

BRAZILIAN

INFORMATION

BULLETIN

June 1973

Number 10

Published by AMERICAN FRIENDS OF BRAZIL

P.O. Box 2279 Station A Berkeley, CA 94702

Catholic Church Turns Back on Generals

Despite persistent harassment from the military dictatorship the Catholic Church hierarchy has renewed its critique of the political and economic oppression prevailing in Brazil. The latest denunciation came after the 13th General Assembly of Bishops, held in February 1973. The *New York Times* reported that the eight-page mimeographed document given to the press at the end of the assembly contained the "strongest and most detailed declaration of human rights," and a denunciation of "the limitations on basic freedoms" in Brazil.¹ In the last year, according to the *Times*, individual bishops and groups of bishops "have denounced police and military authorities for arbitrary and repressive actions which have included torture. They have also attacked civilian authorities for allowing large business interests to exploit rural workers in the name of economic development."

In their March document the bishops came out even more strongly in denouncing various types of discrimination in Brazilian society, "including discrimination in favor of big landowners and against peasant families, for business management against workers, for whites against blacks, for pro-regime political parties against the Opposition, and for men as opposed to women." The Bishops' strongest denunciation was directed against the oppression of Brazil's Indian population. The document "charged that about 100,000 Indians were in the process of being exterminated." Obviously suspicious of the Brazilian government authorities, the Bishops suggested that they themselves make a study of the Indian situation, "and work with groups willing to help the Indians." Rarely have the rights of oppressed groups in Brazil been so clearly proclaimed, and never by such a prestigious body as the Brazilian Bishops.

The Bishops showed they are not fooled by the military's attempts at mystifying the Brazilian reality. The document released covers the present repression and exploitation in Brazil and demands "the right to legal defense, in view of the absence of a *habeus corpus* provision"; and "the right to possess the land on which one works." The Bishops also asked for "the right not to be subjected to systematic political and social propaganda and aggressive and indiscriminate commercial advertising." This can only be read as, first, a denunciation of the government's expensive television campaign proclaiming the so-called "Brazilian miracle," and secondly, as a demand for

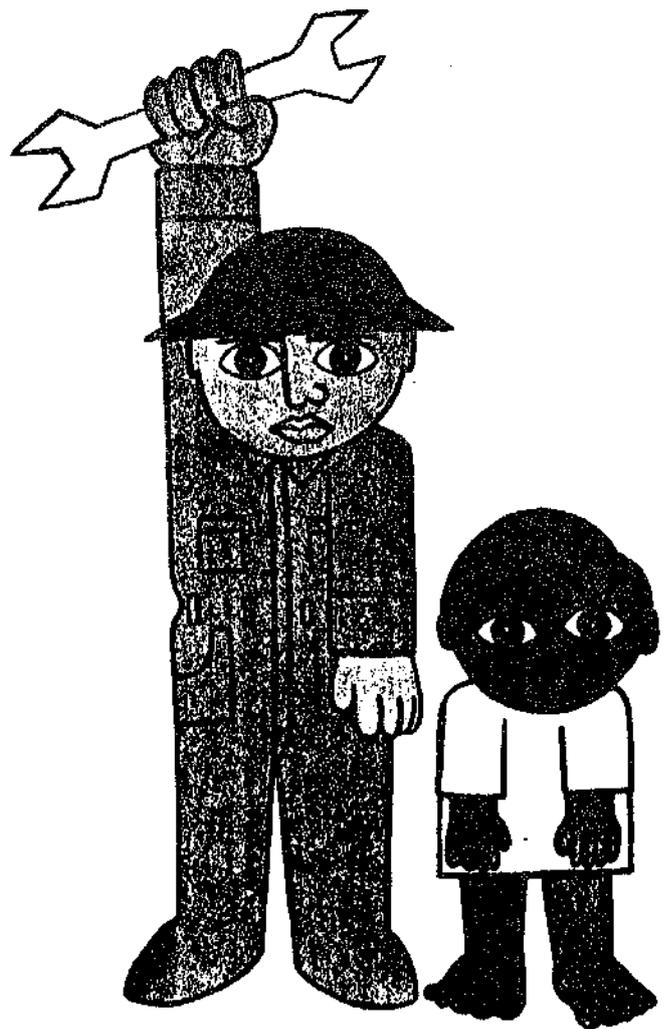
the right not to be bombarded with commercial propaganda, most of which is designed for the elite consumer market.

When the Bishops made these denunciations and proclamations of rights they were obviously thinking of the poor, and those that have been treated unfairly, and often barbarously, by the military regime. While they met, a delegation of Bishops visited the political prisoners at the Penitentiary in Presidente Wencesalau. There they saw the jailed Dominican Fathers, who participated in a hunger strike last June and July. They also met the layman Manoel Porfirio, who told them of being in solitary confinement for 10 days for advising another prisoner not to eat a piece



4. Albert Fishlow, "Brazilian Size Distribution of Income," *American Economic Review*, LXII, No. 2 (May 1972), p. 400.
5. The 38% decline figure is given by the 14 Brazilian Bishops and Archbishops citing official government statistics. See Leonard Greenwood, "Brazil: Bishops Attack 'Economic Miracle' *Los Angeles Times*, May 21, 1973.
6. *Ibid.*
7. Instituto de Pesquisa Economica Aplicada (IPEC), *A Industrializacao brasileira* (Rio de Janeiro: Ministerio de Planejamento e Coordenacao Geral, 1969), p. 144.
8. For example, the government forecast the 1966 inflation at 10%, but it reached 41%; the 1967 forecast was 15% compared to a real rise of 24%. Andrea Maneschi, "The Brazilian Public Sector," In Riodan Roett, *Brazil in the Sixties* (Nashville: Vanderbilt University Press, 1972), p. 220.
9. Paul Singer, "O Milagro Brasileiro: Causas e Consequencias" (Sao Paulo: CEBRAP, 1972), pp. 55, 57.
10. Fishlow, "Brazilian Size Distribution. . ." p. 393.
11. *Jornal do Brasil*, April 28, 1972.
12. Greenwood, *loc. cit.*
13. *Correio da Manhã* (editorial), February 14, 1968; *Jornal do Brasil*, May 4, 1969, Tristao de Atahyde, in *Jornal do Brasil*, May 28, 1971.
14. Ricardo Pontieri Augusto and Sinobu Fukuy Katayama, *Influencias da industrializacao sobre a populacao* (Sao Jose dos Campos: Instituto Tecnologico da Aeronautica, 1972) (Mimeographed.)
15. Departamento Intersindical de Estatistica e Estudos Socio-Economicos (DISSE), "Pesquisado patron de vida da classe trabalhadores de cidade de Sao Paulo" (Sao Paulo: 1970) and Greenwood, "Brazil to Study Charges Poor are Getting Poorer" *Los Angeles Times*, November 6, 1972.
16. The following section on "rotation" bureaucracy and salary reduction is based on an unpublished paper by Paul Silberstein "A Critique of the Theory of Marginalization of the Urban Working Class in Brazil"
17. "Porque O Governo esta Preocupado" *Correio da Manhã*, May 4/5, 1970.
18. For an analysis of the workers' social security system which finances middle class housing see the article "Vivenda" in *Lucha Popular* (Santiago, Chile, March 1973)
19. See *Brazilian Information Bulletin* No. 7.

This article by Timothy Harding, a sponsor of this bulletin, will be published soon in monograph form.



TO OUR READERS:

We depend on your financial support to continue publishing this *Bulletin*.

We do not have the resources to bill you every year. So at the beginning of each year we ask you to please send us at least \$3.00 to cover the cost of your subscription. If you can afford it, please send a larger donation.

Make checks payable to American Friends of Brazil and mail them to: Box 2279, Station A, Berkeley, CA 94702.

Thank you for your support. It means a lot.

In solidarity,
American Friends of Brazil

Rumblings Behind the Facade

Tight censorship prevents the Brazilian press from publishing news about popular uprisings. This could tarnish the image of social and political stability which the military regime is trying to sell to public opinion and especially to foreign investors. However, in spite of the heavy repression and the climate of political terror established by the dictatorship, broad sectors of the population are progressively recovering the spirit of struggle and through different means and new forms of organization, they are showing their bitterness towards the military government. These are still small struggles and are sometimes isolated from each other, but they are important because it is through these limited struggles that the resistance movement in Brazil is gaining strength.

SMALL BUSINESS VS. FOREIGN INVESTORS

During a meeting held last December, the "Small Commercial Establishment Association" of Rio de Janeiro strongly denounced the government's policy of tax incentives and protectionist laws regarding foreign corporations. The association passed a resolution stating that "the different treatment given to big corporations and to small enterprises has led the latter to bankruptcy."

WORKERS AGAINST THE BUS COMPANIES

In the latter half of 1972 the private companies that control public transportation in Sao Paulo, decided to fire 15,000 bus conductors. Their job of collective fares was to be passed on to the bus drivers, who already have the burden of driving in one of the most accident-ridden cities of the world. The conductors organized, with the total solidarity of the bus drivers, and refused to accept their dismissal. Soon the movement gained popular support and the companies and the Mayor of Sao Paulo were forced to reconsider the decision.

CONFERENCE OF FAVELADOS

In a meeting held last December, representatives of *favelas* (squatter slum settlements) analyzed and discussed the government's urbanization program and its effects on the 1.5 million squatters who live in Rio de Janeiro's shanty towns. The government plans to remove the *favelados* to villages built in a region far from the metropolitan area so that the thousands of tourists that come to Rio de Janeiro every year will not have "wrong" ideas about the "economic miracle" and so their land could be opened to lucrative real estate developments. At the end of the meeting a resolution was passed with particular demands on housing and education, which are among the most urgent problems facing the *favelados*.

PROTEST OF INTELLECTUALS

In a statement made public in February, 279 Brazilian intellectuals denounced the torture and assassinations of political prisoners and the repeated violation of human rights in Brazil. At one point the statement reads: "we repudiate torture, whether physical or moral, even when it is committed against the most culpable persons. We repudiate torture, whatever the pretext for its use may be."

CELEBRATIONS TRANSFORMED IN PROTEST

The students of the University of Rio de Janeiro, who, as all students in Brazil, are prohibited any kind of open political activity, decided to transform this year's graduation ceremonies into a protest against the dictatorship. At the school of Medical Sciences they decided the ceremony would be an eulogy for a student killed by the Army in 1969. The student representative was not allowed to read her original speech. Instead she slowly leafed through the pages pretending to read and at the end she declared: "there are moments when silence is the only way to keep our loyalty." The ceremony was immediately suspended by the director of the school.

WORKERS REVOLT AGAINST SUBWAY CONSTRUCTOR

Camargo Correia is the largest construction company in Brazil, and one of its most important projects is building the Sao Paulo subway. Its 3,400 workers are required to work 13 hours a day at 20 cents per hour and to live in the most miserable conditions. The workers, whose union is completely controlled by the government, accepted this situation without any apparent complaint. Their anger, however, broke out on Friday, February 9, when the company decided to postpone distribution of the week's wages. This caused a revolt among the workers, who threatened to destroy the company's central offices. Although the police came and forced the workers back to work, the threat was enough to force the company to find money and pay the workers in cash the next morning, a Saturday, when the banks were closed.

