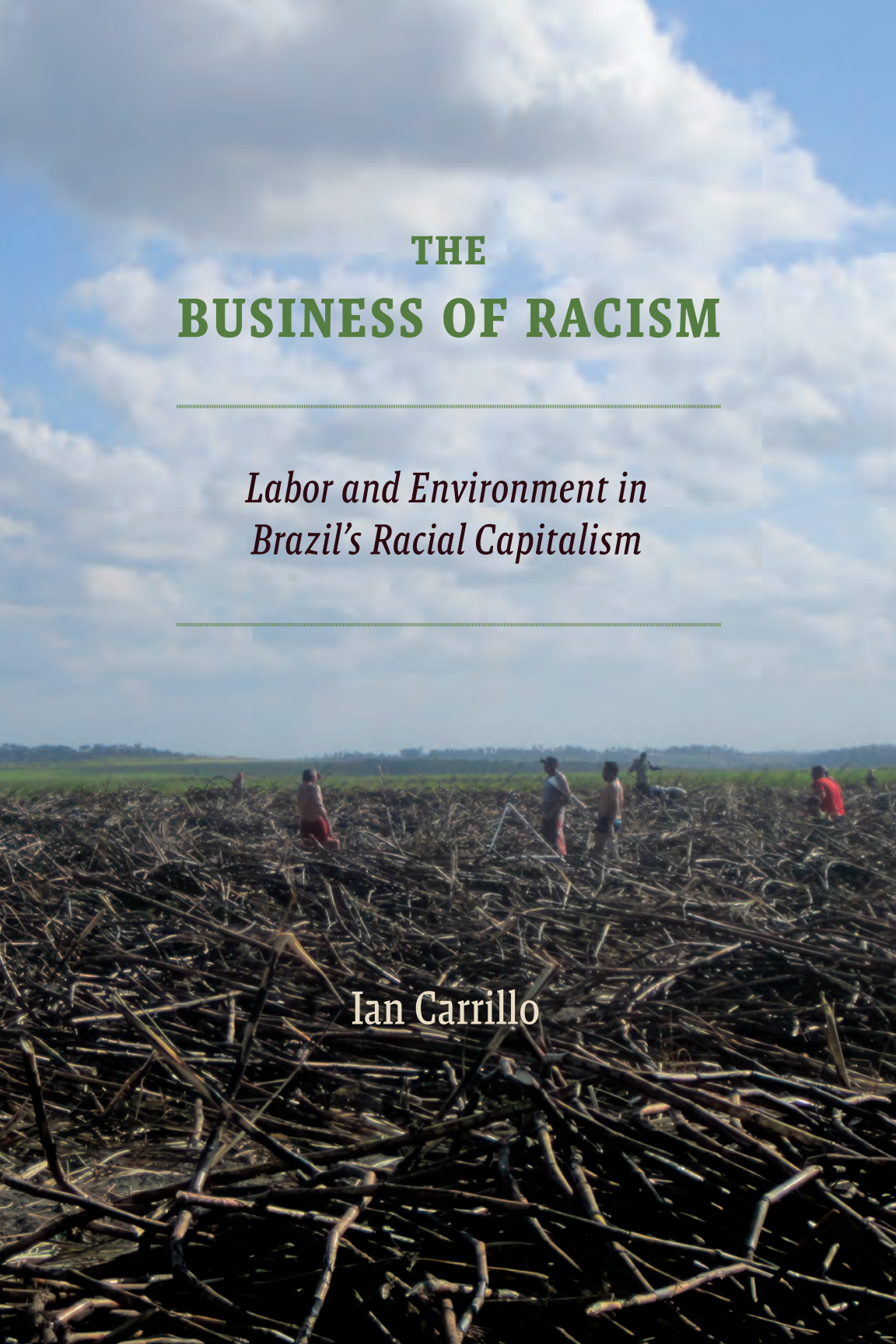
THE BUSINESS OF RACISM

Labor and Environment in Brazil's Racial Capitalism



Ian Carrillo

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Duke University Press *Durham and London* 2026

Printed in the United States of America on acid-free paper ∞
Typeset in Garamond Premier Pro by Westchester Publishing Services

Library of Congress Cataloging-in-Publication Data
Names: Carrillo, Ian author
Title: The business of racism : labor and environment in Brazil's racial capitalism / Ian Carrillo.
Other titles: Labor and environment in Brazil's racial capitalism
Description: Durham : Duke University Press, 2026. | Includes bibliographical references and index.
Identifiers: lccn 2025034217 (print)
LCCN 2025034218 (ebook)
ISBN 9781478033158 paperback
ISBN 9781478029700 hardcover
ISBN 9781478061892 ebook
Subjects: LCSH: Agriculture—Social aspects—Brazil | Racism—Economic aspects—Brazil | Brazil—Race relations—Economic aspects | Brazil—Economic conditions—1985–
Classification: LCC HD1872 .C37 2026 (print) | LCC HD1872 (ebook) | DDC 338.10981—dc23/eng/20260116
LC record available at https://lccn.loc.gov/2025034217
LC ebook record available at https://lccn.loc.gov/2025034218

Cover art: Sugarcane cutters work under the hot sun at a mill in Northeast Brazil. Photo by Ian Carrillo.

For Patricia and Robert

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Acknowledgments

The Business of Racism has been decades in the making. I received support and encouragement from far too many people to possibly include here. In my PhD training, special thanks go to my advisors, Gay Seidman, Gary Green, and Jane Collins. You consistently and kindly provided insight and expertise in helping me develop an abstract idea into this book. My sincerest thanks to David Pellow for his guidance as a postdoctoral mentor. I am grateful to David, Simone Pulver, Howard Winant, and France Winddance Twine for participating in a workshop that helped me refine this book's purpose. I deeply appreciate the two anonymous reviewers whose incisive comments improved this book. Thank you to Duke University Press and two editors there—Gisela Fosado and Erika Jackson—for their attentive support.

National and international funding made this book possible. A fellowship from the Fulbright Association and CAPES (Coordenação de Aperfeiçoamento de Pessoal de Nível Superior) was indispensable for my dissertation fieldwork in Brazil. A National Science Foundation Social and Behavioral Sciences Postdoctoral Research Fellowship (SPRF #1810179) allowed me to deepen this project in new areas while also providing me with the time and freedom to develop as a scholar. The Broadening Diversity track of the SPRF was an instrumental pathway for elevating minority scientists and advancing the scientific study of race and racism.

At the University of Wisconsin–Madison, I benefited from many sources of support during my PhD training. An Advanced Opportunity Fellowship assisted me at the beginning and end of my doctoral studies. I am indebted to the Department of Community and Environmental Sociology, the Department of Sociology, and the Holtz Center for Science and Technology for providing

funds for fieldwork and conference travel. Thank you to the Center for Latin American, Caribbean, and Iberian Studies (LACIS) for providing fieldwork grants and two Foreign Language and Area Studies (FLAS) fellowships to study Portuguese. A Joaquim Nabuco Award, funded through the Department of Portuguese and the Nabuco Family, provided early encouragement to pursue research in Brazil.

I am grateful to many folks in Brazil for supporting me during fieldwork. Andrea Melo at the Federal University of Pernambuco (UFPE) received me warmly. Christine Dabat and Marcus Carvalho in the Department of History at UFPE kindly shared their expertise. Cícero Péricles de Carvalho, an economist at the Federal University of Alagoas, was generous with his time and resources. At the University of São Paulo, sociologist Glauco Arbix provided constant support. I am grateful to John Wilkinson at the Social Science Program for Development, Agriculture, and Society at the Federal Rural University of Rio de Janeiro. I benefited from conversations with Durval Muniz de Albuquerque Jr. at the Federal University of Rio Grande do Norte. Thank you to Renato and Isabela in Recife. A plethora of folks in Pernambuco, Alagoas, São Paulo, Rio Grande do Norte, Bahia, and Rio de Janeiro were generous towards me and made me feel welcome.

I give special thanks to other Brazilian scholars and Brazilianists. Salo Coslovsky provided valuable assistance. Thomas Rogers and Gillian McGillivray warmly supported me as a graduate student. Severino Albuquerque's contributions as a scholar and mentor cannot be overstated; at UW–Madison, his seminar A Invenção do Nordeste (The Invention of the Northeast) greatly influenced my understanding of power and inequality in Northeast Brazil. I appreciate his generosity in connecting me with people in Maceió and Alagoas.

