



# Brazil

People in the United States, as James Reston once pointed out, will do almost anything for Latin America except read about it. Unless there is a coup in Chile, or Señora Perón flees Buenos Aires, it seems the *Norteamericanos* are not interested. Secretary of State Henry Kissinger's two trips to Latin America this year got little attention, although he was visiting an area of growing concern to U.S. business and diplomacy. One of the countries he visited was Brazil, the biggest, most powerful nation to the South, and no longer a "client" of Washington on the world scene. Scholarly research continues to produce new insights into Brazil's history and current affairs. Here, Political Scientist Robert Packenham analyzes contemporary Brazil; and Historian Leslie Rout examines Brazil's 300-year experience with race and slavery, so different from our own.



## YANKEE IMPRESSIONS AND BRAZILIAN REALITIES

*by Robert A. Packenham*

Since 1964, when the military took power for the first time in the twentieth century, two impressions of Brazil have been growing in the United States.

Businessmen and State Department officials, in particular, have seen in Brazil a growing industrial juggernaut, an emerging regional power, a new force in Third World politics, and the strongest pillar of stability and anti-Communism in Latin America.

On the other hand, liberal politicians, journalists, intellectuals, and many religious and humanitarian groups have tended to see a military junta, appalling repression and torture, the erosion of national sovereignty, and a growing gap between rich and poor.

---

*Robert Allen Packenham, 39, is associate professor of political science at Stanford University, where he has taught Latin American politics since 1965. Born in Watertown, S. Dak., he received his B.A. from Augustana College (1958), M.A. from the University of Illinois (1959), and Ph.D. from Yale (1964). A former Wilson Center Fellow, he is the author of Liberal America and the Third World: Political Development Ideas in Foreign Aid and Social Science (1973).*

---

Each of these images contains elements of truth, and yet each is seriously flawed. Partly this is true because Brazil is constantly changing: today's Brazil is not the same as yesterday's, even in the vast Amazon region or on Rio's spectacular beaches; and tomorrow's Brazil will be something else again. Moreover, as in the United States, there is incredible variety and diversity.

Brazil's population is close to 110 million and growing at a rate of 3 percent per year. Its land area takes up half of South America; it is bigger than the United States minus Alaska. The city of São Paulo, population 8 million, with its skyscrapers and urban sprawl is the biggest industrial center in the southern half of the *world*. Yet in the arid Northeast (population 35 million), estimates of per capita income range from \$50 to \$150 per year, roughly equivalent to that of India.

The population is largely descended from the Indians, the Portuguese settlers, and African slaves. It is one-third "mixed," one-half "European," one-tenth black, with some Japanese immigrants to round it out. Yet with this diversity there is also considerable unity and coherence in terms of the common Portuguese language, Catholic religion, and strong national Luso-Brazilian culture and identification.

### **The Economic Boom**

Between 1968 and 1974, economic growth in Brazil averaged 10 percent per year, one of the highest increases in the world during that period. The growth in GNP slid to 5 percent in 1975; it will probably decline further this year due partly to the oil crisis (Brazil imports 75 percent of its oil). Even so, with its new factories, its urban pollution, traffic jams, and steel mills, Brazil seems to the untutored eye almost ready to join the ranks of the "developed" nations.

How has such phenomenally rapid growth been accomplished? Some of the main elements have been tough wage policies (reducing inflation from over 100 percent per year in 1964 to 30-35 percent today); innovative monetary de-

---

vices such as "indexing" to compensate for inflation domestically and internationally; strong reliance on free enterprise; hospitality to foreign technology and investment (mainly U.S., West German, Canadian, Swiss) in automaking, food products, pharmaceuticals, machinery; a ban on strikes; emphasis on exports (of iron ore, soybeans, sugar, coffee, shoes); assigning technocrats, not military men, to guide the economy.

This economic "miracle" has primarily benefited the urban middle and upper-middle classes. In 1960, Brazil ranked 14th among 52 nations in terms of "income inequality."\* On the basis of 1970 census data, that inequality (as measured by reported wages) has worsened. In 1970 the richest 20 percent of the population got 46 percent of the income and the bottom 20 percent got only 3 percent. Data on urban-rural and regional disparities are less reliable, but all indications are that here, too, inequalities have grown. In the rural areas, the ratio between the income of the richest 10 percent of the population and that of the poorest 10 percent is 15 to 1. In urban areas, the contrast is far greater: 50 to 1. In São Paulo or Rio, a white-collar manager or technocrat with a Ph.D. can earn roughly what his U.S. or West German counterpart earns; but a common laborer earns about 7 percent of what his U.S. counterpart makes.