STRIKES

The inability to obtain legal job contracts was one of the main problems faced by the 2,000 workers at Verolme, a shipyard located in a remote area of Rio de Janeiro. The company has always refused to give its workers legal status. In February Verolme decided to raise the costs of the workers' room and board. The workers immediately went on strike, which is illegal in Brazil. Besides refusing to pay more for room and board, they demanded a wage increase of 25 percent. As shipyards are considered necessary for "national security," the Navy was called to suppress the movement. The workers resisted and after five days on strike they won a 25 percent wage increase. They also won job contracts.

STRIKES AND RIOTS

"In the recent strike in the National Housing Bank (BNH), in Sao Paulo, the workers not only invaded offices of a construction company which was under contract to the BNH but also confronted the police and slashed police car tires. The police also intervened in Leonan, a sewing machine company, where the workers destroyed sanitary facilities and machines and caused damages in another nearby factory. There was also a conflict at the General Motors plant where the workers destroyed the cafeteria." (From *Campanha* [Santiago, Chile] March 1, 1973)

JMVDW, DICI, DICI III, 12, 6

Uncle Sam Showed the Way

Brazilian sub-imperialism is mentioned frequently today in South America and is undoubtedly a new development in world power alignments.¹ Part of the dynamics behind this sub-imperialism is the United States desire to have Brazil do the dirty work of eliminating anti-U.S. regimes and keeping "our neighbors" in line. The most glaring example of Brazil fulfilling this role has been in support given by the Brazilian army to the overthrow of the reformist and mildly anti-U.S. Bolivian government of General Juan Jose Torres in 1971 and to the installation of the pro-U.S. military dictatorship of General Hugo Banzer.² As one of the rewards for this service, the United States now permits Brazil to maintain an exploitative economic relationship with Bolivia, particularly with regard to the exploration of the large recently discovered Bolivian oil fields. Brazil has found Bolivia an extremely inviting place to carry out other projects which benefit both its own and U.S. policy objectives — particularly those of Brazil gaining access to the Pacific and of blocking the development of socialism in Chile.

The *Miami Herald* recently reported that "there is no question that the Brazilians see a friendly Bolivia as a buffer state between them and Chile, and that they see Bolivia as a means of eventually gaining a port in the Pacific." Considering that Bolivia lost its Pacific port to Chile in the War of the Pacific this suggests that Brazil is quite willing to aim for a showdown with Chile, with possible U.S. support. The same *Miami Herald* article reported that the Brazilians "know there is a restlessness in the Chilean armed forces, and they keep telling the Chilean officers that they are behind them."³ One can envision Brazilian arms going through Bolivia on their way to insurgents in Chile. For these favors Chile might grant Brazil a Pacific port, probably the former Bolivian territory. The accompanying map graphically illustrates the history of Brazilian land grabs and the basis of Bolivia's claim to access to the sea.

Brazilian capital has moved quickly into Bolivia. Shortly after the coup the Brazilian state-owned oil company announced it was seeking to operate exploration concessions in Bolivia and nearby Ecuador.⁴ In April 1972 General Medici met with his Bolivian dictator counterpart, General Banzer in Brazil to discuss, among other topics, the possibility of a natural gas pipeline from Bolivia to Sao Paulo.⁵ Brazilian aid to Bolivia since the 1971 coup, \$46 million, is second only to U.S. aid to Bolivia during the same period, \$52.5 million.⁶

Given Brazil's immense development problems, particularly in the Northeast, why all this meddling in its neighbors' affairs? The answer to this question requires an examination of the Brazilian military's development model. This model has no built-in mechanism for redistributing wealth. Rather, maintenance of real wages at declining levels appears to be an essential ingredient of the "economic miracle." Consequently, the rich will become richer as the poor become poorer. For the rich to earn more Brazil needs to manufacture more goods. However, there is an absolute limit to the amount of Ford Galaxies, color TV's and stereo sets that can be sold to the elites. Brazil must either redistribute wealth to the poor so they can buy such manufactured goods as stoves and refrigerators or seek other markets. Brazil has chosen to perpetuate its

"economic miracle" by exporting its manufactured goods.⁷

But the world market for manufactured goods is extremely competitive. It is unlikely that the United States will allow imports of Brazilian processed goods. The United States has fought imports of Brazilian instant coffee and textiles all the way, and, most recently, shoes have become an item of friction. Brazil knows there is little to be gained from antagonizing its one strong and staunch supporter. Hence, one of the primary markets selected by Brazil for increasing its exports are essentially its less industrialized South American neighbors. Brazil will get these nations to buy its goods by applying the same system used by the United States for generating exports to underdeveloped nations: by granting credits for the purchase of specified manufactured goods that it wishes to sell abroad. Altogether, Brazil has approved loans of 80 million dollars to its South American neighbors. The principal recipient, as might be expected, is Bolivia.⁸

The actual beneficiaries of this Brazilian foreign aid are the multinational corporations, particularly U.S. giants, that will exploit Brazil's new markets not from the United States, but from Sao Paulo. Already Brazilian trade in the Latin American Free Trade Association (LAFTA) is dominated by multinational corporations, mainly U.S. companies.⁹ The Brazilian government strongly favors these foreign companies by granting them concessions and incentives not available to native firms. Tariffs on entire plants imported from abroad are lowered if the factory will make products for export.¹⁰ Effectively only multinational



corporations can take advantage of this concession. The captive market of Bolivia has been readily penetrated by the Brazilian-based multinational corporations. In recent years the Andean region has been the fastest growing market for Brazilian manufactured goods, most of which were products made by U.S. manufacturers located in Sao Paulo.¹¹

One of Brazil's goals in constructing the Transamazon Highway system and its feeder roads is to expand trade with its neighbors. However, these roads have to be connected to foreign roads. So, Brazil has offered sizeable loans to its immediate neighbors for road construction. Bolivia, for example, has received \$5 million for road building in the Amazon basin.¹² Recently Venezuela was urged to connect up with the planned Northern Perimeter Highway which already projects link-ups with roads in Colombia, Peru and Surinam.¹³ And in southern Brazil other roads are being completed. Altogether Brazil plans more than two dozen access roads to its immediate neighbors.¹⁴

As some foreign observers have noted, these roads are not only useful for trade but also for possible penetration by Brazilian armed forces.¹⁵ Brazil's neighbors warily remember that Brazil mobilized its Army along the Bolivian border at the time of the 1971 Bolivia coup and they also have reports of the Brazilian armed forces' "30 hour plan" for occupying Uruguay, which was drawn up to intimidate

the Uruguayans and warn them against backing the leftist Frente Amplio electoral coalition in 1972.

1. See, for example, "Neighbors worry as Brazil Expands" *This World* (*San Francisco Chronicle*), July 23, 1972.
2. *Direct From Cuba, Special Features*, Silvio J. Menduandua Alfonso, "Bolivia: Brazilians Move in to Santa Cruz" (ES-2319/72) and German Munoz, "Bolivia: the Brazilian Protectorate"; *Prensa Latina*, April 15, 1972.
3. *Miami Herald*, May 22, 1972.
4. *Bolsa Review*, May 1972, p. 273.
5. *Bolsa Review*, June 1972, p. 328.
6. "Ajuda Brasileira a Bolivia so e menor que a dada pelos EUA nos dois ultimos anos" *Jornal do Brasil* (Rio de Janeiro), March 17, 1973.
7. M. C. Tavares and Jose Serra, "Beyond Stagnation: A Discussion on the Nature of Recent Developments in Brazil" and Jose Serra, "The Brazil 'Economic Miracle'" both in James Petras (ed.) *Latin America: From Dependence to Revolution* (New York, John Wiley & Sons, 1973)
8. *Los Angeles Times*, October 16, 1972.
9. Fernando Fajnzylber, *Sistema Industrial e Exportacao de Manufaturados* (Sao Paulo: IPEA, 1971)
10. For a complete list of incentives and exemptions for exporting see the article by Cid Ferreira, "Vantagens fiscais e financiamento a exportacao" in *Banas, Brasil Exportacao 1972* (Sao Paulo: Editora Banas, 1972).
11. Banco do Brasil, *Boletim* Ano VI. no. 2. (1972), p. 44.
12. *New York Times*, April 5, 1972.
13. *Los Angeles Times*, Oct. 16, 1972.
14. See *Veja*, July 28, 1971, p. 53.
15. See *Bulletin* No. 9 for the Brazilian military invasion vehicles.

Pentagon Assesses Brazil's Future



The Defense Department is quietly financing a study of Brazilian politics and Brazil's armed forces through the Foreign Policy Research Institute associated with the University of Pennsylvania.

In a letter on January 17 to Sen. Frank Church of Idaho, chairman of the Senate sub-committee on Western Hemisphere, a senior Defense Department official not only confirmed that the Brazilian project is being funded by its external research budget but that it centers on Brazil's military establishment. The project is named, "Brazil's Future Role in International Politics."

Writing Senator Church, Raymond G. Leddy, a Deputy Assistant Secretary of Defense for International Security Affairs, said the project entailed "an examination of Brazil in the 1970s; its potential for major power status, the prospects for Brazilian foreign policy and the implications therein for U.S. policy in the future. Current and projected trends in the Brazilian military establishment, and that nation's role in hemispheric defense, will be analyzed."

"It is expected that the resulting study will provide the Department of Defense with a balanced estimate of Brazil's influence for peace and progress in the Western Hemisphere, and perhaps in other areas as well, in the current decade, which will have significant bearing on future planning for U.S. security," Leddy wrote.

While the Leddy letter did not go into further details, the real thrust of the study—and its political implications—were set forth in the outline of the project submitted to the Defense Department to justify the funding.

This outline noted that "if the Brazilian government should ever fall into the hands of communists or extreme anti-U.S. nationalists, then U.S. policy toward much of Latin America would have to undergo drastic revision. U.S. political prestige and economic interests would suffer

enormously as the result of such a fundamental shift of Brazil's position in international politics. Hence, for many reasons, it is imperative that the United States pay close and sympathetic attention to developments within this fifth largest country of the world."

Among the questions the study proposes to answer are what is "the military's vision of a Brazilian 'great power' foreign policy," what are the "problems and opportunities the military tends to encounter in maintaining good relations with the United States," the attitudes of the "principal organized groups and population strata that supported the Brazilian military in its seizure of power in 1964," what is the "evolution of the military" and "the future of military government in Brazil and the major alternative programs available to it."

Significantly, the outline poses the question whether "the emphasis of the Brazilian military regime on economic expansion rather than on lessening regional and class disparities (is) underestimating societal requirements for the emergence of a major power; how can a dynamic economy burdened by deprived masses effectively move toward major power status?"

Washington columnist Jack Anderson reports that:

The project applauds the 1964 takeover of Brazil and suggests that "Brazil more than any other Latin-American country, has the potential to become a major power by the 21st century." The study poses the question: "Should the U.S. encourage the emergence of Brazil as a major power . . . and if so, how can it do so?"

The director of the study, Dr. William R. Kintner, a former planner for the Central Intelligence Agency and the National Security Council, said in justification of the research that other nations funds such work far more extensively than does the United States. He called the \$65,000 cost of the project a "pittance."¹

1. *Washington Post*, March 17, 1973.