My sincerest thanks to the participants at the Sociology of Economic Change and Development brownbag at UW–Madison. This space was instrumental in helping me to become a sociologist. I am also grateful for the input I received from attendees at various conferences: American Sociological Association, Rural Sociological Society, Brazilian Studies Association, Red para el Estudio de la Economía Política de América Latina, and Latin American Studies Association.

At the University of Oklahoma, I appreciate the Vice President for Research and Partnerships and the Dodge Family College of Arts and Sciences for providing support that allowed me to finish the book. I also want to thank the Center for Brazil Studies for being a warm community of scholars.

I owe a debt of gratitude to the Centers for Latin American Studies and Departments of Spanish and Portuguese at the University of Kansas and

UW–Madison. As an undergraduate, I adored my classes in KU's Center for Latin American Studies. I fondly remember Portuguese classes with Caçilda Rego. While I was completing my master's degree in Latin American Studies, Elizabeth Kuznesof challenged me to become a better scholar. Robert Rodriguez opened up new ways of thinking for me in his course La Izquierda en América Latina (The Left in Latin America), and was the first person to ever encourage me to pursue a PhD. At UW–Madison, Alberto Vargas played a fundamental role in making LACIS a wonderful space for graduate students.

As a Mexican-American scholar, I consider these centers vital to my professional trajectory. During my undergraduate studies, a desire to better understand the conditions and history that led my family to migrate from Mexico fueled my initial interest in studying Latin America. Such history had been excluded from my primary and secondary school curricula, so it was eye-opening and life-changing to be exposed to such knowledge. My younger self could never have imagined that I would become one of the few Latino professors in US higher education.

Given this experience, it is distressing to see the Trump administration defund and demonize many of the grants, fellowship, centers, and departments that facilitated my training as a scientist. The National Science Foundation's SPRF program has been greatly curtailed, including the Broadening Diversity track that funded this book project. The State Department has significantly reduced the budget for International and Cultural Exchanges, which houses the Fulbright Program. In the Department of Education, cuts to international and foreign language education have essentially eliminated FLAS fellowships. Also imperiled are the Title VI National Resource Centers, which supported the Centers for Latin American Studies at KU and UW–Madison.

This administration's attack on science and higher education aims to ensure that future underrepresented minority students will not have the training opportunities that were available to me. This institutional dismantling is driven by hostility toward the inclusion of underrepresented minority scientists in knowledge production and the idea of using science to achieve racial justice. I hope that readers of this book can reconstruct these institutions and programs to build the democratic world we desire.

This book is dedicated to Mom and Dad. You have been an infinite source of love and support my entire life. You have given more of yourselves than I will ever know, and my appreciation for everything you have provided for me is bottomless. I am grateful to Jeff for being a wonderful brother.

To Annabel: I could not have completed this book without your love and companionship. Since graduate school, you have constantly championed me in

ways big and small. Your sharp intellect and analytic mind contributed to the development of this book in all its stages: from rough proposal to book. You have made and continue to make my life richer in ways that are impossible to fathom. I am forever grateful to Torino, Mamão, and Maracujá, who fill our days with love, warmth, and laughter.

Introduction

As I traveled from the state capital to a sugar-ethanol mill in Northeast Brazil, my car wove through several small towns nestled in a sea of sugarcane. The spring sun illuminated the morning mist on the sugarcane leaves, contrasting the green-coated hillsides against the clear blue sky. At the mill, I was escorted to the director's office, where I met with the director and several other top managers. In our long conversation, I inquired about how their mill and the broader industry navigated ongoing economic, regulatory, and technological pressures. I was especially interested in the issues of straw burning and manual harvesting, which are among the most egregious forms of environmental and labor exploitation in sugarcane cultivation. Incinerating the straw vastly increases productivity by making the cane stalk more accessible to manual cane-cutters. However, straw burning causes significant public health, environmental, and climatic damages, and manual harvesting is a violent activity that weathers the bodies of cane-cutters, the vast majority of whom are Black and Brown (Alves 2006).

When I brought up the issue of environmental regulations prohibiting straw burning, a strong response came from João, the septuagenarian mill director. He lashed out at the state with conspiratorial accusations: "Every day the Brazilian government fucks its own people, because they demand so much to the point you won't be able to burn cane anymore. Cane doesn't pollute anything, and they know this." He asserted that outlawing straw burning would reduce mill profitability and quickly lead to bankruptcy. If the mill closed, João portended social chaos: "The crime, the hunger, the robberies, the misery, it will all unfold, because the security belt for [the state capital] Recife is the sugar zone. If the mills close, there isn't enough police in the world for that. Everyone would be killed, hundreds killed, dozens every day."

While his defense of straw burning was partially economic, João also stoked racial panic with racist tropes that Black and Brown rural workers are innately prone to violence and would starve to death if untethered from cane employment. From João's perspective, profitable sugar-ethanol mills are a positive good for society, as they preserve a particular racial, class, and economic order in which he occupies a privileged position of authority. For João, the environmental practice of straw burning is a key ingredient for mill viability and, by extension, the cohesion of racialized class structures.

Around midday we left the mill to have lunch at a nearby plantation owned by João's younger brother, José. Also present was Pedro, José's plantation-owning son. These three white men come from a long line of sugarcane plantation owners. José proudly described to me how the property had been in their family since the 1850s, thirty years before Brazil abolished slavery in 1888. After taking me to a social room inside the ornate home, he showed me pictures of his great-grandparents and grandparents, all of Portuguese descent. The slaveholder lineage of João, José, and Pedro and their family property stood out, particularly as I observed the Afro-descendant workers who performed domestic and agricultural tasks that day. Even 130 years after abolition, much of the racialized class hierarchy of the plantation system was intact: José lived in the "big house" (*casa grande*) and dominated relations, while Black and Brown workers did menial labor and lived in humble quarters interspersed across the property.

These racial and class dynamics on modern-day plantations were at the forefront of my mind. I came to Brazil to study the on-the-ground implementation of the labor and environmental regulations that expanded across the agribusiness sector over the last twenty-five years. These regulations focus on, among other things, child labor, worker health and safety, employment formalization, and environmental protections. New laws targeted slave labor

(*trabalho escravo*), referring to work analogous to slavery that is legally characterized by degrading work conditions, overly exhaustive workdays, forced labor, and indebted servitude (Repórter Brasil 2015). Although these laws were race-neutral, they have had implicit racial effects since most rural workers were nonwhite. For agribusiness owners, such as João, José, and Pedro, these regulations challenged long-standing management strategies, environmental practices, and racialized class relations.

As we conversed during lunch, João, José, and Pedro stressed how things used to be better for people like them. In their eyes, the sources of their misfortune were biased bureaucrats, leftist politicians, and a society tricked by leftist politicians who lied about noble businessmen. They felt that labor and environmental regulations undermined their authority and autonomy. José told me, "Nowadays it's easier to be a worker than a business owner," because owners are treated like criminals. Pounding the table, he shouted that society now considers calling someone a *senhor de engenho* (plantation lord) to be an insult rather than the honorable title it used to be. These comments, tinged with nostalgic aggrievement, revealed resentment at how regulations not only changed the costs of doing business but also diminished white elite power in a highly segregated society. It was not surprising, then, that these men expressed support for then-president Jair Bolsonaro (2019–2022), a far-right reactionary who promised to restore power to rural landlords.

My experience at the mill and plantation sharply contrasted with a meeting I had a couple of months later at the local Public Prosecutor's Office (Ministério Público do Trabalho), one of the bureaucracies João, José, and Pedro blamed for their perceived hardship. This federal office, located in the middle of a major urban area, was markedly different from the geographically isolated plantation. After getting through security, I met with Juliana, a prosecutor with about fifteen years of experience. She first entered the profession working in the greater Amazon region, where she prosecuted employers engaging in child labor, slave labor, and deforestation in agribusiness activities. She later relocated to the Northeast, where her expertise shifted to sugarcane, the sector where most labor violations were concentrated.

Juliana told me several times that what she witnessed on northeastern sugarcane mills and plantations was "perpetuated slavery" (*escravidão perpetuada*). From her vantage point, the sugarcane elite had tried to keep the slavery model as intact as possible. They did so by imposing sharecropping systems, preventing the extension of national labor standards to rural worksites, and denying public education and social welfare to the rural population. Juliana explained to me why perpetuated slavery existed: "What are slave labor and the biggest

labor violations today? I mean, not just slave labor, but all violations. Even child labor. In fact, it's a cheapening of labor. It's not that the employer hates the employee. 'I hate [my workers].' No. He's saving [money]. We live in a capitalist country. Profit is legal. But, many companies want to earn profit at all costs. . . . So, truthfully, the biggest labor violations are hiding a cheapening of the workforce. It's profit-making." She saw the same dynamics driving environmentally destructive practices like straw burning and pesticide use: 'Truthfully, it's all to save money. It's the profit motive."