### **The Gravest Political Liability**

The regime's political repression affects many persons indirectly through intimidation, but directly (through incarceration, torture, and exile) only a very small number, mostly in the urban middle class. Economic inequalities, on the other hand, affect the vast majority of the population—the migrants to the teeming *favelas* (urban slums), the blue-collar class, the back-country peasants. One can argue, therefore, that income inequalities are Brazil's most severe *political* liability.

We know that the size of the pie has grown dramatically: Brazil's GNP was about 250 percent greater in 1975 than in 1957. We also know that the pie is being sliced more unequally; but we do not know for sure if the amount of pie available to each group is less, more, or the same. Studies by the Berkeley economist, Albert Fishlow, a critic of Brazilian policy, and by the Brazilian economist, Carlos Geraldo Langoni, who has tended to support government policies, converge in suggesting

---

\*Less "unequal" were, surprisingly, South Africa, India, Portugal, and Paraguay. More unequal than Brazil were Guatemala, Mexico, the Philippines.

---

that most social classes have more than they had a decade ago.

But studies by the Intersyndical Department of Socio-economic Statistics and Studies (DIEESE), a union-financed research organization in São Paulo, indicate a 30 percent decrease in the real purchasing power of working groups in 1964–74. Their data also indicate that in 1965 the average blue-collar worker could buy his family's basic monthly food needs with the wages received for 87 hours of work, whereas in 1975 it took 151 hours of work to buy the same.

In sum, the information is contradictory and uncertain. We know the "haves"—the skilled workers, technicians, entrepreneurs—are much better off; and we know that there is some variation among regions and industries in living standards. But as is so often the case, we do not know for sure whether most of the "have nots" are now better or worse off than they were in 1960 or 1964.

### Does Growth Mean Inequalities?

President Ernesto Geisel's regime and "Chicago-school" economists (such as Langoni) contend that income concentration is a natural and inevitable consequence of rapid growth at Brazil's stage of development: *crescer é concentrar* ("to grow is to concentrate income"). According to this view, to try to "share the wealth" would reduce the economy's momentum and result only in "dividing the misery." Eventually, it is argued, the new wealth will trickle down.

But many critics, including Fishlow, contend that the striking concentration of Brazil's income could be alleviated if the government defined development in more "social" terms and spent more in the countryside on schools and amenities. To these critics, "trickle down" will never do the job.

Recently, the regime's leaders have taken public cognizance of growing social disparities and have pledged to do something about them. President Garrastazú Médici said in 1970 that "the economy is doing well, but the people are not doing so well." At the beginning of his term in 1974, the current President, Ernesto Geisel, agreed, and has since begun some modest remedies: increased aid to the desperately poor Northeast farm regions, greater outlays for health care and social security, more progressive and strictly enforced taxation. How sustained and effective these measures will be remains to be seen.

Since the 1964 overthrow of João Goulart, a leftish, rather

**BRAZIL: A CHRONOLOGY**

- 1494 Spain and Portugal divide the world in the Treaty of Tordesillas.
- 1500 Portugal's Pedro Alvares Cabral discovers Brazil.
- 1532 First permanent Portuguese settlement in Brazil.
- 1538 First known shipment of slaves arrives from Africa.
- 1565 Founding of Rio de Janeiro.
- 1695 Gold discovered in Minas Gerais.
- 1727 Introduction of coffee in Brazil.
- 1822 Prince Pedro declares Brazil's independence.
- 1850 Slave trade abolished.
- 1871 Freeing of all children born to slaves.
- 1888 Slavery abolished.
- 1889 The emperor dethroned; the republic established.
- 1917 Brazil declares war on Germany and joins the allies.
- 1930 Revolution brings Getúlio Vargas to power.
- 1937 Establishment of Dictator Vargas's *Estado Novo*.
- 1942 Brazil declares war on the Axis.
- 1945-46 Vargas ousted; democratic constitution promulgated.
- 1960 Brasília designated as the nation's capital.
- 1961 João Goulart becomes President.
- 1964 Goulart deposed by military. Humberto Castelo Branco elected President by a purged Congress.
- 1968 Coup gives Costa e Silva dictatorial power.
- 1969 General Garrastazú Médici named President.
- 1974 General Ernesto Geisel, Médici's choice, elected President.