J M VDW, DIGIDIC, VI, 32, 7

Indian Reservations Invaded Again

Opening the Amazon basin to capitalist endeavors, such as cattle raising and mining, threatens to destroy the Indians' culture and very existence in Brazil. Recently, under increasing worldwide pressure to protect the Indians, the Brazilian government reluctantly began to set up Indian reserves. Now, as might be expected, the government has changed its policy. This change and the government's strange reasoning in justifying it is described in the following article reprinted from the Brazilian weekly *Opinio*.²

* * * * *

"... General Ismarth de Araujo Oliveira, Administrative Superintendent of FUNAI (The National Indian Foundation), the government agency in charge of defending the Indians' rights and interests, announced in Brasilia FUNAI's decision to reduce the size of Brazil's Indian reservations and to return to the Republic those lands which it deems "unproductive." Besides not wanting to play the role of a "large landowner," FUNAI would prefer to avoid conflicts with the Indians' land, which are frequently invaded by hunting parties and rubber and Brazil-nut gatherers and which are ultimately coveted by the big ranchers of the interior. According to General Araujo Oliveira, the Indians would no longer be victims of the size of their territory, since in the past they have ventured out hunting for game and at times have had bloody encounters with whites on the reservation.

"There are 18 reservations and four indigenous parks in Brazil. This territory is closed to non-Indians under whatever pretext. In all, the Indians have 52 million hectares of land: 35 million are official Indian patrimony set aside by FUNAI and 17 million are fallow land of the Republic. The reservations, according to FUNAI, are lands traditionally inhabited by the Indians and reserved for their physical and cultural survival. Since the reservations are all located in the Amazon Region, they have taken on a new importance with the expansion of the 'National Society' in what the government terms 'relocation of the agricultural frontier,' that is, the formation of hundreds of cattle ranches, the construction of 11 thousand kilometers of highways, and the transfer of a million Northeastern settlers to that region.

"To reduce the size of the reservations, some of which are quite extensive, the Waimiri-Atroari, for example, have

1,500 hectares for 3 thousand Indians, would soon bring about the mixing of the Indians with the new 'conquistadores.' Paradoxically, FUNAI is at the same time developing a slow but admirable process of marking off the lands to avoid invasion under allegation of ignorance of boundaries. Last week the agency advertised for bids to survey the five reservations of the Xavante and Xerente tribes in the state of Mato Grosso.

"Although the details of FUNAI's new position have not been clarified one can only assume, judging from recent events involving tribal lands, that the Indians will once again get the short end of the deal. The Aripuana Reservation was divided up two weeks ago for occupation by a private company. Last week FUNAI announced that it had decided not to declare a new reservation for four thousand Yanomoni Indians in Roraima since the region will be traversed by the Northern Perimetral Highway."

REFERENCES

1. For more on the Indians and the opening of the Amazon see "Economic Development Against the Indians" in *Bulletin* No. 9 and "Let Them Eat Minerals" in *NACLA's Latin America and Empire Report*, March 1973 (available from NACLA, P.O. Box 226, Berkeley, California 94701 or Box 57, Cathedral Station, New York, N.Y. 10025).
2. *Opinio*, (Rio de Janeiro), 16-23 of April, 1973.



More on the Bertrand Russell Tribunal

As reported in previous issues of this Bulletin, the Bertrand Russell Peace Foundation is organizing an international tribunal on the crimes against humanity committed by the Brazilian military dictatorship.

Prof. James Petras has agreed to be a correspondent in the U.S. for the Tribunal. He will be in charge of gathering documentation on the violations of human rights in Brazil. Anyone who has this type of documentation or who is interested in working on this project should contact him at: Dept. of Sociology, SUNY, Binghamton, New York 13901. Telephone: (607) 798-2667.

15 Land Reform For the Rich

The military dictatorship claims that the Agriculture Ministry has started implementing agrarian reform in Brazil under resolution 268 of August 1972. The government has selected three northeastern states (Ceara, Paraiba and Pernambuco) and in these, chose 150 (out of 477) *municípios* (counties) for reform. The choice was based on the existence of "social tension" in these areas. Even in these "privileged municípios" the kind of agrarian reform the dictatorship is interested in is one which will buy unproductive tracts from *latifundiários* (large landowners) and sell it to peasants or other people selected by the landowners themselves. The owners will be able to sell up to 50 percent of their property to the Bank of Brazil in return for bonds.

This is a good deal for the large landowners, who will sell their least productive land to the Bank of Brazil at a high price. It is understandable, therefore, why some of these rural bosses made statements to the press supporting this program of agrarian "reform." One landowner, Gustavo Dias, for example, in an interview given to *Veja* magazine last year, explained how he got 6 million cruzeiros in the "agrarian reform" he himself carried out. He sold the Bank of Brasil half the 12 thousand hectares of his sugar plantation. The Bank of Brasil then sold the land to the plantation workers selected by Dias. With the money he received Dias expanded and modernized his sugar refinery. Moreover, the workers who bought the land were required by contract to plant sugar-cane and sell it to Dias.

This is not the first time the military dictatorship has tried to contain the peasants' struggle with false agrarian reform projects. In December 1964 General Castelo Branco promulgated the *Estatuto da Terra* (land statute) and created the National Institute for Agrarian Development (INDA) and the Brazilian Institute for Agrarian Reform (IBRA). In 1969 General Costa e Silva, by means of Institutional Act no. 9, created the Executive Group for Agrarian Reform (GERA) largely because of the widespread corruption and mismanagement inside IBRA. It is well known (and documented) that IBRA did nothing related to

true agrarian reform, but rather engaged in the illegal sale of large parcels of land to foreigners.¹ When he took over the government in late 1969, General Medici merged INDA, IBRA and GERA in one agency: the National Institute for Colonization and Agrarian Reform (INCRA). Still, all this has led nowhere.

As can be seen in the table below, in 1967, 0.3% of the people in agriculture and cattle raising held 45% of the land surveyed by IBRA (supposedly all of Brazil was surveyed), whereas 74.5% of the people that worked this land had no land at all. This is the objective reality which has led to an upsurge in peasants' and rural workers' struggles. As in the past, the dictatorship tried to deceive the people by announcing, in June 1971, the Program for Distribution of Land and for Stimulation of Agriculture and Cattle Raising in the North and Northeast (PROTERRA). However, twelve months passed before any action was taken on the decree. Meanwhile, in April 1972 peasants in the South of Para launched an armed uprising to resist the generals and to defend their right to a piece of land.² The dictatorship then hastily passed resolutions to "implement agrarian reform in Brazil." Calculations, provided by the Minister of Agriculture, project that the present plan of "agrarian reform" will reach at most, 15,000 people. As can be seen from the table below, the number of working people having little or no land at all is greater than 10 million.

The dictatorship's agrarian reform does not solve the peasant's problems. Rather, it attempts to divert and avoid any peasant uprising while the same time financing the transformation of *latifundiários* into *capitalistas*, without any social commotion and without the destruction of their land monopoly. In the words of the London weekly *Latin America*: "it is not so much an attempt at agrarian reform as an attempt to rationalize the sugar industry."³

1. Jose Gomes da Silva, *A Reforma Agraria no Brasil* (Rio de Janeiro: Editora Zahar, 1971), p. 192.

2. *Brazilian Information Bulletin* no. 9

3. *Latin America*, February 16, 1973.

Land Monopoly

Size of Farm in Hectares (1 hec.=2.47 acres)	Economically Active Population in Agriculture and Cattle Farms		Size of Holding	
	Number of Owners	% of Total Owners	Hectares	% of Total Privately Held Farmland
Above 1,000	41,200	0.3	138,700,000	45.0
From 100 to 1,000	376,000	2.8	106,000,000	34.6
From 10 to 100	1,730,000	13.3	57,000,000	18.6
Up to 10	1,200,000	9.2	5,000,000	1.8
No land	9,730,000	74.5	0	0.0

Sources: Annals from the Brazilian Institute for Geography and Statistics (IBGE) and Survey by IBRA (1967).

JMVDW, DIC1, DICIVE, 10, 8

Armed Resistance Continues in Araguaia

When the news about the beginning of armed resistance in the Amazon region reached the South of Brazil in May and June last year, most people believed this would be just another conflict between landless peasants, small farmers and the big landowners. Conflicts of this nature have been routine in Brazilian rural areas, and they have usually ended with the intervention of the police in favor of the landowners and the consequent expulsion of the peasants from their land.

However, in April last year the military government faced a new situation in the Araguaia region, located in the southern part of the northern state of Para. The Army found itself involved in a new kind of peasant resistance and realized that this new conflict would not be solved either by arresting some peasants and setting fire to their houses or by destroying their harvest, as they have done in the past. Two hundred troops were sent to the region and at the same time the Brazilian press was not allowed to publish anything about the military activities. This is understandable. For a regime that arrests, tortures, and kills most of those who oppose it, this would be just another quick military retaliation and the press would register another "victory" for the dictatorship against "subversive" elements.

But the military had a surprise in store. The peasants not only showed their capacity to resist but also extended their influence in the area. In a document issued in June of 1972, "The Command of the Partisan Forces of the Araguaia"¹ stated: "Numerous troops have been mobilized in order to crush us. Airplanes and helicopters, in great numbers, are taking part in the offensive. Motor boats and amphibious vehicles cross the rivers and channels in the forest. In many parts, napalm bombs have been used. Armed confrontations between us and the government soldiers have occurred, resulting in deaths and injuries. Some of our men have been arrested, but we took prisoners from the attacking troops. In spite of inequality of forces, we caused them some reverses. The troops of the government did not succeed in liquidating us or dampening our morale."

Meanwhile the Brazilian press published only partial coverage of the military activities. One newspaper, *O Estado do Sao Paulo*, mentioned a meeting of all Secretaries of Public Security of the Amazonian States to discuss, among other things, the creation of a "police belt" in the region. Following the meeting, five military units were created in the Amazon. However, the press did not explain the reasons for this new military move.

In September the fighting reached the city of Xambioa, in the state of Goias, several miles south of where it had originally started. The conflict reached a point where the government could no longer cover up. In a full page article, *O Estado de Sao Paulo* the most influential Brazilian newspaper, reported that Xambioa had been transformed into a battlefield with the presence of five thousand troops.² The same newspaper reported "they [the guerrillas] have complete tactical control of the forest. In fighting this week, the government forces suffered one casualty." Soon after this brief flurry of reports, the Brazilian press was once again silenced and little word has reached the outside world on the current status of the struggle in Araguaia.

Using the same tactic of "pacification" that the American Army used in Vietnam, the Brazilian Army started a program of social assistance to the population of Xambioa. This program, called "Civic Social Action" (ACISO), distributed 2½ tons of medicine among the population. But the concrete "assistance" that remained from this program was the recently created military unit of Xambioa and a new road "to prevent the misery and isolation of the region from being used by the subversives."³ It appears that this Brazilian pacification program has suffered the same fate as its Vietnamese counterpart. The guerrillas still enjoy the support of the population and the government has had to increase the number of its troops.

At the beginning of the resistance, in April 1972, the government mobilized 200 troops, which had to be reinforced immediately, and reached 5,000 by September. According to a letter sent to this *Bulletin* dated March 1973, the number of troops operating in the region is now 10,000. On the other hand, a year after it was started, the guerrilla movement continues its operations. Last February the guerrillas entered Maraba, a city of 34,000, and held rallies explaining the reasons for armed resistance.⁴ There were no confrontations with the government troops because of the surprise nature of the operation.

The popular support in the region for the guerrillas reflects not only the widespread sympathy with their goals, but it also reflects the fact that the guerrilla leaders are well known in the region. They came from the south six years ago and started working as simple people. All were students and professionals escaping from political repression in the big cities of the south. Identifying with the local population, they worked there without calling attention to what they were doing. One of them, a doctor, opened a pharmacy and gave free medical care to the poor. Another one, a woman, opened a school and her husband a grocery store. The others went to work on farms. From their participation in the peasants' life they little by little started having an influence on the population. When the fighting began and the government sent troops to suppress it, they had already gained the respect and confidence of the peasants.