While Juliana considered economics the main factor motivating employers to engage in labor and environmental exploitation, she also saw ideological beliefs entwined in plantation management. She recognized that a major barrier to raising standards was the "slavocrat mentality" (*mentalidade escravocrata*) among sugarcane elites, who were reluctant to cede any power and privilege. Juliana was thus unsurprised to see agribusiness groups mobilize to secure several major regressive changes at the national level, such as the 2016 impeachment of the Workers' Party (PT, Partido dos Trabalhadores) president Dilma Rousseff, the 2017 labor reforms, and the 2018 election of Jair Bolsonaro.

These fierce disagreements between João, José, Pedro, and Juliana center on the ideal way to regulate agribusiness activities. Juliana wants to use her power as a federal prosecutor to raise the value of human labor and natural resources, thereby making exploitative activities unprofitable. João, José, and Pedro would like to prevent any outside interference in how they set prices for and extract value from labor and environmental resources in their business activities. Yet these disagreements are not merely about economics. João, José, Pedro, and Juliana all understand that race, class, and the environment are entangled in profit-making on sugar-ethanol mills and plantations. Therefore, in this system where race is both hidden and hypervisible, any struggles over value inherently involve remaking the relationship between society, the state, and capitalism.

The Business of Racism describes the progressive movement to dislodge structural racism, class exploitation, and environmental degradation from business activities, and the conservative countermobilization to reverse such policy efforts. Rural worksites have historically been a core terrain of racial, class, and environmental struggle. Given the agribusiness sector's outsized influence on Brazil's political landscape, rural worksites are central in explaining the pendulum swing in the national political economy from the center-left PT to the right-wing authoritarianism of Jair Bolsonaro.

I spent eighteen months with Brazilian federal labor regulators and sugar-ethanol industry elites. Regulators include inspectors, prosecutors, and judges, while industry elites include the owners and managers of mills and plantations,

producer association officials, scientists, and consultants. This ethnographic approach entailed visiting a constellation of spaces—mills, plantations, federal offices, and sugarcane towns—that compose the universe of agribusiness.

Businesses are often hubs through which racism and racialization are enacted, lived, reproduced, and challenged. Inside firms, ideas about race are inculcated in the norms, roles, and expectations guiding business decisions that uphold unequal labor and environmental relations. Legal institutions, cultural repertoires, and social systems are racialized structures built to accommodate firms' pursuit of power and wealth. Overall, this book's dual aim is to analyze the ideologies, mechanisms, and processes that constitute the relationship between racialization and capitalism, and to identify the pathways and strategies for undoing that relationship.

Racial capitalism denotes a process and structure whereby the uneven accumulation of capital occurs through social differentiation built along racial, class, and gender divisions; economic exchanges centered on labor value expropriation and worker disempowerment; explicit and implicit support from the state; and the theft, depletion, and disorganization of ecosystem resources. Racial capitalism is stitched together through interpersonal relations (emotions, roles, and habits), ideology (discourse, knowledge, culture, and cognition), institutions (codified rules, bounded rationality, and organizational behavior), political economy (macro-level spaces where constituencies vie for power to protect their interests and worldviews), and ecosystems (the environmental and climatic materials that sustain human and nonhuman life). This definition reflects the dynamics of the case study of Brazilian agribusiness while extending the productive definitions from other racial capitalism scholars (Bhattacharyya 2018; Foster and Clark 2020; Gilmore 2007; Jenkins and LeRoy 2021; Pulido 2017; Vergès 2024).

This book asks, How can the racial state be reformed to mitigate the hierarchies and value theft intrinsic to racial capitalism? How do elites' ruling ideologies guide their responses to transformative change within racial capitalism? What strategies and rationales do elites use to restore their dominance in the face of hegemonic destabilization?

The Business of Racism examines the fight between agribusiness elites and federal regulators to set the terms of value creation and capture on rural worksites. Looking at this industry makes it clear that race, class, and the environment are intertwined in capitalist relations, and that regulatory regimes structure everyday ideas, discourses, and practices at worksites. Agribusiness practices bundle together labor and environmental abuses, thereby linking the fates of Black and Brown rural workers and the ecosystem. Worksites, as a key domain of struggle,

are nested in changing relations of power that interlock at multiple geographic scales: local, regional, national, and transnational (Gilmore 2007). The worksite thus represents a key hub in globalized racial capitalism.

This book describes how federal regulators sought to reduce the long-standing ability of employers to cheapen labor and environmental costs as a means for extracting free value in profit-making (Bhattacharyya 2018). To raise the value of labor and environmental resources, regulators extended legal principles of citizenship and equality into rural worksites, which had traditionally been exempt from universalist legal oversight. In opening the black box of how racial capitalism operates in everyday employment relations, this book illuminates aspects and areas of the worksite—daily tasks, transport, dormitories, bathrooms, protective equipment, environmentally toxic exposure—where regulators strove to stop employers from siphoning value from workers and the ecosystem.

This book uses a relational analysis to understand the nexus between colonialism and racialization (Itzigsohn and Brown 2020). I argue that the coterminous creation of social and spatial differences expanded and sustained racial capitalism. The global periphery was defined as a sphere of underdevelopment. In these peripheral spaces, rural work was encoded as the domain of Afro-Brazilians, and was therefore undervalued (Carrillo, quisumbing king, and Schafft 2021). The production of regional ideologies imbued with ideas of racial difference also served to legitimize and perpetuate subnational inequalities. However, I also argue that counter-hegemonic movements can emerge within these unequal relations to challenge and destabilize the system.

The Business of Racism tells a story of how a progressive campaign to revalue labor and nature was followed by a reactionary countermovement of white elites, who saw regulatory oversight as a threat to their racial, class, and environmental power. I document how, in this revolt, elites pursued a twofold strategy. They discredited bureaucrats and undermined bureaucracies representing progressive authority, while elevating illiberal leaders who would empower rural landlords to resubjugate society and nature under traditional hierarchies. I describe how elite resentment stemmed from elites' weakened authority to impose their racial and moral worldview in worksite relations.

Progress and Backlash in Brazilian Agribusiness

In the first decade of the twenty-first century, Brazil's sugar-ethanol industry became touted as a tool to combat climate change and to promote development in Brazil. To meet global standards, the sugar-ethanol industry needed to undergo major reforms, such as abandoning straw burning and extreme labor

exploitation. Claims that Brazilian ethanol could produce good jobs, reduce environmental harm, and generate lucrative export earnings to finance social development were ubiquitous. Then-president Lula (2003–2010, 2023–present) embraced the opportunity, proudly declaring himself a "spokesman for ethanol" (Bonin 2009). His actions followed classic developmental state behavior, such as using state interventions to create new markets and new forms of global competitiveness (Amsden 1989; Carrillo 2014; Evans 1995; Wade 1990).

Such changes would be nothing short of transformative, given Brazilian sugarcane's standing as a well-known case of underdevelopment in the global periphery (Frank 1967; Wallerstein 1979). Research on long-run development across the globe shows that weakening the authority of powerful landlords is a necessary condition for promoting equitable growth. This is because landlords exercise disproportionate local and national political power, dominate large pools of subjugated labor, and control vast natural resources (Mahoney 2015). To preserve their plantation interests, landlords stymie the creation of public goods, democratic institutions, and mechanisms of social mobility. Brazil's ethanol policy would thus need more than a technocratic approach to achieve its aims, since raising production standards required political confrontations with powerful landlords.

I wanted to observe the on-the-ground implementation of federal policies, so I traveled to the southeastern state of São Paulo and the northeastern states of Pernambuco and Alagoas, where sugarcane was the dominant activity. Notably, São Paulo producers widely adopted mechanical harvesters, whereas northeastern producers mostly stuck with manual harvesting. This was more than a question of uneven production standards; it revealed that new regulations shaped and were shaped by regional, environmental, and racial inequalities.

The topics of region, environment, and race were blind spots in development sociology literature (for exceptions, see Deb and Seamster 2023; McGee, Ergas, and Clement 2018). Developmental state theories tend to focus on national outcomes and pay less attention to domestic unevenness, as when the benefits of developmentalism cluster in certain regions. While I observed that environmental regulations like outlawing straw burning could be used to dislodge landlord authority, the development literature tends to view landownership as the main natural resource dimension of landlord power. Last, the question of race was often muted in development research. Yet on sugar-ethanol mills and plantations, racial hierarchies were a core feature of the lived reality, with white landlords clinging to racial ideologies to justify their power.

