrepreneurial urbanism and neoliberal governance. In a context in which the institutional channels seem to be failing the goals for which they were created, a growing number of low income families resort to occupations for fulfilling their right and their need for house and shelter. Since the “queue” never stops growing, it seems appropriate for the occupation incomers to become once again “insurgent” and demand more than the potential right for a house, but a real one.

**Final Remarks**

In this paper I have discussed in line with the post-colonial debates in urban studies, how the state is implicated in the reproduction of informality (Roy, 2005; 2009a; 2009b). In this approach, informality is seen as a mode of urban governance deployed by the state that discretionarily draws the line between formal and informal practices according to the interests at play. Through the discussion of the three cases under analysis in this thesis, I was able to show how informality should not be regarded as a practice that lies outside the realm of the state or that can be equated with poverty. In each of the three cases, some of form of “illegality” in the use of urban space is present. In tandem, the cases show that although informality can be interpreted as an urban governance tool by the state, in reality the implications of the state in the reproduction of informality are more complicated and in need of discussion. Multiple scales of the state are implicated in this process, which can be affected by state and non-state actors.
In the conflict regarding the construction of the hotel, I have described how the residents, seemingly powerless, have used the environment as an argument to jump scales, gaining time and stopping a multi-million deal. The process shows how organized citizens with institutional support can also claim the informality/illegality of state action. In their struggle they had access to an extensive network that guaranteed information and also access to the state. For instance, the manoeuvre that allowed the rescaling of the conflict from the local to the regional state was achieved through their connection to a state parliamentary and the support of the Public Prosecutor’s office, which was fundamental in many steps of the way. Those resources are not present in the case of the “Mineirão stallholders”, for instance. After their displacement, they were unable to have their right to reallocation sanctioned. I have discussed, however, how the performance of state power in the everyday by the agents of the state opens possibilities for negotiation and for the encroachment of space (Bayat, 2004). Therefore, although the state enjoys the monopoly to decide what is legal/formal and what is not, which practices are allowed and which ones are not, in practice there is still room for some negotiation in the everyday life. That, however is not the most desired situation for informal workers, as it means a great deal of uncertainty. Moreover, although they have some “power” to negotiate on the ground, their ability to affect state policy and, therefore, secure their right to workspace is reduced. Such forms of encroachment allowed through the fractured nature of the state is not enough to engender the recognition of rights. They know that and that is why their movement tries to secure their right to reallocation through other means. They challenge the official discourse that they couldn’t be reallocated due to local legislation. Nonetheless the municipal government was completely inflexible regarding the rule and went ahead with the bid. That also shows how the flexibility to create “exceptional” measures is attached to another kind of power. The law that is bend to accommodate multi-million interests does not bend to guarantee the livelihoods of poor families. The question then is how do poor families guarantee their rights?

That takes us to the last part of the paper where I discuss the movement through which the Municipal Housing Policy (MHP) of Belo Horizonte was constructed. The MHP was the instrument that made possible the partial recognition of the rights of the Vila UFMG displaced residents. In 2004, when they were almost evicted, they ran the risk of leaving without nothing. Therefore, the local government, in the action of buying the land from the original owner to construct the viaduct has both extinguished their potential right to the land, inscribed in the City Statute, and created their actual right to compensation, inscribed in the MHP. However, I have tried to discuss the limits of the MHP, which is made visible by the growing number of urban occupations in the city of Belo Horizonte. That has created a division within the right for housing movement between those that are part of the organized “queue” for social housing, and those too tired to wait for a MCMV apartment that are thus joining the occupations. Therefore, there is a disbelief in the institutional channels that were created through the movement of the insurgent citizens (Holston, 2008) from the past. Moreover, since the new federal government took over after Rousseff’s impeachment, the production of MCMV units for lower income groups has been suspended, which makes the insurgent way even more attractive.

In tandem these discussions show both how the state uses the creation of “exceptions” as mode of urban governance and also how different groups of citizens engage with the state to affect this process and, therefore, affect the way space is produced. I have shown how although the fragmented nature of the state opens spaces for the “encroachment” of the urban poor, that does not guarantee rights. The construction of rights, as it seems, comes from the organized movement of the insurgent citizens. However, even those rights created through their struggle are only potential rights that can be easily forgotten by the state. Nonetheless, the alliance of the state and
capital can be defeated from time to time. The question that remains is which citizens have the access to the weapons that seem to be effective?

REFERENCES