The tight censorship maintained on all military operations prevents the Brazilian and international press from publishing any news about the armed movement. However, information out of Brazil indicates the guerrillas are receiving increasing material support from the people who live in the region, especially from those who live in the forest, since support from the cities and towns has been made more difficult by the massive presence of government troops.

REFERENCES

1. For the full text see "Letter to a Federal Representative," *Bulletin* No. 9.
2. *O Estado de Sao Paulo*, September 24, 1972
3. *Ibid.*
4. *Campanha* (Santiago, Chile), March 1, 1973

Dictatorship Gives Green Light to Ludwig

While Brazilian patriots opposed to the pro-American military dictatorship are jailed, tortured, and murdered daily, a North American multi-billionaire is taking advantage of the dictatorship's open-door policy on foreign investment to construct a financial sub-empire using Brazil's abundant natural resources. The man is Daniel Keith Ludwig, a mysterious 78-year-old international capitalist who built a fortune on petroleum tankers in the 1940's and '50's and who, in the last decade, has diversified into other fields, including petroleum, mining, finance, agriculture, hotels, and defense contracting.

In the early 1960's Ludwig started buying up land in the Rio Jari area near the mouth of the Amazon River. Though his plans were not known at that time, his activities were "investigated," along with those of other foreign investors, by Marshal Humberto Castelo Branco, who later became dictator of Brazil following the March 1964 *coup d'etat*. Although Castelo Branco was acting as a representative of the central government, he evidently carried out his investigation in a friendly and informal manner, since following the *coup* he met with Ludwig in a meeting arranged by Planning Minister Roberto Campos (later Ambassador to Washington) and urged him to go ahead with whatever investment plans he might have: "You're welcome here, Mr. Ludwig. Nowadays Brazil is a safe country."

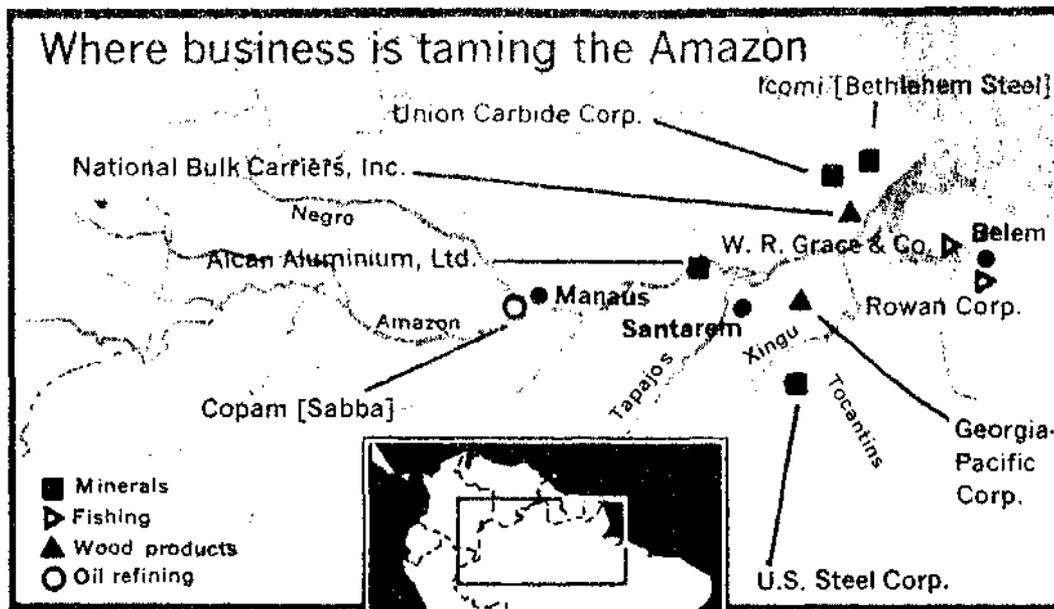
Ludwig faced a potential obstacle in 1967 when the Brazilian Congress opened an investigation into the sale of Amazonian land to foreigners. But he solved this by hiring several key Brazilian military and intelligence officials to staff his local offices, thereby creating an efficient buffer against any nationalists who might question his right to own and exploit 1.5 million hectares (3.7 million acres—more than half the size of Holland) at the mouth of the world's largest river. In any case, Congress was closed down the following year and the investigation was shelved.

With Brazil now "safer" than ever, Ludwig was free to put into operation his plans for a combination man-made forest, rice farm, cattle ranch, and bauxite mine on his tract of jungle land. (The operations are described in *Bulletin No. 6.*) With a relatively small investment, projected by Ludwig himself at \$60 million, the aging tycoon plans to reap huge profits indefinitely.

Ludwig's project is not unusual in light of the last nine years of U.S.-Brazilian relations. Since the 1964 *coup* military aid and training, financial assistance, U.S.-controlled international "aid" loans and technical "advice" (notably counter-insurgency training) have propped up the military regime, which has in turn virtually relinquished what remained of Brazil's economic sovereignty. Foreign investment has poured into the country, attracted by the "stable" political climate, lax profit remittance regulations, tax holidays and a host of other incentives.

The opening up of the Amazon Region, promoted by the regime as a vital step towards "national integration," might better be termed "national disintegration." In addition to Ludwig's mammoth project, Bethlehem Steel, Union Carbide Corp., Alcan Aluminum, Ltd., W.R. Grace and Co., Rowan Rowan Corp., Georgia-Pacific Corp., and U.S. Steel Corp., among others, have bought enormous tracts of land in the region, strategic to the security of U.S. interests in Latin America (see map).

Despite the warm welcome from the Brazilian government, Daniel Ludwig has followed his usual style in keeping a low profile in Brazil. His three corporate conduits for Brazilian investments—National Bulk Carrier, Twin Americas Agricultural and Industrial Developers, and Universal Tankships, which also operate in other countries—are never mentioned publicly by name. All of his projects are carried out by front enterprises with Brazilian names, despite the fact that they are 100% owned by



PERUVIAN TIMES, October 31, 1969

JMVDW, DICI, DICI XI, Jd, 9

Ludwig himself. The chart below details Ludwig's financial-industrial structure in Brazil:

Using these conduits, Ludwig made investments officially recorded at some \$12.4 million in Brazil in the eight-month period from November 1971 to June 1972 (the most recent period for which figures are available).²

These figures and the multiplicity of Ludwig operations in the chart above suggest that his investments are not limited to the Amazon project known as Jari Florestal e Agro-Pecuaria. Other Ludwig investments in Brazil include iron ore mines in Minas Gerais, construction companies in Sao Paulo, and a \$180-million ship-repair yard in the Northeastern port city of Recife.³ In fact, Ludwig now finds so much elbow room in working with the Brazilian dictatorship that he plans to move most of his administrative apparatus from Liberia, the Bahamas, New York, and other parts of the globe to Brazil itself, to facilitate further "participation" in the country's "development."⁴

What can the Brazilian people expect from all this activity? Nothing but further deception and exploitation, if Ludwig's Amazonian project is any indication. The 3,200 Brazilian workers on his superfarm are paid 15 cruzeiros, less than \$2.50, a day, and half of this is deducted for "room" (straw huts built by the workers themselves) and "board," food which the workers describe as "rotten and unpalatable."

Dictator Gen. Medici recently visited Ludwig's project, among others in the Amazon, supposedly to investigate rumors that workers were being held under conditions of slavery. In an unusual appearance, the publicity-shy Ludwig flew from New York to meet with Medici at the project headquarters. Their grand tour of the superfarm went smoothly until several dozen workers appeared out of the jungle bearing a banner scrawled with a message of rage over their exploitation: "Queremos nossa liberdade" (We want our freedom). Before the distinguished visitors saw the prophetic words, however, the workers were

overpowered by Ludwig's larger force of armed henchmen.⁵

Ludwig and other big investors in the Amazon Region have attempted to avoid accusations of the use of slave labor by sub-contracting most of their work through local jobbing agencies, the two main ones being Empresa Paraense de Reflorestamento and Servicos Florestais. Neither of these two firms is legally registered with the Brazilian Government. Other contractors work on a totally ad hoc basis, without even giving names to their operations.

In a characteristic move, dictator Medici responded to the allegations of slave labor at Jari and elsewhere in the Amazon by setting up a special committee called the Mobile Sub-group for Labor Inspection which would supposedly investigate such allegations. He failed, however, to specify the area of the Sub-group's jurisdiction and, judging from its "legal" statutes, its activities will be limited to the immediate area of the Transamazonic Highway, thus exempting Ludwig and other foreign investors from "unnecessary" harassment. In any case, the new commission has no airplane of its own, making any effective investigation in the Amazon impossible.⁶

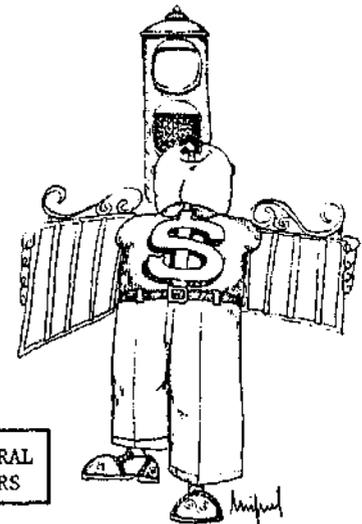
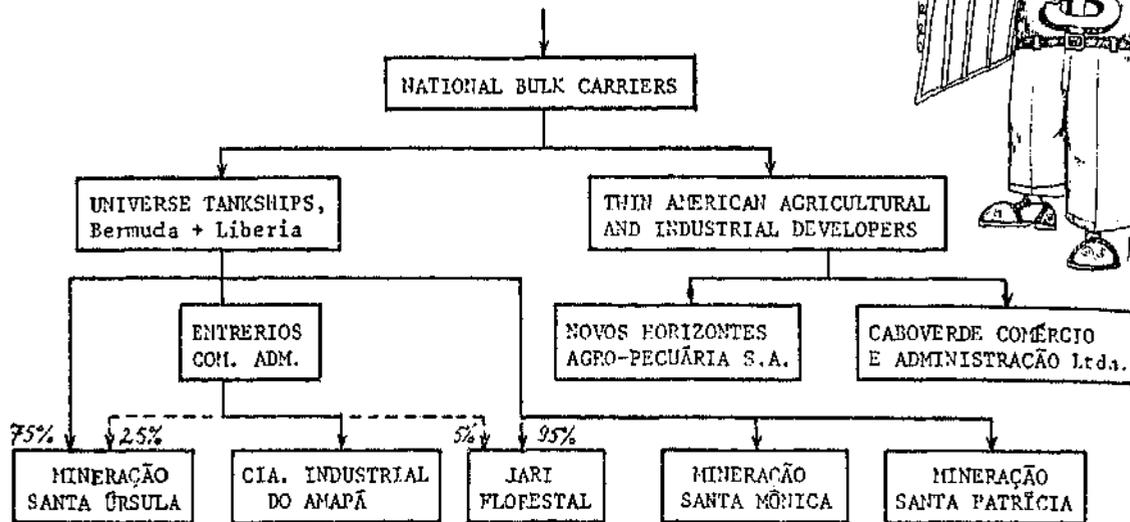
The dictatorship has taken another step in turning over Brazilian land and resources to North American interests. Daniel Ludwig and the imperialism he and others perpetuate can only be, and will only be, judged by the Brazilian people themselves.