---

inept figure, Brazil has been run by a coalition of generals, with most daily decisions delegated to civilian technocrats. Like many other non-Communist regimes in the Third World, Brazil's is an "authoritarian," not "totalitarian," regime. That is, it is characterized by a "ruling mentality," not by a full-blown, highly articulate ideology; by a certain limited pluralism, rather than government penetration of all aspects of social life; and by low public participation, rather than "mass mobilization" (as in Castro's Cuba).

### **Not Totalitarian, Not Democratic**

If Brazil's regime is less than totalitarian, it is also far from democratic. As Harvard's Samuel P. Huntington notes, the key features are:

¶ The ultimate source of power is in the top leadership (that is, the 200 general officers) of the armed forces. This, in effect, is the constituent power of Brazil.

¶ Within the government, power is centralized in the President, who is the dominant influence in the appointment of officials and the shaping of public policy.

¶ On a territorial basis, power is highly centralized in the national executive with state governments being reduced to such a subordinate role that Brazil can no longer be thought of as a federal system in any meaningful sense of the word.

¶ The power of the national executive has also been extended into and over labor unions, employer associations, universities, and other associative and corporate bodies which might become nuclei of political opposition.

¶ Civil liberties are severely restricted; the political rights of many active political figures have been suspended; *habeas corpus* is inoperative; the press is subject to censorship, which is perhaps more exasperating for its unpredictability than for its severity; arbitrary arrests occur; prisoners have been mistreated, tortured, and, at times, killed while in custody.

¶ Political participation is limited, and the organs for participation, the political parties, are weak. The President is formally elected by an electoral college but actually chosen by the top military leaders.

---

¶ Policy-making is dominated by the bureaucracy—civil and military—with Congress playing a marginal role.

Yet the Brazilian military is not monolithic. Although military leaders tend to unite when their interests are threatened, there are also large fissures within the armed forces. The navy is more conservative than the army or air force; young officers tend to be more radical than older ones; there are four regional military commands whose leaders differ in their commitment to liberal values, nationalism, development, security. Ideologies vary—“authoritarian” versus “liberal” politics, free trade versus protectionism, social conservatism versus “reform” versus “radicalism.”

### **Not All Generals Are Alike**

Nor has the post-1964 “Revolutionary” period been all of a piece. True, the presidents have been generals, but their philosophies and bases of political support have varied.

The first Revolutionary President, General Humberto de Alencar Castelo Branco, was a liberal who hoped to return the country to constitutionalism; but when the opposition candidates did well in the October 1965 gubernatorial elections, the *linha dura* (hard-line) faction of the military reacted. Its leaders forced the regime to abolish the existing political party structure and to replace direct popular election of presidents with the (elite) electoral college system.

President Castelo Branco’s successor, General Arturo da Costa e Silva, pledged to “humanize the Revolution.” He did not succeed. In 1967–68, various opposition groups, mainly urban, staged demonstrations; intellectuals and students challenged the government. In December 1968, in what amounted to an internal right-wing coup, the hard-liners forced through a new Institutional Act; it closed down Congress (until 1970), suspended habeas corpus, imposed press censorship, and set the stage for indiscriminate arrests and police harassment. Thus ensued perhaps the most sombre period in Brazil’s political history. Radicalized students and clergy supported Maoist and Castroist splinter groups (without the encouragement of the clandestine Moscow-line Brazilian Communist Party) who staged bank robberies, terrorist bombings, and kidnappings of Western diplomats. The military reacted with midnight arrests and torture; in two years, “order” was restored.

President Garrastazú Médici, who took over in late 1969,

---

acquired a certain popularity, in part because he shrewdly identified himself with Brazil's popular championship soccer team and led mass celebrations of its victory in the World Cup soccer games in 1970. The first meaningful election since 1965 was held in November 1974, and the opposition Brazilian Democratic Movement (MDB) did well, actually gaining control of three important state legislatures and increasing their minority representation in the federal Congress. More important, Médici's successor, Ernesto Geisel, a military liberal, was able to rebuff pressure to annul the results. In August 1975, however, after a year of this *distensão política* (political relaxation), the hard-liners staged a comeback. They exploited revelations of Communist election activity and of corruption on the part of several legislators to declare an end to *distensão*, a slogan whose future remains in doubt.

### **The Futility of Torture**

Another word on torture. Perhaps as many as 300 persons have been killed, several thousand tortured, several tens of thousands arrested and detained, and millions intimidated by military and civilian police actions. Although it is hard to convince the apprehensive Brazilian Right on this point, the torture no longer serves any purpose; the Brazilian Left, never as well organized as its counterpart in Chile, is today a shambles. As in Portugal under Salazar, the national Communist party is small and deep underground.