To understand these issues better, I turned to sociological research on environment and racialization. I first looked at debates involving two political-economic theories of environmental change: ecological modernization and the

treadmill of production. Ecological modernization theorists argue in favor of a green capitalism oriented around market incentives and consumption fused with environmental values and state support for an innovative business sector. Scholars have held up Brazil's sugarcane-based ethanol as a successful case of this thesis (Mol 2010). Yet my observation of dynamics in São Paulo showed an alternative story. São Paulo's technological change did not stem from "private market environmental authority" (Mol 2010, 76) but rather involved an emboldened state and grassroots labor and environmental movements taking confrontational actions against sugar-ethanol elites (see chapters 2 and 3).

In Northeast Brazil I found the treadmill of production theory relevant to my field sites. Treadmill theory contends that the political economy is structured around the interests of large companies whose growth imperatives depend on ever-increasing natural resource depletion and environmental injustices. These environmentally hazardous businesses maintain hegemonic control by using economic and ideological power to capture the mechanisms of government and to convince the public to align with company interests (Bell 2016; Schnaiberg 1980).

I observed many of these treadmill dynamics throughout the Northeast. Sugarcane hegemony persisted for centuries, with sugarcane interests deeply embedded in northeastern economic systems, regional identity, and political attitudes. Yet there was a powerful racial dynamic present in Northeast Brazil that was missing in most treadmill research, which has tended to focus on factors like economics, class, and technology (Carrillo 2021a). As the earlier quotes indicate, João sees the economic growth and resource use of mills as a means for preserving the racial order; he makes his point by using racial stereotypes about Black and Brown rural workers and depicting white people like himself as the rightful guardians of order.

Sociological research on racialization further elucidates key aspects of my field sites. São Paulo and the Northeast reflect what Bonilla-Silva (1997) calls a "racialized social system." These are "societies in which economic, political, social, and ideological levels are partially structured by the placement of actors in racial categories or races" (Bonilla-Silva 1997, 469). This racial lens enabled me to see how power and ideas travel between businesses, the state, and the society in which sugarcane production is embedded.

The ruling ideology among elites is important, as they wield substantial power in society and at worksites to enact their worldview. It became clear to me that in Brazil, racism and regionalism are tightly linked. In São Paulo, elites propagate the idea that *paulistas* (people from São Paulo) are the most modernizing, innovative, and entrepreneurial people in Brazil due to their

distinctly European heritage. In my interviews with *paulista* elites, they held up sugarcane mechanization as proof of their state's superiority. I realized that such self-laudatory claims were part of an ethno-regional supremacist attitude dating back to the nineteenth century (Weinstein 2015). In the Northeast, white elites often perpetuated anti-Northeast tropes insinuating that regional underdevelopment was due to a large African and Indigenous population. Portraying themselves as under siege by encroaching social chaos was useful for elites when trying to delegitimize egalitarian forces. In both cases, ideas about race and region overlapped in the ruling ideologies elites used to defend unequal relations at the local and national levels.

I saw that elites viewed mills and plantations as organizations for enacting their ideologies about race, class, and the environment. These business organizations were critical instruments for inculcating patterns of racialization in the labor-capital dynamic, a central relationship for domination, control, and value expropriation. Hegemonic ideas around worth and morality manifested in workplace hierarchies, with whites occupying ownership and managerial positions and Black and Brown workers in environmentally hazardous occupations. The most visible work routines for sugarcane workers were harvesting, planting, and field cleaning. Other areas included health and safety standards related to protective work equipment, dormitories, bathrooms, bus transport, drinking water, and rest shelters. Environmental practices—often inseparable from other forms of sugarcane labor—involved straw burning and pesticide application. Also important, and less visible, were administrative functions, such as wage payments, employer tax contributions, and contract formalization. As the prosecutor Juliana said, these work routines and employment relations were all mechanisms where employers could expropriate value and cheapen their workforce to inflate profit margins.

In observing mills and plantations, I thought about race scholarship showing how organizations strive to reproduce and advantage whiteness. Workplaces are often highly segregated, involve "racial tasks," and constrain opportunities for nonwhite upward mobility (Moore 2007; Wingfield and Alston 2014). Similar patterns exist in Brazilian agribusiness. In this sector, such tendencies in racialized work routines are also tightly linked to environmental risks and natural resource depletion.

As I assessed workplaces as sites of racial, class, and environmental struggle—and a critical base of landlord power—I decided to speak with federal labor regulators. These officials had been on the front lines uncovering violations, documenting evidence, and using state power to force employers to comply. They had an intimate knowledge of how producers unfairly extracted value from

labor and the environment and how the landlord mentality justified these violations.

In interviews with regulatory officials, my questions started with the topic of sugarcane reform in the mid-2000s. Yet officials were adamant that the story needed to start years earlier, in the 1990s, with efforts to combat modern-day slavery and deforestation in the greater Amazon. According to officials, federal antislavery task forces planted the seeds for broader regulatory enforcement. Such activities allowed officials to develop important bureaucratic procedures and norms that they later extended throughout the national agribusiness sector.

These actions spoke to debates about a "regulatory renaissance" taking hold in Latin America following two decades of neoliberalism (Piore and Schrank 2008). For Schrank (2011), the state can actively intervene in business activities to "co-produce workplace transformation," which entails abandoning low-road practices, improving market positioning, and promoting development. Brazil was an exemplary case. Brazilian labor regulators blended deterrence (e.g., fines) and pedagogical (e.g., guidance) tactics to induce "sustainable compliance," where upholding labor rights was vital to firm performance (Pires 2008). This research unearthed strategies for improving worksite practices in patrimonial societies. Yet the omission of racial analysis in these studies obscured how the racialization of class dominance could be a sphere where regulatory gains come undone.

A difficulty of dislodging landlords is that they are likely to revolt when their racial and class privileges become imperiled (Yashar 1995). This was indeed the case during my fieldwork in Brazil. Throughout 2015, elite reaction intensified and the national mood became increasingly volatile as the pressure to impeach PT president Dilma Rousseff grew. In interviews, sugarcane elites casually mentioned they hoped Brazil would have a new president soon. When I returned to Brazil in early 2019, Jair Bolsonaro had just been inaugurated. This changing context, in which conservative elites recaptured national power, required me to analyze how landlords countermobilize to collectively subvert progressive movements.

The struggles between agribusiness elites and federal regulators were over what Mills (1997) called the "racial contract." Born from colonization, the racial contract is an in-group agreement among those racialized as white to limit political authority and equality to themselves and to assign a politically subordinate status to those racialized as nonwhite. Economic exploitation is at the heart of the racial contract, with moral worldviews, legal structures, and political institutions oriented toward maintaining racial hierarchies in capitalist relations (Mills 1997). Such contracts long defined rural work in Brazil

(Silva 2016). Progressive attempts to change the terms of the racial contract by revaluing labor and nature undermined the foundations of landlord power. Elites reacted by attempting to regain control of the racial state and restore the traditional terms of the racial contract.

Through a racial capitalism analysis, this book advances debates in development, environment, and race. Development research makes clear that weakening the autonomy of powerful landlords is a necessary condition for equitable development. Yet less is known about how race and environment configure in landlords' worldview and their basis of power (Mahoney 2015). In environmental sociology, I heed calls to better understand how organizational processes, such as decision-making, investment strategies, and everyday routines, contribute to natural resource depletion and environmental inequalities (Pulver and Manski 2021; Seamster and Purifoy 2020). Last, in the study of racialization, this book builds on debates interrogating how structural racism and class exploitation converge in the behavior and actions of organizations such as businesses (Bonilla-Silva 2021; Meghji 2022; Ray 2019).

Racial Capitalism: Global and National Dynamics

The racial and economic relations defining racial capitalism were forged through colonialism and persist in contemporary arrangements. According to Hall (2018), racialization undergirded the formation of markets and economic processes during colonization. Racial structures, such as slavery and indebted labor, created an unfree workforce, with race as "the mechanism by which this stratification of the [working] class [was] accomplished" (Hall 2018, 177). According to Fanon (1952), colonizers propagated inferiority and superiority complexes to legitimize their power and authority over colonized populations. Thus, enshrined in and upholding economic exploitation—the main aim of colonialism—were racial structures, ideologies, and emotions.