REFERENCES

1. *Opinio*, No. 17, February 26, 1973, p. 5. "O encontro na selva: Medici e Ludwig."
2. *Boletim do Banco Central do Brasil (anexos)*, "Emprestimos e Financiamentos," "Investimentos e Reinvestimentos," January-November 1972.
3. *Opinio*, No. 17, *op. cit.*; and *Latin America*, March 16, 1973, p. 83.
4. *Latin America*, March 9, 1973, p. 76.
5. *Opinio*, No. 17, *op. cit.*
6. *Opinio*, No. 24, April 23, 1973, p. 3, "A visita do Medici, os peoes e a portaria."

Source: Jean Bernet, *Interinvest Guide* (Rio de Janeiro: Interinvest Editora, 1971)

Ludwig's Empire in Brazil



UCLA Collaborates With Brazilian Military Dictatorship

Through the joint UCLA-State Department Brazil Student Leader Project, the University of California collaborates with the Brazilian military dictatorship. Since 1962, UCLA faculty members have been carefully selecting groups of Brazilian students considered to be potential national leaders and, with State Department money, bringing them each January to Los Angeles for a special 6-week "educational" program "which deals with multiple phases of U.S. civilization and culture."

The program, directed by UCLA professor of Spanish and Portuguese, Claude Mulet, interestingly does not concentrate on Brazilian students who are already pro-U.S. Instead, the UCLA-State Dept. strategy is to deliberately bring nationalist students who, if and when they later reach positions of power, might be hostile towards the U.S. economic interests which have flooded into Brazil since the military dictatorship was established in 1964.

The UCLA seminars, tours, and social gatherings organized by faculty members are designed to impress the Brazilian students with the wonderful way diverse and sometimes conflicting social and ethnic interests are harmonized within the U.S. political system. The students are even exposed to a (strictly-limited) range of dissent, so that they will see "American democracy in action"--that "living pluralism" which so many of our middle-aged, middle-class UCLA social scientists describe (prescribe) in their writings.

Needless to say, however, our young Brazilian friends will not be introduced to a Malcolm X, an Angela Davis (now purged from the UCLA faculty), or a Tony Russo.

At the same time, the students are daily enticed with the material wonders of the American way of life: the comfortable environment and abundant luxuries for which Southern California is famous, from 31 flavors of ice cream and the plasticity of Disneyland to the massive IBM computers at the Graduate School of Management.

In short, the UCLA cram course for Brazilians in "U.S. civilization and culture" constitutes a shrewd blend of cooptation and indoctrination.

At the conclusion of each year's program, UCLA faculty members provide the State Department with a dossier on each Brazilian student which includes detailed information on his or her behavior, social attitudes, and political beliefs. Such data is presumably later useful to special agencies such as the DOFS (Brazilian secret police) and the CIA in identifying political allies and enemies.

As examples of these dossiers, we quote below directly from Professor Mulet's published report on the 1969 UCLA-Brazil Project.

However, the reader should not be left with the impression that the Brazilian students visiting us this month are merely hapless victims of a conspiracy by the UCLA faculty and the State Department. Brazilian students are highly intelligent and probably more politically aware than their U.S. counterparts. To have been selected for the program, each participant must have first sought an invitation; and none would be so naive as to misunderstand the political motivations of the U.S. State Department.

In past programs some of the students have felt guilt over their participation in the program; but others, due to their family background and elite social status within Brazil, are predisposed and happy to become "good friends of the United States" and serve in that role as instruments of U.S. foreign policy upon their return to Brazil.

Of course, even our UCLA professors have their weaknesses, and their lectures and seminars do not always insure proper cooptation of the participants. When leaving UCLA at the end of the 1969 program, one of the Brazilians summed up the faculty members he met as follows: "In short, most lectures were utterly dull and they were not profitable at all, and they did not attain the purpose of evangelizing our poor underdeveloped minds. We are not convinced at all about the niceness of the American 'way of life,' which if anything is a big fraud. Sorry boys, but you must develop your evangelization methods."

The following are excerpts from UCLA's assessments of the 1969 participants:

Humaira Soares: "Likeable, friendly . . . a gentleman at all times . . . his instinct is to learn and to be indulged . . . shows a certain guilt concerning his family's large land holdings."

Trajano Peixoto: "Trajano was a surprise and a disappointment [to the UCLA staff] . . . [he showed] an intensive antagonism toward us, our way of life and our Government . . . a constant critic . . . taciturn but also sullen . . . cynical, utterly suspicious of us, and felt that he was being used. . . His present political views can be summed up by his statement that when modern Brazil appears it will be a 'unique socialist state' . . . spread cynical rumors about the Seminar and its motives."

José Celso de Mello Filho: "Cautious . . . diplomatic . . . probably will be a judge within the year . . . a certain rigidity . . . tends to see things in categories, either black or white . . . has a great future before him."

Neida Malard: "One of the brightest members . . . much can be expected of her . . . resolute but not offensive feminist tendencies . . . conservative . . . very Catholic, proper . . . very much impressed by the achievements that have been made in the U.S. . . one of the group's most articulate critics of the United States, feeling that the latter exploits Brazil, particularly through the U.S. corporations."

Orlando Godá: "Bright boy . . . sophisticated . . . hypochondriac . . . ambitious . . . very grateful for having had the opportunity to take part in the Seminar and found his American experience to be a very profound revelation. Before coming to this country he thought of all Americans as impartialist enemies of Brazil."

Luís Fernando de Queiroz: "Somewhat inflexible in his thinking, subtle and tenacious . . . he takes a hard line with respect to U.S. 'imperialism' in Brazil."

Elaine Medeiros de Lira: "Strong and antagonistic, liberal ideas with respect to the United States and its foreign policy vis-a-vis Brazil . . . extreme nationalism . . . her interests are narrow, she has relatively little intellectual curiosity."

José Pinza Neto: "Already a friend and admirer of the United States [when he first arrived at UCLA] . . . he could not conciliate the divergent points of view and actions he observed here and his image of the United States suffered, although he is still very much a friend of this country."

José Quintino Neto: "Socially suave, cosmopolitan, worldly . . . a Don Juan . . . showed the greatest ability to adapt to the American way of life . . . definite qualifications as a future leader, and has a positive charismatic quality . . . pro-American on a personal level."

Carajido Leal Alves do O': "the clown of the group . . . talked in slang and making wisecracks . . . verbose . . . seemed to be the poorest financially and came with no jacket, for example."

*Claude L. Mulet, final report, UCLA Brazil Project VIII (UCLA, 1969), p. 4.

Source: Leaflet distributed at UCLA

JM & W. DIC1, DIC1VI, 12, 10

of dirty bread. Manoel's isolation led to another hunger strike by the Dominican fathers.² It was obvious from these gestures that the Bishops see themselves allied with the jailed Catholic priests, who in turn have expressed their solidarity with those laymen who have been persecuted by the government.

After the Assembly was over various bishops again demonstrated their solidarity with the victims of state repression as reported in the following reprints from the London weekly *Latin America*.

Brazil: God shall be the judge

An open declaration of war by the Church against the government seems to have been the effect of the memorial service for geology student Alexandre Vanucchi Leme, who was killed while in the custody of São Paulo's security services.

Alexandre Vanucchi Leme, 22, was one of the brightest students in the geological faculty of São Paulo university and came from a traditionally Catholic family. He was arrested on 16 March for being a member of the *Ação Libertadora Nacional (ALN)*. On 17 March he was killed, while in police custody, ostensibly by a passing motor vehicle. The official police report issued by the security secretary of São Paulo, General Sérvulo Mota Lima, said he was taken to a street crossing 'where he had a meeting with a friend' at a bar and, while the security agents 'remained at a distance', he ran away across the road where 'he could not be followed because of the amount of traffic', but was run over by a lorry.

This tale of police incompetence might be more easily believed, were it not for the fact that Alexandre is not the first prisoner to be killed in precisely the same way — as some observers have noted, the injuries after a motor accident are particularly suitable to cover up the effects of torture. But General Mota Lima's report went on to make two damning admissions — first, Alexandre's body was buried within 24 hours 'since no one had claimed it' (this was not surprising in view of the second admission, that the police had 'difficulty' in finding Alexandre's address which 'was only found with the assistance of his father'). In fact Alexandre's parents first learnt of their son's death when it was announced in the press on 23 March, up to which date the police had not revealed the truth

because of 'various other investigations'. But it is difficult to believe the police could not have 'discovered' the address of a well known and popular member of the geology faculty, the more especially since they claimed to have evidence as to his 'terrorist activities'. The police refusal of an appeal from the boy's parents for their son's body and of a call by the council of the university's teaching staff for an exhumation and post-mortem is being seen in some quarters as proof that this was an official murder.

But Alexandre's death, in a manner all too common in present day Brazil, would have passed without notice, had it not been for the shattering effect of the memorial Mass held for him in the Cathedral da Sé, presided over by the archbishop, Cardinal Paulo Evaristo Arns, and the bishop of Sorocaba, José Melhado Campos, assisted by 24 priests. The Mass was fixed for 6.30, but by 4 o'clock the centre of São Paulo was occupied by armed police and shock troops, while the university was surrounded by military police. Nevertheless, 3,000 students managed to enter the cathedral. No doubt to their surprise, the first song on the service sheet, which had been specially prepared by an archdiocesan commission, was no hymn, but a song prohibited by the Brazilian censorship, and whose author, Geraldo Vandré, lives in exile. The liturgy of the Mass included the words: 'We are imprisoned in our egotism instead of catering for the great causes of our society'; and one of the songs proclaimed: 'We offer the end and the asking, the hard struggle between the old and the new, the dark night of the people, and the dawn of the resurrection.'

If the liturgy was 'subversive', the sermons were almost revolutionary. The bishop of Sorocaba accused the government openly: 'We are unable to give the lie to the police accusations against this young student. God knows and he will be the judge. But I find that he was barbarically liquidated.' Cardinal Arns, in the first words of his sermon, noted that 'even Christ, after his death, was returned to his family and friends; the representative of Roman power was able to do that much justice.'

The repercussions were immediate. A complete censorship was imposed on any reference to the Mass in press, radio and television. The government was further embarrassed by the fact that the Mass was on 30 March, the day before the anniversary celebration of the 'Revolution of 1964'. But the censorship was broken. São Paulo's 'Channel 5' television station broadcast a news flash, for which it has been punished under the national security law. More daring was the left-wing weekly *Opinião*, which has recently been

CAMPAIGN OF SOLIDARITY WITH MANUEL DA CONCEICAO

The international campaign of solidarity with MANUEL DA CONCEICAO,* the Brazilian peasant leader arrested in January 1972, has reached an important new phase. Several Committees To Defend Manuel da Conceicao have been formed in Latin America, Europe, the U.S. and Canada. Hundreds of letters have been sent to Brazilian embassies protesting his arrest. In the U.S., besides asking people to write to the Brazilian Embassy, the COMMITTEE TO DEFEND MANUEL DA CONCEICAO is carrying out a campaign to collect signatures on a petition that will be presented to the Brazilian Ambassador in June. The Committee is also seeking funds to hire an international lawyer to take on his defense.

Manuel da Conceicao's life was saved once before by international protest and pressure. For this reason we ask our readers to join the campaign by writing to the Ambassador of Brazil (Brazilian Embassy, 3006 Massachusetts Ave., N.W., Washington D.C. 20008) protesting his imprisonment and also by sending contributions to COMMITTEE TO DEFEND MANUEL DA CONCEICAO, c/o CARIB, P.O. Box 426, Hyattsville, Maryland 20783.