In 1969-70, the national leaders may well have encouraged and coordinated the torture. Today the situation is more complicated. At least one cabinet minister has publicly criticized torture, and others, including Commerce Minister Severo Gomes, are known to have tried to stop it. President Geisel is apparently trying to contain the evil. But this is more difficult than it may seem. The four regional army commanders are politically powerful; they supervise crackdowns on dissidents and control the special police. The police appeal to service loyalties and unity in the face of "subversives." "We were here when you needed us [1969-70]," they remind the leadership. They claim their methods are still needed to prevent a new surge of terrorism. Many hardliners agree. By accepting torture as a weapon against their enemies in the past, the regime's leaders unleashed a force now difficult to stop.

The penetration of Brazil by external influences, particularly through foreign investment and loans from the United

---

States, has also been much criticized. In some important ways, Brazil has indeed become more constrained by the external economic environment. Total foreign investment has trebled since 1964. The foreign debt has increased fivefold. The post-1968 emphasis on exports has contributed to the economic boom but also to dependence on external markets.

However, in other ways, Brazil is much stronger vis-à-vis the outside world than it was in 1964. In 1964, the United States supplied nearly half of the total foreign capital in Brazil; today, the relative share is down to around 30 percent, while the investments coming from countries like France, Japan, Switzerland, the United Kingdom, Germany, and Canada have increased significantly. This diversification of sources of foreign capital means greater bargaining power for Brazil.

Although the private economic sector remains relatively weak, and the foreign-owned multinationals have become stronger, the Brazilian public sector has also become much stronger. Indeed, there are growing complaints from Brazilian businessmen that this "state capitalism" is both inefficient and discouraging to local private investment. The government dominates precisely those elements of the national economy that are most vital for national security and for broader economic development—steel, oil, communications, transport.

### **A New Strength Abroad**

The economic boom, fueled in part by foreign investment, has given Brazil far greater influence on the international scene. The confidence of its leaders and diplomats has never been higher. "No country can escape its destiny," observed the late J. A. de Araújo Castro, a distinguished Brazilian ambassador and former envoy to Washington. "Fortunately or unfortunately, Brazil is condemned to greatness. . . . Small mediocre solutions are neither appropriate nor interesting to Brazil. We have to think big. . . ." Brazil's foreign policy goal, he added, was to "neutralize all external factors which might limit its national power."

One of those external factors has been the United States. Increasingly, there are differences between the United States and Brazil on international matters. Among them:

Brazil supports a national territorial boundary ranging up to 200 miles offshore; the United States has long opposed such extensive jurisdiction.

In the early 1970s, Brazil led the Third World fight against

---

stronger U.N. population-control policy statements, sought by the United States and the West.

More importantly, Brazil recognized the Soviet-supported faction in the 1975 Angolan civil war, voted in the United Nations with the Arabs to equate Zionism with "racism," and concluded an agreement with West Germany to import atomic power reactors—all moves which the United States sought to prevent.

When Secretary of State Henry Kissinger visited Brazil last February, he was careful not to exert pressure or offend Brazilian leadership. He hailed Brazil's "concern for human rights" and agreed to a system of regular high-level meetings between Brazil and the United States—the only Latin American country so singled out. What the Brazilians gave Kissinger in return for these accolades remains unknown, but their increasingly independent foreign policy continues. The United States finds it now must woo Brazil, not take her support for granted, as in the past.

As it has helped Brazil abroad, so the economic boom, now fading, has helped keep the more radical opposition to the regime from gaining widespread middle-class support. Moreover, despite all the inequalities, thanks to traditional ties of mutual obligation between factory boss and worker, farmer and farmhand, Western-style "revolutionary" class consciousness has yet to develop.

Nor has racial solidarity developed among blacks. What does it mean to be black in Brazil, where slavery was banned less than 100 years ago? In Brazil, with its large mixed population, there are infinite gradations of "color." Brazilians prefer to define race in economic or social terms: "Money whitens the skin," as do education and job status. These gradations soften conflict and curb racial polarization.

But the bottom of the socio-economic pyramid is far blacker than the top; and there is pervasive social prejudice against "people of color" (*"gente de côr"*). With a different history of race relations and patterns of slavery, and lacking the egalitarian traditions of the United States, Brazil is unlikely to undergo a civil-rights struggle like that of blacks in this country. However, increasing industrialization and education are likely to stir new awareness and new demands among have-not blacks and whites alike.