Debates have focused on the geographic scale and historical scope of racial capitalism. South African scholars developed the idea of racial capitalism within the anti-apartheid movement. They saw racial capitalism as reflecting the racism of their local and national class struggle in a unique historical conjuncture (Alexander 1979; Wolpe 1972). In contrast, Robinson (2021) presented racial capitalism as a global and universal phenomenon, not specific to a single place or historical moment (Hudson 2018).

Given these differing approaches, scholars have raised the question of how to study racial capitalism beyond South Africa. For Taylor (2022), racial capitalism is generalizable and can be extended into new settings. Hall (2021, 297)

stresses, however, that these ideas must be "transplanted into new soil with considerable care and patience." According to Levenson and Paret (2023, 3406), "the key task for the researcher is to reveal the conditions under which capitalism *becomes* racial" (italics original).

The Business of Racism responds to these calls by focusing on the tug-of-war between agribusiness elites and federal regulators in Brazil. In analyzing this contested process, I build on two tenets from the South African tradition: how the quest for profit via capitalist class struggle produces racism and how the state's alliance with capital engenders racialization (Levenson and Paret 2023, 2407–3412). This analysis highlights how the racially ascriptive features of economic structures are central to power, hierarchy, and the struggle for egalitarian reform. The following sections discuss the racialization of capitalism and the formation of the racial state in Brazil.

Race and Class in Brazil

In Brazil, "social class is always racialized" (Sodré 2023, 57). Colonialism gave birth to these unequal relations by using oligarchic plantation systems (*latifúndio*) and slavery to divide class along racial lines (Sodré 2023). Slavery racialized individuals on both ends of the class spectrum: being enslaved meant having a nonwhite racial category imposed by whites, whereas "being white was synonymous with not being enslaved, or of being free" (Santos 2022, 42). A cause and consequence of colonialism in Brazil was defining "the black person's place" (*lugar de negro*) in opposition to dominant whiteness, with such positioning coterminously linked via race and class (Gonzalez and Hasenbalg 1982). Whites owned the plantation and lived in the "big house," and Black people worked the plantation and lived in the "slave quarters" (*senzala*). Landlords used militias, field patrols, and police to control and oversee the Black working class (Gonzalez and Hasenbalg 1982, 15). The seignorial power that white landlords wielded was itself the "external expression" of racialized class inequalities (Sodré 2023, 43).

The entanglement of race and class in colonial relations continue to shape inequalities in Brazil. Upholding class stratification are multiple forms of racism that intersect with work, gender, culture, and law (Souza 2021). It is often through "social class" that racial ideas, practices, and mechanisms of privilege and prejudice are transmitted and realized (Souza 2021, 20). Whether employment is covered by labor legislation and worker protections is a primary way that structural racism defines the labor market. Such informality is racialized, as it involves low-wage work, especially in agriculture, where Black and Brown workers are disproportionately represented (Theodoro 2022). From the

colonial era to the present, racism has segmented the labor market by limiting Afro-Brazilians to low-wage, precarious work and withholding opportunities for upward mobility (Santos 2022).

Systems of racial classification in Brazil have a long history of white supremacy and anti-Blackness. In the early twentieth century, as the Brazilian government saw whitening as essential to national progress, census makers strove to reduce the numerical share of the Black population by prioritizing the mixed-race category *pardo* (Loveman 2014). Sustained over decades, such classification schemes considered miscegenation (*mestiçagem*) a stepping stone toward whiteness, with education, income, and gender shaping decisions to not identify as Black (Telles 2004). Yet, since the 1990s, political and social movements have challenged the anti-Blackness of official categories, arguing that Afro-descendant Brazilians should identify as *preto* (black) on the census (Mitchell-Walthour 2017). A more recent shift in racial discourse aims to "categorize all *preto* (black) and *pardo/moreno* (brown) people together as *negro* (Black)" to upend how *mestiçagem* "blurs racial boundaries and identifications" (Wade 2022, 168).

The complex linkages between race and class extend to collective action strategies to reduce racial inequality. Moreno Figueroa and Wade (2022) argue that social movements led by people of color in Brazil and across Latin America position race as either a primary or secondary axis in their mobilization strategies. For Paschel (2018), this entails choosing between "mobilizing as Black" and "mobilizing while Black." Exemplifying the former, some Black and Indigenous groups made race the focal point of mobilization and subsequently won land rights and race-based affirmative action policies (French 2009; Perry 2013; Schwartzman and Paiva 2016). The latter involves nonwhite movements that elevated the pursuit of justice, territorial rights, safety, and autonomy as the primary consideration, with race being secondary (Moreno Figueroa and Wade 2022). Centering other identities, such as those related to work or region, may even be strategic to garnering mass appeal in societies that profess to hold colorblind principles (Wade 2022).

The Business of Racism helps us understand what Moreno Figueroa and Wade (2022) call "alternative grammars of anti-racism." This term refers to egalitarian movements "in which racial inequality and racism were not explicit or central, although not entirely absent, but which nevertheless had . . . anti-racist effects in that they challenged the racialized distribution of power and value, material and symbolic" (Moreno Figueroa and Wade 2022, 5–6). Progressive reform in Brazilian agribusiness is an ideal case for building on this concept. Most of these labor and environmental policies, such as regulations against straw burning, were nonracial, yet they nonetheless had racial implications due to the

racialized settings in which they were enacted. This book reveals that reducing racial inequalities involved foreclosing the pathways—often invisible, cloaked in class, and seemingly race-neutral—through which racism was reproduced. In agribusiness, the environment is also a critical space where racial and class differentiation is enacted, as the next section discusses.

Racial Capitalism and the Environment

Understanding the role of the environment in racial capitalism is of growing importance (Kim 2021; Vergès 2024). Profit-making in racial capitalism depends on the racialization of environmental goods and harms, which requires the devaluation of nonwhite populations and complicit state formations (Pulido 2017). However, racial capitalism does more than merely devalue; it also extracts value via segregation and natural resource theft (McGee and Greiner 2020; Seamster and Purifoy 2020). It is increasingly clear that making sense of environmental inequalities in racial capitalism, such as land dispossession, pollution, and deforestation, requires accounting for colonialism and its afterlives (Gonzalez 2021; Murphy 2021; Táíwò 2021). This book extends this inquiry by studying the linkages between environmental change, economic processes, and racialized class hierarchies in Brazil. Racial capitalism simultaneously racializes the environment and uses the environment as a tool for racialization.

This book makes three contributions to the study of racial capitalism and the environment. The first involves environmental transformation and capitalist development. A key aspect in racial capitalism is the reconfiguration of environmental resources to meet local and global demands for the racialized accumulation of capital (Rodney 1981). In Brazil, plantation, ranching, and mining activities have been central to colonialism, global integration, and national development. In these sectors, economic growth and social domination have depended on natural resource depletion via deforestation, monoculture, and extraction. Agricultural and mineral elites have historically formed a "pillaging coalition" (*coalizão de pilhagem*) that has captured the state and enacted policies to green-light and defend business activities that destroy ecosystems (Bursztyn 1990).

An intrinsic part of capitalist development is confronting new environmental constraints to growth (Rodney 1981). This has been the case with sugarcane. During the colonial period, constant planting and distilling exhausted soil and wood supplies. These monocultural practices predictably "paralyzed many plantations" by "making deserts" (Santana 1970, 186). As a result, plantation owners incessantly searched for new land and soil, thereby repeating

the cycle of environmental depletion. In the late twentieth century, the sector amplified growth by adopting industrial methods that increased the use of fertilizers, pesticides, machines, and petrochemical processes. Such growth strategies intensified the environmental and carbon footprint of sugarcane (Rogers 2022).

Second, the environment is a mechanism through which class relations are racialized. In Brazil, the *latifúndio* land tenure system was a key part of the colonial project and the expansion of plantation agriculture (Ramos 1999). This oligarchic system granted landownership rights to white settlers, with the Afro-descendant population prohibited from owning land (Sodré 2023). White planters wielded authority over their land and natural resources, such as forests, water, and animals, as well as over the mostly nonwhite laboring class, including enslaved and indentured workers. After abolition in 1888, cane elites took advantage of their land monopolization by enacting a tenantry regime whereby nonwhite workers exchanged labor for land and food (Dabat 2007). The failure to enact large-scale land reforms has meant the colonial legacy of unequal landownership remains a defining feature of environmental inequality in Brazil (Santos 2022).