Reprinted below is a telegram sent by the National Association of Colombian Peasants to the Brazilian Embassy in Bogota, expressing its solidarity with Manuel da Conceicao.

"We know the situation of hunger and misery to which the Brazilian peasants are submitted and we express our solidarity with their just struggle. We also denounce before the people of the world the unjust and inhumane treatment with which the Brazilian Government represses the peasant leaders by violating the most elementary human rights. In the name of the peasants of Colombia we demand respect for the life of our Brazilian brother Manuel da Conceicao.

Bogota, February 13, 1973
 Juan deDios Torres - Executive Secretary"
 (from *Campanha*, April 1973, Santiago, Chile)

* For more on Manuel da Conceicao see Bulletins 7 and 9. Copies of a letter describing his January 1972 arrest are available from CARIB. A short pamphlet describing Manuel da Conceicao's life and struggle was mailed in April to everyone on this Bulletin's mail list. Additional copies are available on request.

MINISTER OF AGRICULTURE RESIGNS, BLASTS FOREIGN CAPITAL

The Brazilian government's preferential treatment of foreign capital, in detriment to the needs of provincial capitalists, has reached such proportions that Minister of Agriculture Luiz Fernando Cirne Lima, appointed by dictator Garrastazu Medici three years ago, resigned on May 16, 1973.

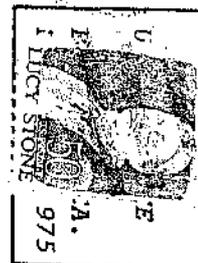
Cirne Lima's resignation caused a great deal of dismay in Brasilia, since both he and his father, lawyer Ruy Cirne Lima, are members of the Partido Libertador, a reactionary rural-based party in their home state of Rio Grande do Sul. The Partido Libertador supported the coup in 1964 and has consistently favored the dictatorship's policies since then. The open door policies promoted by Finance Minister Delfim Netto reportedly led Cirne Lima to doubt the intentions of the military regime. In his public letter of resignation Cirne Lima complained that government policy "has favored industrial and commercial exporters, who are more and more likely to be foreign, producing a prosperity that is less and less Brazilian."¹ Although the case has been veiled in heavy censorship, rumors have it that policy disagreements ended in a fistfight between Cirne Lima and Neto. The resignation of Cirne Lima, however, takes on more significance since it is considered to be closely linked to the internal struggle of who will succeed Medici next year as head of the dictatorship.

1. *Washington Post*, May 10, 1973.

JEAN VAN DER WEID
 7K BD JOURDAN
 75690 PARIS 5
 FRANCE

American Friends of Brazil
 Box 2279, Station A
 Berkeley, CA 94702

AIR MAIL



increasing sales in leaps and bounds as the only publication that dares to criticize the government. Not only did it publish a brief report on the Mass as well as General Mota Lima's statement, but it also gave an interview with Arnés, in which he described the people of São Paulo as living in 'a situation of emergency in relation to wages, health and public security'.



Nemesis for *Opinião* was not slow in coming. The censorship has demanded that all its material must be submitted to the censors 48 hours before going to press — effectively making publication impossible. This week's proposed edition which, it is understood, will not be appearing, had 8 of 24 pages completely censored. The censored pages contained material on wage problems, the political situation and Brazilian investments in Bolivia. A protest has already been made by the Inter-American Press Society to the Brazilian government, while the *Estado de São Paulo* and the *Jornal da Tarde* have announced that they will accept no government advertising nor government announcements for publication, as a protest against censorship. The government has banned live television reporting as 'dangerous', and all programmes must in future be pre-recorded.

But whatever happens to the press, the real importance of the death of Alexandre Vanucchi Leme is that the Church has revealed a new found and aggressive militancy. This is confirmed by the appointment, by Pope Paul VI, of Aloisio Lorscheider to be archbishop of Fortaleza in the north-east of Brazil. The new archbishop, who is also president of the national conference of

bishops of Brazil, vice-president of the Latin American episcopal council and a member of Caritas International, is one of the 'reforming' clergy and will join the other two north-eastern 'reformers' Helder Câmara and Avelar Brandão, bishops of Recife and Salvador respectively. Lorscheider's appointment has already met with government disapproval, and has been criticized by conservative members of the Church hierarchy.

If, as it appears, the Church is now on a collision course with the government, there is little doubt who will win in the end. The government may be able to suppress a handful of left-wing 'terrorists', but the Christian Church has for nearly 2,000 years thrived on persecution and martyrdom, and always come out on top. All the signs are that Alexandre Vanucchi Leme is to be presented as a martyr of the regime.

LATIN AMERICA, 20 April 1973

Brazil: onward Christian soldiers

Open war can now be expected to break out between Church and state, following a searing political attack on the government by the north-eastern hierarchy.

A new and perhaps decisive phase in the conflict between the military government and the Church has been initiated by three archbishops and ten bishops from the north-east, the poorest and most backward part of Brazil. In a lengthy declaration the 13 prelates, who included archbishops Helder Câmara of Recife and Avelar Brando of Salvador, issued a blistering attack on the government and all its works. The statement which, because of the government's strict censorship, did not become generally known to the public for 10 days after it had been issued on 6 May, is notable for its strongly political tone. This and its highly polemical criticisms have convinced most observers that the open conflict which already exists between the government and the Church (*see* Vol. VII, No. 16) has moved into a new and altogether more dangerous stage. Such a development could hardly have occurred, in the view of many observers, without the green light from the Vatican—something which may give Brazil's military rulers even more cause for concern.

Despite a reputation for being 'left-wing', the north-eastern episcopacy has been comparatively circumspect in its criticisms of the govern-

ment. These have been directed at what are seen as crimes against humanity or Christian charity, and at the appalling living conditions of their congregations. Criticism of a directly political nature has been left to colleagues in Rio de Janeiro and São Paulo. But the declaration of 6 May not only attacked the government for repression and the use of torture; it also held it responsible for poverty, starvation wages, unemployment, infant mortality and illiteracy. In broader terms, it openly denounced the country's much-vaunted 'economic miracle' which, it said, benefited a mere 20 per cent of the population, while the gap between rich and poor continued to grow. There were also derogatory references to the intervention of foreign capitalists in Brazil—indeed, the whole system of capitalism was attacked, and the government accused of developing its policy of repression merely to bolster it up.

The declaration was not, however, only a critical document, but also a call for action. It accused the Church of having too often, in the past, stood back and permitted things to go on that should never have been allowed. But now the Church 'cannot remain inert, waiting passively for the hour of change'. Quoting the New Testament, the declaration called on Christians to be ready to suffer, because in the end they would win the fight—a fight not only for better living conditions, but also for political rights, elections and freedom of expression.

By itself, this declaration is dangerous enough for the government—especially as it is being read from the pulpits of many churches; but it also (probably more by chance than by design) happens to have been published at a most embarrassing time for the government. Firstly, President Emilio Garrastazú Médici is out of the country on a state visit to Portugal; secondly, the United States Secretary of State, William Rogers, was in Brazil last week during his Latin American tour, and announced his willingness to talk to 'the opposition'; and thirdly, the government is in a troubled state arising from the uncertainties over the presidential succession, with the conflict between the Médici and Geisel camps coming into the open.

The situation has been exacerbated by yet another pronouncement from Cardinal Paulo Evaristo Arns, Archbishop of São Paulo, who had set the ball rolling against the government with his Mass in memory of the student Alexandre Vanucchi Leme (*see* Vol. VII, No. 16). This time Arns, in a carefully researched piece, said 'the main blame for the disorder and anarchy in our society continues to be, without

doubt, unemployment, and police repression will never solve that problem'. He went on to tear government statistics on unemployment to pieces on the grounds that 'they never tell the truth'. The lack of basic education, the high cost of living and unemployment were the real problems in Brazil, he said, but the government was not prepared to face up to them. The archbishop appealed to the government, with perhaps a trace of irony, that when it published statistics on 'the progress of development and the Brazilian miracle, it should also declare how



much was distributed to those who were the principal artificers of this economic and financial progress'.

In the view of most observers, the Church has now got the bit well and truly between its teeth and is, effectively, demanding a return to some kind of democratic government, with an emphasis on social justice. Up to now, the censorship has been able to prevent proposals of such a 'revolutionary' kind from being publicised in anything but a clandestine way, but with the prospect of every pulpit and parish magazine in the country becoming vehicles for such 'revolutionary' propaganda, it would appear that the censorship is powerless. Whether by design or from pure force of circumstances, the Church is on the verge of becoming the focal point of all opposition, whether social, economic or political, to Brazil's present regime. Furthermore, the declaration of 6 May appears to show that, in contrast with its previous policy, the Church is no longer afraid of stepping into the political arena.

The new stance of the Catholic Church hierarchy is significant in the context of the Brazilian situation, because it is in such contrast from the position assumed by the Church during the period prior to the military takeover in 1964. At that time the Church played an important role in establishing the psychological and political climate that enabled the overthrow of the reformist government of constitutional President Joao Goulart. Today the Catholic Church hierarchy is uniting against the military — thus adding another powerful force to the growing opposition to the dictatorship. In studying the events since 1964 it is evident that the government lost Church support for two key reasons: First, the military's unwillingness to change the economic inequalities in Brazil. (In fact, the military's economic model has accentuated those differences.) Secondly, the continued uncontrolled violation of human rights in Brazil, which is so widespread as to include many Catholic clerics.

Until the late 1950's the position of the church in relation to the social conditions of the Brazilian people was marked by the conformist content of its religious education programs which were oriented towards the maintenance of the status quo. With the economic crisis of the early 1960's and the consequent growth of mass movements demanding social reforms, and under the influence of Vatican II, the church started changing, but without losing its conservative character. The church hierarchy started supporting programs that could offer a reformist, but anti-communist, alternative. Two particular programs symbolized the new attitude: the peasants leagues led by Father Mello in the Northeast which were formed as an alternative to the potentially revolutionary peasant movement for land reform,³ and the "Movimento de Educacao de Base" (MEB) an adult literacy program.⁴

The side effects of these programs, however, often worked at cross purposes with the intentions of the hierarchy. For example, one of the immediate political results of this literacy program was the radicalization of a large part of the Catholic Student Movement. The majority of these students came from the middle and upper classes and through MEB many of them had, for the first time, direct contact with the poverty and oppression suffered by the majority of Brazilians. Not unexpectedly, this was the beginning of a period of conflict within the church. On the one hand there was a growing number of lay persons, priests and nuns demanding a more aggressive church position on social problems, and on the other hand, a conservative hierarchy frightened by the demands of the mass movements and unprepared to face the new situation.

In the days preceding the coup the hierarchy was active in mobilizing such demonstrations as the "March of the Family with God for Freedom," which massed thousands of people from middle and upper classes of the main cities. Led by priests, the lay people protested against the government program of social reform, which, it was believed, was turning the country over to communism. These demonstrations helped create the political conditions for the military takeover in 1964.

Nevertheless, the worsening economic, political and social plight of the vast majority of Brazilians, coupled with the climate of terror, repression and oppression established by the dictatorship since 1964, allowed the rise of the progressive forces within the church. This happened especially with priests and bishops who work among the most exploited sectors of the population. Archbishop Dom

Helder Camara, in the Northeast, and the Dominican priests in Sao Paulo, were the first to speak out against the military regime and to denounce the economic policy of exploitation. At first, the dictatorship tried to deal "peacefully" with those priests who were fighting side by side with students, workers and peasants, trying to neutralize them and isolate them from the people.

