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Research Report

Corporatism in the South Atlantic:
Development, Social Welfare, and Constitutionalism in Brazil and Portugal,
1922-1945

With the generous support of the Joint Centre for History and Economics and the Institute for New Economic Thinking (INET), I was able to conduct several months of archival and library research in Portugal. The focus of this research was the intellectual genealogy and implementation of corporatism in Portugal as a model for state-led national economic development and harmonious class relations. This inquiry is part of a larger dissertation project that seeks to explore the connected histories of corporatism in Portugal and Brazil within a comparative framework. Imagined as a “third-way” to mitigate the excesses of capitalism and the class warfare portended of communism, the corporatist system sought to erect a strong state capable of controlling prices, coordinating economic production, and managing labor relations. In both Portugal and Brazil, new constitutions were promulgated and economic policies decreed in order to reorganize society so that the needs of the family, corporation, and, ultimately, the nation were placed above individual interests and profit-seeking motives. My dissertation explores how this transformation was attempted by authoritarian governments on both sides of the Atlantic through the development of new economic practices and forms of political representation.

Histories of corporatism in Portugal often begin with the rise to power of António de Oliveira Salazar, Prime Minister and *de facto* dictator from 1932 to 1968. Yet these histories, focused on the internal dynamics of the *Estado Novo* regime, overlook the roots of corporatist thought in preceding clashes of economic ideas. For this reason, my dissertation begins with a

reexamination of the legal, economic, and political thinking that marked the tumultuous final years of the first republican experiments in Brazil and Portugal in order to better understand how the corporatist model took hold in both countries in the 1930s. The 1920s in Portugal was a decade of economic tailspin that rallied a critique of liberalism and laissez-faire economics. During the final years of the First Portuguese Republic, which collapsed in 1926, countless projects for national economic development and political reorganization circulated in the public sphere. My fieldwork has aimed to recover this intellectual history of economic crisis by examining the manifestos, partisan newspapers, and economic pamphlets that reveal the multiple paths imagined for economic renewal. This research was based largely in the *Biblioteca Nacional de Portugal* (BNP) with its large collection of newspapers, monographs, academic journals, and pamphlets.

The corporatist solution to Portugal's economic woes was forged amidst factious debate, dissent and rebellion. Following the 1926 *coup d'état* and Salazar's subsequent rise to power, the writing of the new constitution was a turning point that revealed the contested visions for the political revolution underway. The 1933 Portuguese Constitution was part of a forgotten moment of constitutionalism that shaped the undemocratic political experiments of the interwar period. While Portugal's corporatist constitution severely curtailed civil and political liberties, it also enshrined a new model of citizenship based in economic and social rights. Research based in the *Arquivo de Oliveira Salazar* and the *Arquivo Marcelo Caetano*, both located in the *Arquivo Nacional Torre do Tombo*, explored the political, legal, and economic negotiations that unfolded through writing multiple drafts of the constitution. The writing and rewriting of the Portuguese Constitution can be reconstructed through the marginalia that prominent jurists and politicians scribbled on constitutional drafts, as well as in the correspondence exchanged within Salazar's inner circle. I also travelled to Coimbra to consult

legal journals and monographs deposited at the *Faculdade de Direito da Universidade de Coimbra* in order to further explore the legal and intellectual history of the 1933 Portuguese Constitution. Two years of wrangling over how corporatism would be implemented led to political compromises, stalemates, and turnarounds, resulting in a final draft that departed from the dictates of corporatist theory. For example, the contentious question of whether to replace parliamentary democracy with a corporatist chamber in which representatives were elected by professional organizations was resolved with a bi-cameral compromise that combined both systems. These negotiations are central to understanding the legal and economic institutions implemented under the corporatist regime. And when examined in a comparative and transnational lens, as I plan to do by incorporating Brazil's corporatist-inspired constitutions into this framework, the 1933 Portuguese Constitution becomes a defining moment of a new era of constitutionalism in which citizenship was no longer defined in terms of natural individual rights but rather was channeled through membership in economic and social corporations.

Beyond the political and legal transformations that followed the 1933 Constitution, a large focus of my research has been the changes to economic life that followed the introduction of production quotas and price controls that were integral to the corporatist model. In Portugal, the social and economic rights promulgated in the 1933 Constitution were negotiated within a byzantine web of organizations created to coordinate and regulate all sectors of the national economy. Countless *federações*, *comissões*, *organizações*, *grêmios*, *sindicatos*, *casas do povo* emerged to connect the individual to the state, constituting a meticulous, and at times opaque, hierarchy of economic function, professional class, and societal status. My aim was to grasp how citizenship was practiced within this complex network of institutions and associations created to regulate both urban and rural economies. Studies of corporatism often emphasize the

behemoth bureaucracy to emerge in the 1930s, yet few historians have used the paper trail of these organizations to explore how the advent of economic planning transformed economic production and social organization. The archives of various government ministries deposited in the *Arquivo Nacional Torre do Tombo*, including the Ministry of Agriculture, Ministry of the Economy, and Interior Ministry, contain countless reports penned by mid-level bureaucrats as well as letters from citizens voicing both grievances against and praise for the economic reforms that swept Portugal in the 1930s. The petitions, circulars, and local newspaper clippings preserved in the archive reveal how corporatist ideas were received and implemented at the local level, as well as the strategies deployed to circumvent new economic regulations. These documents provide insight not only to the changing economic landscape of the 1930s, but also to evolving popular ideas of fair competition, regulation, and labor standards. For example, in looking at the agrarian sector, some farmers joined the state-managed *grémios* that coordinated prices and supply and were fiercely supportive of Salazar's economic nationalism, while others decried the corporatist structures as an "instrumento de ditadura econômica" and created black market economies in the crevices of corporatist institutions. The corporatist idiom suffused both official propaganda as well as the complaints penned by those who felt their livelihood threatened by the inefficiency and corruption that pervaded economic controls.

This research summary provides a sketch of some of the primary sources consulted in Coimbra and Lisbon. My research now continues in Brazil where I am currently exploring how the corporatist model also arose as an alternative to liberalism in order to reorganize economic and social development. By looking beyond the nation-state and casting my study of corporatism in the Luso-Brazilian Atlantic world, I seek to reconstruct how ideas, practices and institutions traveled across national borders despite the heightened nationalism and specter of war that has come to define the history of the interwar period.