The third area involves the relationship between race and environmentally hazardous labor. From the era of colonialism to the present day, on the front lines of environmental transformation has been a vast workforce whose labor power converts raw materials into marketable commodities. In sugarcane, environmentally hazardous labor activities were tools of racialization: a form of class exploitation that defined one's place in the plantation's racial hierarchy and Brazilian society (Silva 2016). Through cane cutting, straw burning, planting, field cleaning, and waste disposal, Black and Brown workers undertook labor tasks that were entangled with and altered ecosystems.

Labor management strategies are central to the massive harvests in agribusiness that destroy ecosystems. How employers approach child and slave labor, worker housing, health and safety, work contracts, and transport shape the conditions under which workers engage in environmentally hazardous labor. Labor, in sum, plays an indispensable role in transforming the environment and overcoming environmental constraints in racial capitalism.

The Racial and Colonial Foundations of Agribusiness

I situate the struggle over valuation within the relationship between racialization and colonization that defined the development of agribusiness in Brazil. Canonical works on racial capitalism highlight the role that racialized

systems of commodity production play in binding together local hierarchies and global colonization projects. Analyses of sugarcane in Latin America and the Caribbean and cotton and tobacco in the United States make clear that raw material production is a key space in which capitalism is racialized (Du Bois 1998; James 1989; Kelley 2015; Rodney 1981; Williams 2021). In twenty-first-century Brazil, colonization and oligarchy are hardly vestiges of a bygone era; they still undergird agribusiness activities and broader economic and state structures.

The spread of colonization and racialization went hand in hand in Brazil, as new economic arrangements and ideas of social difference coconstituted one another. Portuguese settlers established colonial institutions to support Brazil's insertion into the global economy. They concurrently built social systems oriented around racial ideologies touting European civilizational superiority in relation to non-Europeans. In Northeast Brazil, sugarcane became a lucrative export commodity that justified colonial projects and enriched local barons. A political economy tailored to support plantation interests subsequently permeated much of rural Brazil (Faoro 1958).

A racial contract glued together social and economic relations in this plantation system. Chattel slavery involving Africans and (to a lesser extent) Indigenous people was the main source of labor on plantations until abolition. The dominant ruling ideology was structured around a seignorial worldview that endowed European landlords with authority to rule over subordinates, with divergences from this arrangement seen as a violation against the natural order. By law and social custom, the racial contract governed the allocation of freedom. Enslaved people faced extreme constraints on their liberty, with limitations on where they lived, the type of work they did, their movement in society, and how they could publicly and privately address grievances. Landlords, inversely, had the freedom to restrict the liberty of humans deemed inferior through legal bondage and political exclusion. All these mechanisms ensured that racial stratification was oriented toward economic exploitation (Mills 1997).

These practices and ideologies racialized rural Brazil, where worksites historically involved a dual form of marginalization. A mostly Black and Brown workforce faced racial oppression in economic processes, while their status as *rural* workers further isolated them from political citizenship. In this way, as Nascimento (1978) argued, the sugarcane plantation was a vital staging ground for the stratification of economic relations by race and skin color that would spread across Brazilian society.

Violence, as a central tenet in racial capitalism (Melamed 2015), has been a tool persistently used to enforce the racialized class order from colonization to the contemporary period. During slavery, landlords used corporal punishment and torture to discipline workers into obedience (Conrad 1972). After emancipation, plantation elites used rural militias to intimidate indentured sharecroppers and murder union organizers (Freitas 2003). Landlords wielded starvation as a slow form of plunder. They weaponized hunger to preserve labor pools, suppress wages, and perpetuate exploitative employment conditions (Castro 1946). In modern-day slavery, armed guards patrol plantation perimeters and kill workers attempting to escape to freedom (Le Breton 2002; Lotto 2021). In 2022 the Federation of Agricultural Workers of Pernambuco criticized the ongoing threat of violence, saying that such aggression "is historically structured in class divisions, racism, and patriarchy" (FETAPE 2022).

The environment is a space where violence and racialization were mutually reinforcing. For Pádua (2002), the vast destruction of forests, waterways, soil, and wildlife characterized colonial settlement of the Northeast, Southeast, and Amazon. Seeing the exploitation of Brazil's abundant environmental resources as the path to progress, settlers displaced Indigenous populations and converted biodiverse landscapes into slave-based plantation monoculture. In the nineteenth century, abolitionists pointed to slavery's deleterious effect on the environment. Prominent abolitionist Joaquim Nabuco (1988, 111) wrote that "where [slavery] arrives it burns the forests, mines and exhausts the soil" and "leaves behind it a devastated country" full of misery. Nabuco, like other abolitionists with ecological critiques of slavery, argued that emancipation would help restore both human morality and environmental systems (Pádua 2002).

Through political, legal, and bureaucratic institutions, the racial state actively held together unequal class relations and modes of production in plantation profit-making. After upholding slavery for nearly four hundred years, the racial state then supported a labor system involving tenantry, seasonal migration, and work analogous to slavery. For much of the twentieth century, the racial state subsidized landlords through quotas, price supports, and favorable loans (Ramos 1999). Even as the 1943 Labor Law Convention (CLT, Consolodição de Leis Trabalhistas) created federal worker protections, the state exempted rural workers from legal coverage (Pereira 1997). Although the racial state periodically enacted protections for rural workers, extending full labor rights would be a hard-fought project for the rest of the century (Pereira 1997). As the next section details, a major factor impeding progressive reforms was the patrimonialism entrenched in the racial state.

Patrimonialism and the Racial State in Brazil

Patrimonialism is the philosophical sediment historically structuring Brazil and animating expressions of power in agribusiness. Patrimonialism defined the character of the racial state, shaping the laws, policies, and politics that racialized capitalist formations, class inequalities, and environmental activities. Even so, there have been constant efforts, from abolitionism to land reform movements, to reconfigure the racial state away from patrimonialism and toward egalitarian ends.

Power operates through ruling ideologies, such as patrimonialism, to perpetuate unequal relations. According to Gramsci (1971), dominant groups use their control over systems of production to obtain mass consent from the population, with the state violently disciplining those who do not acquiesce to hegemonic ideas. Discipline is essential to differentiation, hierarchy, and exclusion, which, once normalized, often lead power to operative invisibly (Foucault 1995).

Dislodging the patrimonial power of rural elites in the racial state was an aim of the progressive reformers targeting Brazilian agribusiness. It was via the racial state that white rural elites enshrined and activated their patrimonial worldviews. The durability and centrality of rural power has long been a hallmark of Brazil's national political economy. Holanda (1995) stressed that Brazil's "rural heritage" skewed governance in favor of rural elites, with landlord interests historically permeating public and private power in rural and urban areas. The rural landlord was traditionally the template for the "cordial man," whose aesthetics and habitus were the aspirational model of behavior and status. For Faoro (1958), plantations were sites of vast wealth accumulation, so the generation and exercise of power had traits that were excessively rural, agricultural, and enclave-oriented. Geographic isolation led landowners to create their own governing regimes to exercise power for their benefit. Such rural power and its inherent seignorial vision remained resilient at the local and national levels in the twentieth century, even after widespread industrialization (Faoro 1958).

In Brazil's patrimonial system, plantations were privileged in the racial state's defense of racism, class dominance, and capital accumulation. The sugarcane plantation has a distinct legacy. The infamous plantation lords enjoyed unrivaled dominance for centuries, building public and private institutions to enact and protect their worldview. Plantation lords obstructed local and national development, resisting industrialization and democracy on the grounds that both would weaken their power and authority (Furtado 1959b). Via administrative and legal instruments, the racial state acted to preserve the viability of

sugarcane plantations, defend landlords' class interests, and institutionalize white habitus in governing authority (Heredia 1989).

In defining the racial state, patrimonialism has historically rested on three pillars. The first is the *paterfamilia*: a family led by a patriarch who commanded a network and hierarchy of kin connected by blood and marriage, as well as workers, enslaved people, and their descendants, who toiled on plantations. With the "*paterfamilia* as the base and center for all organization . . . paternal power was virtually unlimited, and few brakes on its tyranny existed" (Holanda 1995, 82). The paterfamilial system was also the basis for the factionalism that pervaded politics and governance, with elected officials and bureaucrats recognizing clan loyalty as the ultimate guiding principle. Paterfamilial logic was strongest locally, at the municipal level, but also shaped the state and federal levels (Pang 1978, 20).

The paterfamilial household was seen as a republic unto itself; private power was recognized as an inviolable virtue superseding public authority. The colonial family represented "an undisputed principle of authority" because it "provided the most normal idea of power, respectability, obedience, and social cohesion" (Holanda 1995, 82). These attitudes and convictions from the domestic sphere "dominated all other social relationships; the private sphere invaded the public, the family invaded the state" (Holanda 1995, 82). The paterfamilial household was both an economy and a miniature society, with social hierarchies nested in commodity production.