The police invasion of the Rio de Janeiro Cathedral in April 1968, during a mass for a student killed by the police was one of the first open manifestations of hostility against the church. Prior to this the Bishop of Volta Redonda had been harassed when he defended lay people working with him. In May 1969, in Recife, Father Henrique Netto, Dom Helder Camara's assistant, was kidnapped by the police. A few days later his body was found hanging from a tree, showing signs of having been brutally tortured. In November 1969, in Sao Paulo, several Dominican priests were arrested and tortured.⁵ Since then the dictatorship has increased the repression against the church. Five hundred priests and nuns have been detained, arrested or tortured by the police. Many of them are still in prison without any charges or trial. In addition, some twenty foreign priests have been expelled.⁶

One important document that helped move the church hierarchy beyond their cautious criticism of human rights violations was written by Bishop Pedro Casaldaliga of Mato Grosso state in the Amazon region. In his Carta Pastoral of 1971 the Bishop openly denounced the enslavement of Amazon peasants by the landowners and corporations that are participating in the government's Amazon Basin development program.⁷ Added to this and similar documents was the mounting repression, severe censorship, the torture and assassination of political prisoners, (especially since 1969), all of which represented the negation of the values and ideals of freedom and democracy for which the majority of the Catholic hierarchy supposedly gave their support to the 1964 coup.

The new official position of the church represents a severe blow to the dictatorship. Ninety percent of the Brazilian population is at least nominally Catholic and the church is still the most important Brazilian institution that has not been suppressed and is not under the control of the dictatorship. This increasing conflict between the church and the military regime represents another step in the process of progressive political isolation of the dictatorship.

REFERENCES

1. "Assembly of Bishops Urges Defense of Human Rights in Brazil" *New York Times*, March 18, 1973.
2. Letter sent to this Bulletin dated February 12, 1972.
3. See Joseph Page, *The Revolution That Never Was* (New York: Grossman Publishers, 1972).
4. The MEB movement and its impact on lay people is excellently studied by Emanuel de Kadt, *Catholic Radicals in Brazil* (New York: Oxford University Press, 1970).
5. For a good history and analysis of the Catholic Church from 1964 to 1969 see Charles Antonie, *Church and Power in Brazil* (New York: Maryknoll, 1972) which recounts these incidents.
6. Document sent to fellow Bishops by Bishop of Crateus, D.A. Fragoso "Viajando Tambem se Aprende" September 1, 1972.
7. Bishop Pedro Casaldaliga, *Uma Igreja da Amazonia em Conflito com o Latifundio e a Marginalizacao Economica* (Pantinopolis, 1971).

Repression Before Succession

In May 1972 rumors started coming out of Brazilian prisons that the dictatorship intended to kill the most important imprisoned leaders of the Brazilian resistance. The first step toward implementing this decision was the removal of some political prisoners in Sao Paulo to common prisons. By isolating them from the other political prisoners the dictatorship felt it would be easier to find a way to execute them and to prevent the public from knowing the facts. However, the hunger strike by the political prisoners in Sao Paulo coupled with international pressure and solidarity prevented the dictatorship from carrying out its plans.¹

Frustrated in carrying out its original plans the military regime has since raised its repression to an even higher level of brutality. In addition to the tortures and imprisonment of persons for indefinite periods of time without charges or trial the government now has a new practice of executing leaders of the popular opposition the moment they are arrested. Knowing that these assassinations could cause widespread domestic and international outcry the dictatorship has tried to cover up the real causes of these leaders' deaths. According to official statements, all these political prisoners committed suicide or were run over by a car. In January alone 25 persons were reportedly killed in this way.² Their bodies were not returned to their families but were buried by the Army in unknown places. However, the strange coincidence surrounding their deaths produced indignation and protests in Brazil as well as abroad. The strongest reaction in Brazil came from 279 intellectuals and from the Catholic Church.³ Amnesty International in a public statement strongly denounced these assassinations and asked the Brazilian government to allow an independent investigation of the facts.⁴

In addition to these assassinations, a wave of arrests beginning in March has detained hundreds of students, workers, journalists and intellectuals. The *Los Angeles Times* places the number arrested at 700 to 800.⁵ Some of the victims are well known in Brazil. Last February, Graciela Mainberg Fadul, wife of the Minister of Health during Goulart's administration, was arrested in Rio by the Operation Center of Internal Defense (CODI). Showing no respect for her advanced age, the Army tortured her so brutally that she had to be taken to the Military Hospital for a surgical operation. It is common practice among Brazilian torturers to blame such surgery rather than the torture for their victims' subsequent disorders and malfunctions. A well known sculptress, Ligia Carvalho Pape, was also arrested in Rio in February, along with her daughter and six other people. As of May, no word was available as to their whereabouts.⁶

Accompanying this repression is a general clamp-down on the mass media, as described in the following report from *Latin America*:

Whatever the ins and outs of the presidential succession stakes, the last week or two has revealed increasing nervousness and near-hysteria on the part of the authorities towards the press. Apart from the government's continued campaign against the liberal weekly *Opinião*, whose pub-

lisher, Fernando Gasparian, and staff have been constantly in and out of police headquarters for questioning while their paper has been butchered by the censors, an almost complete censorship of any comment has fallen over the country. One reason for this is to be found in the appointment of a new censor for Rio de Janeiro, Leonardo Grecco, to replace General Freitas, who was dismissed by justice minister Alfredo Buzaid for not being tough enough.

Grecco's regime extends to well-known cartoonists, whose contributions have been banned, and even, extraordinarily, to the full text of the press law, which was published in the weekly *Pasquim* in a censored form. The Newsweek-style weekly *Veja* is reported to have a spy on the staff who informs the police about everything including cover lay-outs, and has had sudden police raids as a result. The prestigious *Estado de São Paulo* has a wall-paper in its offices composed entirely of pieces censored from the day before, and its evening edition *Jornal da Tarde* has been forced to publish cake-making recipes instead of editorials. The censorship has now been extended to foreign papers and magazines; these will be 'reviewed' before going on sale, according to the chief censor, Rogélio Nunez, since certain overseas publications are 'offensive to morality and proper habits'. The list of such 'offensive' magazines ranges from *Stern* to the *Monthly Review*, and one commentator has remarked that soon only 'Batman, Dick Tracy and Superman comic books will be uncensored in Brazil'. As to television and radio, all live broadcasts have been banned for fear that 'something might be said that went against the image of our Brazil'.

LATIN AMERICA, 11 May 1973

This escalation of repression seems to be related to the outbreak of the guerrilla movement in the Amazon Region (see article elsewhere in this *Bulletin*) and to the Presidential succession in January next year. The army has not been able to suppress the guerrilla operations and is now trying to isolate them by cutting off their support in big cities. On the other hand there is conflict within the Army about who will succeed General Medici as President. Thus, the increase in repression and censorship seems to indicate a growing fear on the part of the government that things are getting out of their control.

1. See *Bulletin* No. 8.
2. *Washington Post*, April 27, 1973.
3. See article elsewhere in this *Bulletin* on the Catholic Church.
4. *Washington Post*, April 27, 1973.
5. *Los Angeles Times*, April 24, 1973.
6. *Campanha* (Santiago, Chile), May 1, 1973.

APR 24 1973

Grim Torture Tales Emerging in Brazil

Political Prisoners Tell of Gestapo-Type Treatment

BY LEONARD GREENWOOD
Times Staff Writer

RIO DE JANEIRO—Grim accounts are emerging in the wake of the latest wave of political arrests of the widespread use of sophisticated torture techniques by Brazil's security forces.

They include the use of electric shocks, prolonged periods of interrogation, the use of "cold rooms," intense volumes of noise blasted into prisoners' cells and occasional beatings.

When the details first began surfacing a little over two weeks ago, many observers were inclined to dismiss them as left-wing propaganda. Many of the people arrested are allegedly members of leftist organizations ideologically opposed to Brazil's military regime. Brazil's censored press has printed no torture stories.

But dozens of conversations with

7

lawyers, doctors, politicians and diplomats, plus details of the personal accounts from some of the prisoners who are now being released, have built up a mass of information so consistent it can no longer be dismissed.

Names of former prisoners cannot be given because they say they have been threatened with rearrest if they talk.

A person accused of acting or conspiring against the rigid security laws has almost no protection. In Brazil today, under a series of institutional acts, those accused of this kind of crime are not eligible to apply for habeas corpus.

Lawyers, politicians and families and friends of some of the victims tell similar stories of the circumstances of arrests that more nearly resemble kidnappings and are reminiscent of Gestapo methods in Hitler's Germany.

In the present wave of arrests, which began in March, nearly 300 persons are generally believed to have been detained in Rio alone, though some of these were later released. The arrests are still going on. Nationwide, the number arrested is estimated at 700 to 800.

Homes Invaded

Account after account tells of the invasion of private homes by armed men, dressed in civilian clothes, who refused to identify themselves.

The arrested person is taken from the residence, pushed into the back of a car, told to lie on the floor, and hooded so that the destination remains unknown. Others are arrested, some during daytime, on city streets.

One account tells of a prisoner being beaten and kicked while lying on the floor on the back of the car. This prisoner refused to talk to reporters of his experiences but when he was released his face was still badly cut and bruised.

The hood is not removed until the prisoner is already in a cell. For the first two or three days a prisoner is taken out only for long periods of questioning. During this period, the prisoner receives neither food nor water.

Put in Cold Rooms

Men and women are told to remove their clothing. Some are given thin prison uniforms, but others remain nude. They are put in cold rooms for varying periods. Descriptions of these vary from cell-like rooms to structures that resemble commercial refrigerators in which the prisoner cannot stand.

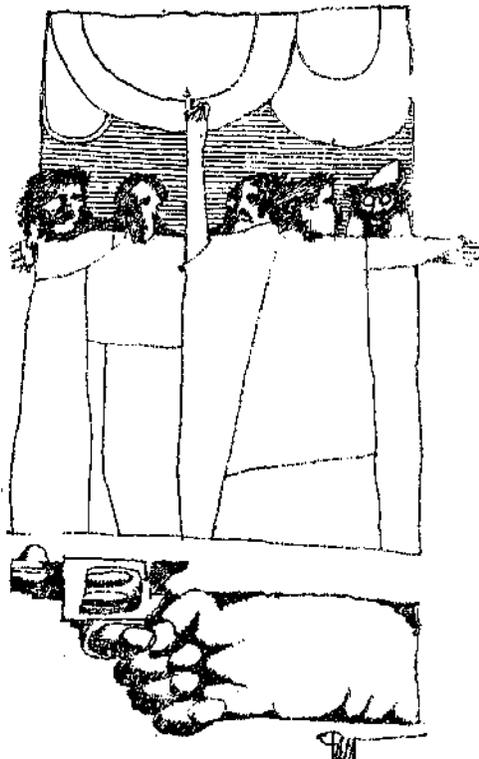
The noise treatment is given in special rooms that have been sound-proofed with acoustic tiles, and in which the prisoner remains for long periods without hearing any noise. Then blasts of sound are channeled into the cell. Some prisoners say these are noises of people screaming as if in pain, apparently tape recordings greatly magnified electronically.

The prisoners also spend periods in rooms with metal floors through which they receive electric shocks. There are also accounts from lawyers and members of the families of others who have received electric shocks of the genital organs or inside the mouth.

