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## BOOKS IN REVIEW

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### POLITICS AND POLICYMAKING IN BRAZIL

*MARCHAS E CONTRAMARCHAS DO MANDONISMO LOCAL.* By CELSON JOSÉ DA SILVA. (Brazil: Universidade Federal de Minas Gerais, 1975. Pp. 156.)

*VOLTA REDONDA.* By DONALD EDMUND RADY. (Albuquerque, N.M.: Rio Grande Publishing Company, 1973. Pp. 380.)

*POLICY OUTPUTS IN THE BRAZILIAN STATES, 1940–1960: POLITICAL AND ECONOMIC CORRELATES.* By MARGARET DALY HAYES. (Beverly Hills, Ca.: Sage Professional Papers Series, 1972. Pp. 48. \$2.25.)

*GAUCHO POLITICS IN BRAZIL: THE POLITICS OF RIO GRANDE DO SUL, 1930–1964.* By CARLOS E. CORTÉS. (Albuquerque, N.M.: University of New Mexico Press, 1974. Pp. 252. \$12.00.)

Current social science research about Brazil offers a wide spectrum of approaches and themes. While the more theoretical and empirical work stresses new issues such as the policy process, the onward march of *estatização*, and variations of corporate authoritarian structures, other authors continue to focus on long standing topics such as regional politics, local power and the origins of the economic "miracle" of the late 1960s and early 1970s. Margaret Daly Hayes's discerning monograph on public policy outputs illustrates the former approach; the remaining three works reviewed here fall into the latter category. The Rady volume deals with the establishment of the Brazilian steel industry at Volta Redonda; the politics of Rio Grande do Sul, 1930–1964, is the focus of Cortés's book; and Celson José de Silva's monograph offers a case study of local elites in Minas Gerais.

National policymaking in Brazil has become a topic of heated debate as the costs and lost opportunities of the Brazilian "miracle," in human terms, have been widely considered. The economic development of the Médici years (1969–74) has yielded to the exigencies of the current international economic malaise, but the debate has only begun about the future course of Brazilian economic

development. The growing intervention of the State in all aspects of economic planning and management, the role of foreign investment in determining development priorities, and the international debt position of Brazil have resulted in a series of studies about income distribution, future economic growth patterns, and Brazil's aspiring role as a candidate for world leadership.<sup>1</sup>

In terms of assessing governmental performance, the Hayes monograph provides a very useful analysis of a neglected area: public policy. Replicating the efforts of North American comparative political scientists, the study analyzes the relationship of socioeconomic and political variables to levels of government effort, measured as a percentage of state budgetary allocations, for twenty-one Brazilian states in 1940, 1950, and 1960. The policy areas of welfare and education, economic development, and administration were chosen for examination. Her interest in the three policy areas is to determine "who benefits" and "what interests are likely to come into play in influencing the policy decisions."

The data supported the author's contention that political considerations would correlate strongly with administrative allocations. As a political resource for local elites, budgetary appropriations always have played a key role in Brazil. Economic or development criteria were secondary. The traditional structure of political power exercised a predominant influence in determining administrative allocations as a key mechanism in perpetuating its influence. The confirmation of a continuation of local influence in setting investment priorities was mitigated by the finding that, contrary to the original hypothesis, measures of need were found to correlate consistently and positively with allocations in all policy areas. This suggests that government policies in the years analyzed were directed in part at manpower development and social welfare as well as increased productive output. Only for 1960 did variables representing economic development levels dominate allocation decisions. Moreover, variables representing popular participation in politics and those representing social needs were found to appear frequently together as strong correlates of policy decisions.

During the twenty-year period studied, there was a gradual decline in the overall influence of traditional political considerations in determining budget allocations as well as an increasing role of federal funding in determining total allocations in policy areas in the Brazilian states. The Hayes analysis captures over time, with sophisticated empirical analysis, the emergence of the pre-1964 Brazilian states as an important contributory factor in national development. The declining importance of traditional political elites at the state level to determine investment priorities and an emerging commitment by the 1946 republic to welfare and "need" issues are clearly demonstrated.