Last, political practices involving *coronelismo* benefited and reaffirmed the role of patriarchs. Pang (1978, 20) defines *coronelismo* as "an exercise of monopolizing power by a colonel whose legitimacy and acceptance are based in his status, as an absolute lord, and strengthened through this, as a dominating element in social, economic, and political institutions." The practices of *filhotismo* and *mandonismo* are intrinsic to this political system. *Filhotismo* (*filho* means son) refers to the nepotistic practice of installing male heirs in influential posts. Doing so further institutionalizes paterfamilial interests and excludes competing elites, especially nonlandowners, from accessing power (Nunes Leal 1997). *Mandonismo* refers to the power to command (*mandar*), which is perhaps the highest-order principle for the rural patriarch, as the exercise of such power legitimizes and bolsters his authority over subordinates. The paternalistic relations of *coronelismo* were sustained through vote buying, electoral fraud, and trading favors. However, as "the true lords of organized violence," patriarchs also upheld *coronelismo* by using national guards, police forces, and militias—often led by male kin—as private security forces to punish disloyal factions, rival clans, and disobedient workers (Pang 1978, 28).

In this racial state, the main stronghold of patrimonial power was the municipality. *Coronelismo* functionally operated as the state at the local level. However, multiplied many times across Brazil and with power channeled upward in gubernatorial and federal politics, the seignorial vision of rural landlords shaped national development. Many landmark studies have therefore understood national change in Brazil through detailed examinations of dynastic rural families, plantations, municipalities, and counties (see chapters 3 and 4). This book analyzes a distinct juncture in Brazil's history when a progressive movement sought to remake the racial state by disempowering patrimonial authority.

Revaluation and Reaction in Brazil's Racial Capitalism

Between 1995 and 2020—my main focal period—the dominant form of racial capitalism in Brazil's agribusiness sector faced a disruptive shock. The extension of labor and environmental regulations reconfigured both the racial state and the mode of production in sugarcane and other agribusiness activities. This involved not only struggles over worksite practices but also framing contests between industry elites and federal regulators, with each seeking to inscribe logics and repertoires in the new balance of power. Such ruptures illustrate that the underlying conditions traditionally enabling expropriation in racial capitalism periodically shift, inducing "legitimation crises" in systems of racialized capital accumulation (Dawson 2016; Fraser 2016). The destabilization of hegemonic authority thus creates opportunities to find an equilibrium with new rationales and power structures.

Collins (2017) argues that "revaluation projects" often play central roles in displacing economic and social systems from their positions of dominance. These movements often demand a higher valuation of human and environmental resources in the production and trade of goods, services, and commodities. In such moments, new relations of power and legitimizing narratives emerge to replace those that formerly buttressed exploitative valuation (Boltanski and Thévenot 2006). The idea of a revaluation project has useful applications for understanding anti-racist movements in racial capitalism. For instance, as Wolpe (1972) argues, conjunctural periods where progressive revaluation collides with conservative hegemony are crucial for shaping directions in racial capitalism.

This rearticulation of race in economic processes reinforces the longstanding claim from economic sociologists that markets are the locus of numerous political projects (Fourcade and Healy 2007). Such arguments push back on the modernist idea, spread through colonialism, that markets are an

apolitical sphere where people prove their moral worth to society. Rather, the moral worth of an individual or group, as forged through social relations, is often encoded in prices or other monetary exchanges, with market processes routinely serving as disciplinary mechanisms to define one's worth (Zelizer 2005). Although groups with conflicting morality schemata engage in struggle in markets, power differentials often shape whose value system emerges victorious and is institutionally codified (Fligstein 1996).

Calculative agencies are key to moral evaluation in markets. These are the tools and frames actors use to distinguish between and assign value to the different entities in the world that can be incorporated into economic assemblages (Callon and Muniesa 2005). Calculative agencies are mostly discussed in nonracial terms, yet they are essential to racial capitalism. Such schemata entail creating ideas of racial difference, applying them to different groups, and drawing conclusions about moral worth that shape economic treatment. The labor value of out-groups is often cheapened via processes of racialization that create structural precarity. Material, discursive, and ideological rationales limiting the rights and bargaining power of a nonwhite working class enable those at the top of the racialized class structure to steal value (Bhattacharyya 2018). Racial ideologies are encoded in calculative agencies to guide everyday employer relations such as contracts, environmental practices, and health and safety standards. The racial state upholds oppressive morality systems by sanctioning modes of calculation that perpetuate hierarchy.

The success of revaluation projects hinges on inscribing new moral views in calculative agencies. Advancing this goal involves criticizing the prevailing "set of valuation practices," followed by creating new "claims-making processes, forms of expertise, and certification procedures" (Collins 2017, 13). By dislodging moral systems justifying exploitation and expropriation, calculative agency reform has the potential to raise the value of human and ecosystem resources in everyday processes shaping economic assemblages.

Countermovements of reaction, however, often intervene to undermine the success of revaluation projects. These conservative backlashes use hostile and violent resistance to thwart egalitarian change. We see vivid examples of reaction in racial capitalism scholarship. In the post–Civil War United States, white reaction to Black progress toppled the Reconstruction government and ushered in a new era of racial oppression (Du Bois 1998). In 1940s South Africa, white capitalists attacked the collective gains of Black workers by instituting apartheid, a regime even stricter and more expansive than the policies of segregation that it replaced (Wolpe 1972).

Summarizing the Book's Argument

The Business of Racism studies the friction inherent in upholding and challenging unequal relations in racial capitalism. This book has three analytical objectives. The first is to analyze how federal regulators enforced labor and environmental protections on worksites previously dominated by the private authority of elites. Through intensified oversight, regulators undermined the ideologies, social structures, and employment relations that white elites had long used to devalue workers of color and ecosystem resources. Second, I analyze the relationship between elites' racial ideologies and their management of labor and environmental resources. The racial worldview of elites guided their compliance with and resistance to federal oversight, with long-standing racial narratives repurposed to fit new political conditions. Last, I analyze the struggle between regulators and elites to impose their preferred terms of the racial contract, involving worksite expectations, roles, and practices. Regulators successfully instituted some pro-worker and pro-environmental policies, yet elites eventually regained control of the racial state and restored much of the power they had relinquished under progressive governance.

Businesses play a distinct function in racial capitalism, as they constitute a domain where profit-making converges with racialized class stratification, environmental transformation, and state formation. Racialized class stratification involves the ideas, practices, and systems that create differentiation between nonwhite workers and white employers. Racialization is a way for employers and other powerful actors to cheapen the workforce, segment the labor market, and enact mechanisms of structural containment. These patterns operate relationally with the white identity formation of economic elites. For white landlords, seignorial authority is a tool and symbol of race and class power. Their ownership of key economic assets, such as land and capital, has racialized meaning and power, which translate to class domination. Landlords' control over a nonwhite labor force brings ideas of superordination and subordination to life, whereas efforts to level hierarchies are met with anxiety over lost racial privilege and declining class status.

This racialization of class, a process compounded over centuries, creates a situation in which race is both hypervisible and invisible (Carrillo 2025). The devaluation of nonwhite labor functions interdependently with other important spheres of accumulation by dispossession in racial capitalism, such as housing, debt, infrastructure, and food (Harvey 2007). Due to its imbrication with class, structural racism is often masked as class exploitation. In Brazil, a society where ideas of colorblindness have been dominant (Wade 2022), the

cloaking of race in class dynamics can further obfuscate the presence of structural racism.

Environmental transformation is intrinsic to business logic in racial capitalism, as extraction, depletion, and pollution are activities through which racialized class differentiation and wealth accumulation occur. In Brazil, landownership is a critical natural resource base for social power. "Racial regimes of ownership" flow through unequal land tenure systems, which cement the relationship between whiteness and seignorial power and subjugate nonwhite populations as the laboring class (Bhandar 2018). Landlords enlist laborers to do the frontline work of environmental transformation. This involves turning biodiverse landscapes that sequester carbon into carbon-emitting monoculture and engaging in activities that drive air and water pollution and otherwise destabilize ecosystems. This book shows that reining in landlord power to despoil the environment and climate is a key struggle in racial capitalism, and that doing so requires constraining the class power that is essential to their white racial identity.