Details of the treatment of the prisoners have surfaced slowly because of the difficulty lawyers and relatives have in getting in touch with the prisoners.

In cases in which people are arrested away from home, it is sometimes more than a day before relatives become concerned. From then on, locating the missing person is an extremely difficult task.

The Brazilian security laws call for the speedy notification of justice authorities in all detention cases. But conversations with dozens of lawyers indicate that this provision is generally ignored by security units. When the notification comes, it is often 10 days or two weeks after the person's absence is noticed.



DEBUIO DE MACO

J M V D W, 3101, 3101, 3101, 3101, 3101

Laboring Under the Dictatorship

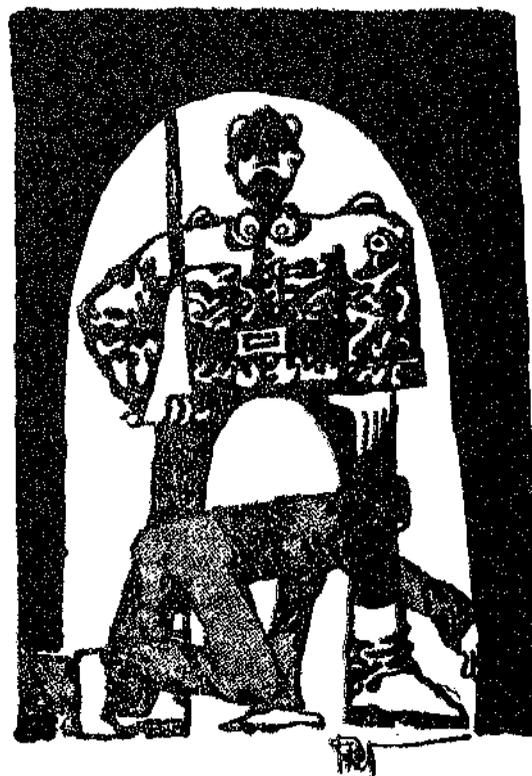
A primary reason for the 1964 military take-over in Brazil was to stop the growing mobilization of workers. Under the impact of inflation and under conditions of relative political freedom before 1964, Brazilian labor organizations became increasingly militant, independent, and effective between 1950 and 1964. On the eve of the 1964 coup, through political influence combined with organizational strength and increasingly radical leadership, Brazilian unions were for the first time winning real wage increases despite outrageous inflation. Unions had proved strong enough to carry out widespread coordinated strikes. As workers' political consciousness grew, labor demands went beyond salary increases to insist on structural changes to allow an end to inflation, a redistribution of income to favor workers and peasants, agrarian reform, an acceleration of economic growth, and a break with U.S. control of the Brazilian economy through foreign corporations. This growing power and consciousness of labor threatened eventually to take political power out of the hands of domestic and foreign business groups.

On the eve of the 1964 coup, in the face of this labor upsurge, business and military leaders were determined to smash the power of organized labor and its ability to influence electoral politics. The "solution" to the Brazilian economic crisis urged by military and private groups which supported the military coup was for Brazil to seek a closer integration with the U.S. economy including more aid, foreign investment, and loans. This required not only silencing the radical political demands of mobilized workers but also the guarantee of cheap labor in the years to come—in other words "political stability" and conditions guaranteeing high profit rates.

The labor policies of the military leaders in power since 1964 have thus been to weaken organized labor as an autonomous and radical force and drive down real wages. This labor policy is fundamental to the success of the rest of the economic policies which have resulted in Brazil's complete subservience to the U.S. and the so-called "economic miracle" of which the generals boast. It is important to calculate the real cost in human suffering and misery on which the high profits of foreign corporations and the high earnings of a narrow segment of the upper and upper middle-class are based.

In a confidential message to Goulart on the very day of the 1964 coup, General Pery Constant Bevilacqua, then Presidential Chief of Staff, expressed the military's fear of a "union dictatorship" which was a prime cause for ousting Goulart. Under the new government of Marshal Humberto Castello Branco, virtually all leftist labor officials were deposed. Between April and December 1964, the leaders of 425 unions and 43 federations were ousted. The interventors who took over unions were often military officers or anti-Communists who had been defeated candidates in previous union elections.¹

To insure the depoliticization of labor, a series of decree-laws were passed which were designed to politically sterilize unions. This legislation virtually outlawed strikes, since they were considered violations of national security, as was political activity within unions.² Thousands of labor



activists were arrested. The terror against authentic labor organizing has continued into 1973. Some of the most vicious treatment of political prisoners in Brazil was reserved for those suspected of being labor organizers.³

As a result of this repression of organized labor, it was possible to drive down workers' wages and give them a smaller share of national income, while at the same time increasing profits and the income of the upper class. Between 1960 and 1970 the poorest 60% of the population saw their share of national income fall from 25% to 20% while the richest 10% increased their share from 39% to 48%.⁴ Specifically, the record also indicates a serious decline in workers' real average salaries of 38% between 1960 and 1970.⁵ Moreover, the less skilled the worker the more his salary fell.⁶ Only a small group of highly skilled workers earned higher real salaries. This decline for workers in general was accompanied by an increase in productivity which should have brought higher wages.⁷ But rather than pass on increasing profits to the workers in the shops, the government wage policy favors the elites and the managerial class—such is the "Brazilian Economic Miracle."

How did this all happen? After 1964, salary negotiations were removed from the hands of unions, and the government carefully controlled wage increases, both of the minimum wage and of annual salary agreements between unions and management for those earning more than the minimum. The government-controlled wage increase each year was supposed to provide an average real wage for the whole year equal to the average for the previous two years, plus an adjustment for productivity. The crucial variable

was the calculation of the rate of inflation for the coming year. By consistently and deliberately underestimating the inflation rate for the coming year, the government actually set wage levels which were well below the increase in the cost of living from 1964 through 1969.⁸ Consequently, for the 1960-1970 decade the buying power of the minimum wage fell drastically. Its greatest decline was between 1964 and 1967 when it fell at least 20% and for the whole decade the minimum wage is estimated to have fallen 43%.⁹ During 1970-72 real wages rose only slightly each year but not enough to begin to compensate for previous declines.

The fall in real salaries had serious effects on workers' nutrition. It must not be assumed that the minimum salary either before or after 1964 was adequate to provide for a family with one employed adult. "By American (i.e. U.S.) standards of poverty, virtually the entire population (of Brazil) would qualify."¹⁰ In São Paulo, where the minimum salary had the greatest purchasing power, *Jornal do Brasil* calculated that the minimum wage in 1972 would only cover 58% of minimum food costs for a family of four, with nothing included for housing, clothes, health, or transportation.¹¹ In other words, in Brazil's most industrialized city, workers were forced to endure serious malnutrition, poor housing and inadequate clothing and health even if they were gainfully employed. The Gallup Institute in São Paulo found that one-third of the families it sampled never ate meat, subsisting on rice, beans, manioc flour, bananas, and coffee.¹² The reasons for decreases in food consumption became apparent when the time required at average wages to buy commodities in 1964 and 1968 are compared: By 1968, it took 4,100 minutes of work at average wages to buy the equivalent in goods of 2,370 minutes of work in March 1964.¹³

Aggravating the effects on workers of the fall in earnings was the increase of adult male unemployment. Brazilian industrial growth was capital-intensive, on the whole absorbing little labor. The percent of the active population (over ten years old) employed decreased from 47% in 1960 to 45% in 1970, despite a slight increase in industrial employment.¹⁴ According to studies by Brazilian labor unions, the number of jobs in São Paulo grew slower than the number of those seeking work. These studies demonstrated that more women and children were forced to take jobs because of the decline in men's real salaries. Since there was a shrinking job market, women and children were increasingly being used to replace male workers at salaries well below the minimum wage. If this was the situation among industrial workers in São Paulo, Brazil's richest state, one can only assume the situation was even worse in the rest of Brazil. Although Finance Minister Delfim Netto claimed that an increase in jobs had brought a rise in family income between 1967 and 1972, the labor union studies showed that family income actually fell 9.3% between 1958 and 1969, despite the doubling of the average number of paid labor-hours per urban family. More family members (women and children) were working for less total income.¹⁵

A new labor law in 1967 took away the minimum job security workers had enjoyed, making it doubly difficult for workers to make effective demands, much less strikes. In the past, industrial workers with signed work cards were paid compensation when fired, usually a sizeable amount. The new law cancelled these rights. Consequently, the industries fire and re-hire so much that the present practice is called rotation ("rotividade") in union halls.¹⁶ To give a quantitative idea of what is happening: between January

and November of 1969 Brazilian industries reported a total of 2,052,499 new admissions, but only 281,000 workers were getting their first industrial jobs. In the same period some 1,750,000 workers were fired from their jobs.¹⁷ Clearly, what is occurring amounts to firing and then re-hiring the same workers. Since the workers start anew, or in a different factory, the industrialists justify starting them out at the minimum salary, despite their having earned more in the past.

It is now almost an annual task for many skilled workers to re-apply for industrial work. And applying for a new job entails extensive bureaucratic paperwork since a worker must have at least eight different documents. One of these is a police statement of good conduct, and is good for only ninety days from the date of issue. Hence, workers are very much under the censorship of the military. To obtain all the different documents workers must spend days waiting in long lines, often bribing bureaucrats to speed the process. When workers lack such necessary requirements as having a primary education or an honorable completion of military service they must resort to subterfuge, usually engaging a professional red-tape cutter, who can arrange false documents. This service may well cost more than a month's salary plus an equal amount of time in waiting for the services to be completed.

A worker who finally enters a factory for the first time very quickly realizes that the nominal salary is an illusion. First, the person who helped obtain the job must be repaid for his efforts. Then, a sizeable amount is taken out of the monthly pay check for social security benefits, taxes, and a recently instituted program to finance low-cost housing (which benefits the middle-class more than the poor).¹⁸ Overtime required by the employer reduces the possibility of finding outside employment. In addition, the wages are very tightly regulated and no matter how hard one works or how quickly one learns, there are no corresponding increases in earnings. All these conditions produce a situation where a great deal of job dissatisfaction is surging below the surface. Given the absence of true labor unions there is no legitimate means for workers to express grievances.

The only option is a wildcat strike. Since the major wildcat strike of 1968, when workers seized factories in São Paulo and Minas Gerais, the government has taken every precaution to suppress such outbursts. However, given the nature of spontaneous outbursts this is difficult. Worker-priests have been harassed along with worker leaders, many of whom have been fired from their jobs. In São Paulo the army has been trained to take over some of the industrial plants.¹⁹ But, notwithstanding all these efforts, wildcat strikes do break out. (See elsewhere in this *Bulletin* for a report on recent strikes.) Given these pent-up frustrations it is unlikely that the Brazilian dictatorship can control the working class indefinitely.

REFERENCES

1. *Brazilian Information Bulletin*, July 1971, pp. 8-9; Octavio Ianni, *Estado e desenvolvimento capitalista no Brasil (1930-1970)* (São Paulo: Centro Brasileiro de Análise e Planejamento, 1971) (Unpublished manuscript), p. 49, citing President Costa e Silva, *Mensagem ao Congresso* (Brasília: Departamento de Imprensa Nacional, 1968), pp. 116-17.
2. Law 4,330 of June 1, 1964; Law 314, March 13, 1967. Ianni, *Estado e desenvolvimento capitalista* . . . , p. 48.
3. See for example *Brazilian Information Bulletin*, No. 4 (July 1971), p. 9.