While the Hayes monograph indicates a gradual increase in the capacity of the Brazilian state to determine development priorities and a corresponding decrease in the capacity of traditional elite groups at the local level to totally control federal expenditures, it is clear that the colorful and much discussed world of *coronel* politics dies hard.<sup>2</sup> Celso José da Silva's monograph on local politics in a mining community in Minas Gerais—Caeté—traces the structure of local power from the end of the nineteenth century through the present decade. The author contends that in rural communities in which large agricultural

landholdings are not the basis of the local economy, nor the principal source of political power, local leadership will be more fluid and there will be greater elite circulation. Silva argues that a variation of the coronel model of local politics, which rests on the socioeconomic and political influence of the landed oligarchy, is needed to understand the dynamics and varieties of local power in Brazil.

The study of Caeté traces the political career of the town's principal entrepreneur, João Pinheiro de Silva, whose ceramic factory was a principal municipal employer. A man of emerging national prominence, João Pinheiro became the key political figure in Caeté due to his important economic role and his not having to contend with an agrarian aristocracy with strong, traditional claims to local leadership and status. The Pinheiros were followed by "Coronel" José Nunes Melo, Jr., another nonlandowning political manipulator, in the 1920s. With the founding of the Companhia Ferro Brasileiro (CFB) in 1928, in Caeté, the third and final force entered local politics.

The CFB, which became the principal industrial employer in the town, permitted the emergence of a new segment of the local elite—company employees and local businessmen linked to the operations of the company. With increasing urbanization, the CFB came to exercise a preponderance of influence in Caeté and its adherents replaced the Pinheiro-Melo elite groups. The change was reflected in the decline of the Partido Social Democrático, from 1946, and the rise of the União Democrática Nacional and Partido Trabalhista Brasileiro parties as the vehicles for intraelite competition among the new groups contending for political power in Caeté.

Silva contends that the varieties of local political power have been overlooked in Brazil and that the dominant model, the landowning coronel, is not applicable to all communities. The author's findings confirm the vitality of local politics through 1964, but implicitly raise the question of whether or not the centralizing economic and political pressures of the incumbent regime will permit, in the future, the luxury of competitive and autonomous political groups, either popular or elite in composition. It may well be that one of the strongest legacies of the regime will be the destruction of the old political order, varied as it has been, thus making community power studies of this orientation increasingly obsolete.

The economic origins of the postwar growth of Brazil are symbolically linked to Volta Redonda, the great steel complex in the Paraíba Valley, between Rio de Janeiro and São Paulo. Rady's volume is a straightforward, uncritical summary of the founding and operations of Volta Redonda. The historical origins of the steel mill have been lucidly analyzed recently in the context of Brazilian prewar trade and armaments needs.<sup>3</sup> The Brazilian steel industry is carefully studied in Werner Baer's standard reference on the subject.<sup>4</sup> Rady's volume adds little to our general knowledge, although it provides once again a startling reminder of how recent and how complex Brazilian economic development really is.

The vision of Getúlio Vargas in the 1930s that industrialization was the path to greatness was embodied in the Volta Redonda complex and was the culmination of decades of thought about national steel potential. Its success in

the postwar period was an important part of the Import Substitution Industrialization (ISI) program. As Baer comments: "The Brazilian experience in establishing a steel industry should make it clear that the usual condescending cliché about the wastefulness of implanting a heavy industry in a developing country has no universality."<sup>5</sup> Both as symbol and as substance, Volta Redonda looms large in the growth of Brazilian economic autonomy and in the clear and decisive state presence in national development in the twentieth century.

The complexities of rapid change in Brazil frequently have had regional reflections. For example, the stark realization that the Brazilian Northeast posed both a development challenge and a security threat in the early 1960s led to one of the most ambitious and least productive programs of the Alliance for Progress.<sup>6</sup> If the Northeast represents a classic dilemma of nation-building, still today, the politics of the south of Brazil (particularly of Rio Grande do Sul) offer a fascinating and different insight into the emergence of modern Brazil. Joseph Love's recent study of southern regionalism provided a skillful and carefully researched study of the period from 1882 to 1930.<sup>7</sup> The Cortés volume covers the 1930–64 period; together, the two books provide students of Brazil with the first systematic history of politics in one of the nation's most important states.

The Cortés volume suffers in comparison with Love's work in that the latter provides needed economic detail and social contextual analysis that is missing from the former. The Cortés book offers the reader a straightforward chronology of events in Rio Grande since 1930 but it is not as successful in interweaving the state and regional themes, as they relate to national development and federal political preeminence.

In part, the Cortés work captures the dramatic and ultimately unsuccessful efforts of one segment of the Rio Grande elite to resist the growing centralization of public power in the twentieth century. Ironically, the spokesmen for centralization were often representatives of that same state elite. If Flores da Cunha was the preeminent state political boss of the 1930s in seeking to protect and further state interests through national political action, Getúlio Vargas from 1930 to 1945 and a series of *gaúcho* military presidents since 1964 have successfully centralized power at the center and severely weakened the political autonomy of the periphery.