The racial state sustains the racialized accumulation of capital by defending the economic assets in which white elites' class dominance is vested and by enshrining racial differentiation through the class exploitation of nonwhites. Myriad state functions, such as laws, courts, police, and bureaucracy, ensure the reproduction of these unequal relations. However, if the racial state faces egalitarian pressures, it can be reoriented toward new ends. When this happens, it leads to a series of conflicts within the racial state and in relations between state and society as new racial meanings, ideas, and schemata are inscribed in state functions and relations. This contested process reveals that there is no singular racial state: entities within the federal government may work at cross-purposes while paralegal governance, such as plantation authority and militias, may operate if the formal state is absent. Furthermore, when the racial state undergoes egalitarian reforms, the legacies of the toppled order will persist in the new equilibrium, both within the state and in the state's relationship with businesses, workers, and civil society.

Research Approach and Methods

My main forms of data collection involved semistructured interviews of federal labor regulators and sugar-ethanol industry elites and ethnographic observations of production activities at mills and plantations. These qualitative and ethnographic methods allowed me to pinpoint the primary business practices and ideological areas over which regulators and elites struggled. The

semistructured format of interviews enabled me to craft questions that were of interest to me, but also allowed participants to take the interview in directions that were important from their perspective. I was thus able to incrementally refine my focus as interviews progressed. To protect respondents' confidentiality, I have changed all the names in this book. I conducted all interviews in Portuguese without the aid of a translator. Interviews were audio recorded and transcribed in Portuguese.

The main source of data in this book is interviews I conducted between 2015 and 2019 with ninety-seven regulators and industry elites. Federal labor regulators (n=21) are labor inspectors (*auditores fiscais de trabalho*) with the Ministry of Labor and Employment (Ministério do Trabalho e Emprego); prosecutors (*procuradores*) with the Public Prosecutor's Office (Ministério Público do Trabalho); and judges (*desembargadores*) with the Regional Labor Courts (Tribunal Regional do Trabalho). Almost all these individuals were mid-career, late career, or recently retired. Many started their careers working in interior Brazil, combatting slave labor and deforestation, then transferred to more populated states to regulate traditional agribusiness, such as sugarcane. I asked them questions about the design and expansion of regulatory protocols and norms, the mistreatment of rural workers, the attitudes and ideologies of agribusiness elites, and the dismantling of regulatory institutions. Interviews with multiple people in the same professional area allowed me to corroborate key claims. Nearly all regulators were white, and the group of subjects was about equally divided between men and women.

Industry elites (n=76) were people who held high leadership positions in their respective organizations. Mill and plantation owners and producer association officials often were members of powerful dynastic sugarcane families. Scientists, managers, and consultants came from less wealth, with some even having sold their plantations to mills. I asked elites to describe how their everyday production practices changed in response to labor and environmental regulations, how the ethanol boom affected their business strategies, and what regulatory reforms they desired under conservative rule. Nearly all elites were white and male.

Interviews with regulators lasted between one and three hours and took place at government offices, in private homes, and in public spaces. These interviews were often conducted in major cities, although sometimes it was necessary to travel to interior towns where regulators resided. Interviews with industry elites typically lasted between one and two hours and took place on mills and plantations, at experimental stations, and in company offices in urban areas. On mills and plantations, formal interviews were followed by a facilities

tour lasting an additional two to four hours, during which informal conversation continued. In some cases interviewees picked me up at my lodging, drove me to the mill or plantation, and took me home at the day's end. These days lasted up to twelve hours. Informal conversations over lunch and during car rides gave me opportunities to revisit topics or for new insights to emerge that did not arise during the formal interview.

I also conducted ethnographic observations of labor and environmental activities at mills and plantations. My observations were primarily focused on harvesting, planting, pesticide application, and straw burning. I also observed the loading, transport, and unloading of harvested cane, which allowed me to better understand the integration of the agricultural and industrial areas on mills. Most sugarcane comes from mills (*usinas*), which may control between 35,000 and 120,000 acres of farmland. Planters (*fornecedores*), who focus only on growing cane, also sell to mills. While there are many smallholders among planters, I focused on the largest planters, many of whom, like millers, come from white dynastic families. For example, one planter I interviewed controls nearly 20,000 acres, making him one of the biggest planters in the Northeast.

I conducted ethnographic observations at facilities in São Paulo, Alagoas, and Pernambuco, which enabled me to identify similarities and differences across regions. A commonality across regions was occupational segregation. For instance, while dining with elites, I saw a mostly white managerial class eat in cafeterias primarily staffed by Black and Brown women. One regional difference was that northeastern mills and plantations continue to rely on a workforce from within the region. In the sugar zones of Alagoas and Pernambuco, nonwhite people are 69 percent and 66 percent of the population, respectively, while 68 percent of the population in the migrant-sending municipalities of the interior are nonwhite (Atlas do Desenvolvimento Humano 2013). In contrast, São Paulo producers have historically depended on migrant labor from outside the Southeast region and more recently have substituted mechanical harvesters for farmworkers.

This book does not provide an exhaustive account of Brazil's agribusiness sector. Due to purposive sampling, the labor regulators I interviewed were not representative of their profession. The targeted participants were highly active in launching reforms, taking leadership roles in their fields, and participating in their labor unions. These regulators were often accustomed to talking with reporters and academics. This approach gave me a window into the process of enacting regulatory reforms, but it also limited my analysis of general attitudes across the regulatory profession. For example, my methods only allowed me

to glean insight on a subset of the two thousand inspectors employed in the Ministry of Labor (Marchesini 2020).

I analyzed my interview data, field notes, and other documents for what they uncovered about changes and continuity in racial capitalism. I coded for evidence related to key themes and concepts in racial capitalism, such as contracts and value expropriation. Despite many respondents using race-neutral language, the practices we discussed, such as harvesting and straw burning, were racialized in practice. With racial ideas imbued in most routines, expectations, and structures, I analyzed how these everyday activities and ideologies operated in racial capitalism.

"Studying up" often involves distinct ethical dilemmas (Nader 1972). Whether to include or exclude information that elites would consider damaging to their reputation is one such dilemma (Gaztambide-Fernández 2015). In this book I decided to include such information, because excluding it would obscure relations of power and thus limit our knowledge of how racial capitalism truly operates. To illustrate this point, I provide two statements from João, the mill director. These examples reveal how powerful actors communicate racist ideas and use a racial prism to make sense of and shape market relations.

In our conversation, João told me, "When the Black man doesn't shit on the way in, he shits on the way out" (*negro quando não caga na entrada, caga na saída*). Such a phrase signals his racist expectations of Black people and provides important subtext for his other statements about nonwhite rural workers. It also belies the popular claim in Brazil, and across Latin America, that there is no racism (Bonilla-Silva 2020). Colorblind racism, with its plausible deniability, was the type of racism elites most commonly used. However, I also heard elites casually use explicit racism in settings with multiple people, suggesting a level of comfort and normality.

The second moment revealing João's racial thinking came during a conversation on trade policies affecting agribusiness. João began ranting about Bolsonaro's recent effort to move Brazil's embassy in Israel to Jerusalem, a tactic emulating Trump's 2018 relocation of the US embassy. This issue divided Bolsonaro's base of support: an evangelical constituency wanting closer relations with Israel and an agribusiness lobby wanting to retain good export relations with Arab countries. João saw this move as bad for agribusiness, and used violent, antisemitic language to make his point:

> It's the Arabs who buy our products here, dude. If the Arab locked the door, Brazil would be fucked, whoever sells meat, chicken. . . . You're going to fight over Israel? Fuck Israel! Hitler was right. He killed those fuckers

> because otherwise they'd take over Germany. A Jew is a motherfucker. Just go die. They're all thieves, all thieves! I had an employee here who was Jewish. He stole. I threw him out. All thieves, Jews are thieves! That's why Hitler did that, because they were going to take over Germany, because they're sons of bitches. They're shiteaters, but save money.

As I sat, appalled, hiding my disgust, it became clear that João saw economic relations—markets, trade, production, employment—through a lens of racism and antisemitism. I also realized that when elites felt their future economic prospects were threatened, they would not hesitate to invoke racist stereotypes and conspiracy theories to preserve their preferred market arrangements. At the same time, this language was emblematic of the turn away from covert to overt racism and antisemitism in Brazil (Klein and Gherman 2021). In engaging in such open prejudice, João had violated the rules of "the cordial man," which suggested that racism should be coded (da Silva and Larkins 2019). One of João's colleagues, sitting next to me, seemed to recognize that a line had been crossed and said in a conciliatory voice, "João just really feels this in his skin." In doing so, he tried to both validate and dismiss João's bias. These statements of rank bigotry revealed the mechanisms and ideas that elites use to perpetuate unequal relations in racial capitalism.