

Chapter 5: Getulio Vargas and National Developmentalism

Vargas' rule over Brazil was longer than anyone else, beside Pedro, and lasted 18 years, finally ending in 1954. During his reign he lead as a military as well as a civilian dictator. It was said by Tancredo Neves, Vargas' own justice minister that "Vargas was a man who believed in power almost as one believes in divinity." As VArgas took the reigns of the country he embarked to create a strong centralized state, which included a strong federal army. In his efforts he dissovled the repulican congress and state assembles. He replaced these with federally appointed trustees known as interventores. His government took over the coffee industry due to their foreign loans and used 10 percent of the earning to bolster the federal arsonal.

As a result of the United States economic downfall in the Wall Street Crash, foreign trade around the world, especially Brazil collapsed. Between 1928 and 1932 imports into Brazil fell by 75 percent and the exports fell by 66 percent crushing the once flowering economy. This was phenomena is now known by economists as a "sudden stop" in capital inflows. This caused Brazil to panic and in a last ditch effort to raise the price and demand for their coffee the government between 1931 and 1944, bought and destroyed 78 million bags of coffee, which is equivalent to 3 years worth of consumption around the world. At the same time their attempt to help the poor farmers by paying off some of their debts and forgiving some of their loans.

In July of 1932, the federal and state military regimes based at San Paulo rebelled in the name of constitutionalism. Soon a civil war broke out between the forces, and was on a grander scale than the nation had ever seen lasting three months and

racking up a death toll of 600. It was the first time that heavy artillery was used, infantry advances occurred, and aerial bombing all ensued. Vargas rose victorious and proceeded to draft a rather liberal constitution in 1934. The new constitution was built around the skeleton of the 1891 draft which guarantees limited states rights, guaranteed political and civil freedoms and the formation of labor unions. In the scheduled election of 1938 Vargas could not participate, so he led a coup and created a new authoritarian government, named the "New State."

The New State was the the only uncontested coup leading to a personal dictatorship in the history of Brazil. By Latin American Standards this was a mildly repressive dictatorship, but still was anti-communist, anti-democratic, and anti-liberal. Vargas was able to withstand the rule as a dictator for so long due to his warning soof if he left, there would be national disintegration. Two key aspects of the New State was that Vargas was a civilian politician maintained by the power of the military. The second defining feature was corporatism, meaning that the government would take over business and serve as the bridge between capital and labor. A key ideal of the New state was the promotion of technology and the economic development that came with such advances; in fact, Vargas signed many of Brazil's best and brightest of modernism with government jobs.

After the allying with the US to wage war on the Axis POver, Vargas would soon meet his demise and the demise of the NEw State. Many officials pushed for an election and one occurred in 1945. Vargas retired as Gen. Dutra won the election, but this was not a final goodbye for Vargas, he would come back to win the next election on a

platform of social reform and nationalism. Soon during his presidency a coup was set up to overthrow him, but he committed suicide before the plan was acted out. In 1955 a new age of Brazil would arise with the election of Juscelino Kubitschek.

Kubitschek's presidency was characterized by Bojunga, as "a magic moment of economic growth, political democracy and cultural flowering." He was a democrat by convention and describes his economic policy as national developmentalism, promising fifty years of growth in five. His grand claim to fame was the development of a new Capital city in Brasilia hoping to tighten the country as a whole, through national integration and move from the coastal development it saw for so long. Kubitschek after leaving office left his replacement with a handful of economic problems, one being Brasilia itself. Quadros arrived lacking the political experience of the previous president had a lot on his hands, and lacking a majority in Congress, would prove to be too much. He resigned from office in 1961, after only 7 months. His sudden departure almost sent Brazil into another civil war.

Next in office was a moderate would be reformer named Goulart, but let the economy slip out of control carrying too much about his own political career. As the situation in Brazil grew worse, the democracy was about to be ended. On April 1st 1965, a new leader was installed as a dictator, Gen. Filho, with a coup backed by the Kennedy administration. It is thought that with a stronger political power in the office, rather than Goulart, that this experiment of democracy may have worked. That is a question no one will ever know, all we can look back at the situation and learn from the mistakes.