The important and often controversial role of Rio Grande politicians in Brazilian public life from 1930 to 1964 is vividly confirmed by Cortés's book. The major Rio Grande figures of that period assumed power with Vargas in 1930; others became prominent in opposing him; and still others, a postwar second generation, either emulated Getúlio or sought to overcome his political legacy. Throughout the narrative, it is the figure of Getúlio Vargas that dominates *gaúcho* politics.

Since 1964, both the substance and the symbolism of Brazilian political life have been transformed. A military generation with relatively clear national security and development goals seized and has retained power for nearly as long as Vargas's fifteen-year presidency. If that period witnessed basic changes in the distribution of political power in Brazil, it is clear that the military republic's tenure has seen different but as significant modifications of power.

The bureaucratic state, with its authoritarian/patrimonial and coporatist overtones has survived and indeed flourished. The regime has avoided major social crises over issues such as maldistribution of wealth, consistent violations of human rights, and meaningless political representation. The civilian political elites, whether from Rio Grande do Sul or the Northeast, are supinely acclimated to the imposed public order. Rumors of fragmentation within the armed forces remain rumors. External pressure weighs far less in determining state goals, as confirmed by the nuclear agreement between Brazil and West Germany, than in the past.

Confronted with the realities of power in Brazil today, social science research needs to deal with new issues while not overlooking the critical value of retrospective political analysis. The dynamics of Brazilian society today involve a clear understanding of the role of the bureaucratic state, in both its economic and political forms.<sup>8</sup> State capitalism and the new forms of bureaucratic/administrative leadership increasingly prominent since 1964 require analysis. While the local circulation of elites, as Silva demonstrates, need not conform to one model, it is clear that authoritarian decisionmaking patterns have produced new and central figures in the functioning and perpetuation of state capitalism. The role of the multinational corporation in Brazil can no longer be seen as the omnipotent manipulator of Brazilian economic development. Its willingness to accept state capitalism as the lesser of evils and its function in strengthening the state has received inadequate attention.

The issues of local leadership and regional power will need to be reconceptualized in order to move away from the attractive but obsolescent models of the past. While I do not wish to prematurely inter the backlands coronel, it is clear that his local power position has been significantly and permanently modified since 1964. New patterns of regional and local leadership, and their role in linking the centralized state to the periphery, will need to be considered. If Volta Redonda offers an insight into the beginnings of Brazilian industrialization, is it accurate to say that state enterprise in general offers an unsettling vision of the future? As the military republic awaits its fifth military president in 1979, it is clear that both state and society in Brazil have undergone lasting and significant changes since 1964. Coping with those changes in terms of analysis and interpretation will occupy social scientists, both in Brazil and elsewhere, for some time to come.

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#### NOTES

1. For a recent set of essays that deal with Brazil's emerging international role, both economically and politically, see Riordan Roett, editor, *Brazil in the Seventies* (Washington, D.C.: The American Enterprise Institute, 1976).
2. A recent critical review of the Brazilian literature on the role of the state and sources of power is that of Francisco Iglesias, "Revisão de Raymundo Faoro," *Cadernos do Departamento de Ciência Política*, no. 3 (Março de 1976), pp. 123–42.

3. Stanley E. Hilton, *Brazil and the Great Powers, 1930–1939: The Politics of the Trade Rivalry*, (Austin and London: University of Texas Press, 1975).
4. Werner Baer, *The Development of the Brazilian Steel Industry* (Nashville: Vanderbilt University Press, 1969).
5. *Ibid.*, p. 104
6. The Northeast situation is studied in Riordan Roett, *The Politics of Foreign Aid in the Brazilian Northeast* (Nashville: Vanderbilt University Press, 1972) and Joseph A. Page, *The Revolution That Never Was: Northeast Brazil, 1955–1964* (New York: Grossman, 1972).
7. Joseph L. Love, *Rio Grande do Sul and Brazilian Regionalism 1882–1930* (Stanford: Stanford University Press, 1971).
8. Werner Baer has made a major contribution in identifying the role of the state. See “The Role of Government Enterprise in Latin America’s Industrialization,” in David T. Geithman, editor, *Fiscal Policy for Industrialization and Development in Latin America* (Gainesville: University of Florida Press, 1974).