Liberalism in Brazil

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Brazil is the largest country in South America and the fifth-largest in the world by area, sixth by population. It is noted for its soccer and popular celebrations. It is also known for its undeniable problems. And it is one of the most closed and regulated economies on the planet. The Economic Freedom Index published by the Fraser Institute rates 162 countries for the year 2017. In that listing, Brazil comes in 120th place (Gwartney et al. 2019, 9).

Brazil was under Portugal’s power for centuries, becoming a united kingdom under a traditional monarchy in 1815. It became a constitutional monarchy after its independence in 1822; a republic controlled by oligarchies after a coup d’état in 1889; a dictatorship in the 1930s; it tried to maintain a constitutional democracy between 1946 and 1964; and it was a military regime between 1964 and 1985. Then the current democratic period began, called the New Republic. Regardless of the period, the same kinds of challenges were experienced, varying only by degree. Economic problems like inflation, public debt, and excessive regulation are a constant in Brazilian history, appearing in all of its historical periods and political regimes.

Brazilian intellectuals have blamed Brazil’s troubles on several cultural characteristics. One of them is the prevalence of patrimonialism, a system “in which the leader organizes his political power as the exercise of his domestic management” (Medard 1991, 326). Brazil’s history is marked by many military coups, dictatorial cycles, and chronic economic statism. Nonetheless, a liberal tradition has never ceased completely. Brazil never fully succumbed to totalitarianism. In fact, it is possible to say, according to the writer Euclides da Cunha (1866–1909), that...

1. Instituto Liberal, Rio de Janeiro, RJ 20031-010 Brazil.
2. Patrimonialism is a concept from the sociologist Max Weber (1864–1920). Unlike feudalism, this system is marked by centralization. Its origins in Brazil are related to Portugal, where, according to authors like Raymundo Faoro, feudalism didn’t exist.
liberalism led to the founding of Brazil as an independent nation by inspiring many of the leaders of Brazilian emancipation from Portugal (Macedo 1995, 117). Today liberalism continues to influence Brazil’s leaders.

This article provides a brief summary of the presence of liberalism in Brazil from the period immediately before its independence in 1822 to the present day. I explore at length the history of politics and liberalism, highlighting important liberals and then providing an overview of the main personalities and institutions currently dedicated to defense of liberal thought.

Cultural challenges for liberalism in Brazil

Before pondering the Brazilian liberal tradition, it’s worth mentioning some studies by famous Brazilian social commentators outlining the obstacles Brazil’s national culture puts in the way of effective liberalism. Among such commentators, the sociologist Gilberto Freyre (1900–1987), author of the classic *The Masters and The Slaves (Casa Grande & Senzala)*, occupies a distinguished position. His work identified the relationships among the main groups that initially constituted Brazil—the Portuguese, the Indigenous, and the Blacks, all part of a “landowning monoculture” (Freyre 1990, 12)—as the most significant foundation of Brazil’s social structure.

According to Freyre, Brazil’s social arrangement was marked by a patriarchal organization, which subjected slaves, women and children to the authority of the owner of the land, although the landowner was himself subordinate to the Crown. The family was the “colonizing unity” (“unidade colonizadora”) of the country (Freyre 1990, 14). Within the latifundium system, the family configured a social complex that mixed popular Catholicism, nepotism, and polygamous patriarchalism.

Many of the intellectuals before and after Freyre saw numerous obstacles to advancing self-government as in the U.S. tradition. These included the large portions of land controlled by a few strong authorities with an intensely subservient hierarchy, despite the incomparable blending that resulted in the immense diversity of the Brazilian people.

On the other hand, authors like Raymundo Faoro (1925–2003) modernized Freyre’s thesis without necessarily denying it. Faoro emphasized that the manorial patriarchalism of the Brazilian colonial era exhibited subordination to the Portuguese metropolis, in other words, to a central power. That subordination increased in degree when the old administrative model of dividing the territory into hereditary captaincies and sesmarias gave way to governments located in the colony itself.

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3. System adopted by Portugal to promote settlement by donating land.
The central aspect of Faoro’s criticism, which appeared in his book *The Owners of Power (Os Donos do Poder)*, is that Brazil has a patrimonialist heritage, manifested throughout its economic history by the prevalence of state capitalism or politically oriented capitalism. Economic and commercial practices were to a significant extent linked to a bureaucratic social stratum embedded in the body of the state, which derives in part from the absence of feudalism since the time of Brazil’s connection with Portugal.

For authors like Faoro, the absence of feudalism meant that the nobility and the bourgeoisie never had “enough power to counter the unquestionable power of the monarch. Thus, the nobles, more than a tradition that was independent of the Crown, received the prestige from the Crown, being practically employees of the prince” (Rodríguez 2006, 42). The consequence was the formation of “a State stronger than its society, in which the centripetal power of the king, in the colonial period, and of the emperor, throughout the 19th century, or the executive, in the republican period, created a strong bureaucratic apparatus based on the feeling of personal fidelity” (ibid., 77). Hence, in Faoro’s view, “the bureaucratic status, founded on the patrimonial system of politically oriented capitalism, acquired the aristocratic content of the nobility of the robe and the title. The pressure of liberal and democratic ideology did not break, dilute or undo political patronage over the nation” (Faoro 2000, 379).

Dialoguing with Freyre’s view, the sociologist Sérgio Buarque de Holanda (1902–1982), in his work *Roots of Brazil (Raízes do Brasil)*, argues that there was a long-term development of a “factional spirit” in politics, stimulated by the authority of the landowner, and which was increased by the family and the relational mentality associated with the patrimonialist system. Such development seems to have removed Brazil away from the liberal principles of impersonality and separation between private interest and the state machine. The anthropologist Roberto DaMatta (b. 1936), in his turn, sees in Brazilian culture a synthesis of aristocratic values and tribalist ones, as well as some elements of modernity. All of this together hinders the absolute imposition of totalitarian proposals, but also encourages nationalization of economic affairs and obstructs the liberal agenda.

**The legacy of Pombal**

In addition to these theories, there is a specific historical fact that, according to some authors, reinforces the anti-liberal conditions existing in Brazilian culture. It is the political procedure of Sebastião José de Carvalho e Melo (1699–1782), the Marquis of Pombal, a Portuguese reformist leader during the reign of Dom João
According to Antonio Paim, Pombal absorbed from the British cultural and political example the importance of science for progress, but he did not appropriate the liberal-representative tradition developed in England. For Paim, unlike Faoro, this option historically taken by Pombal suggests that there need be no fatalism in Brazilian political and economic history and that this patrimonialist root can be modified if choices are changed.

Pombal’s policies meant, for both Portugal and Brazil, emphasis on a mercantilist model that supported politically oriented capitalism and the patrimonialist system mentioned above. At the same time, it gave a scientific and modernizing justification for this system, which would be explored by authoritarian and anti-liberal movements. Positivism would come to be touted as the supportive theoretical basis of the twentieth-century Vargas dictatorship. As Paim points out, “the modernization carried out by Pombal did not include the reform of political institutions. These remained attached to the monarchical absolutism” (Paim 2018, 33). The Pombaline adherence to mercantilism meant that Brazilian modernization devalued profit and wealth in general and was hostile to private entrepreneurs. This “gave to the state bureaucracy a great supremacy over the other social groups. The Portuguese State, which was typically a patrimonial State—in other words, part of the Prince’s patrimony, and not an organ devoted to serve the society—started to attribute the role of promoting modernization (predominantly economic) as something that should benefit that same bureaucracy” (Paim 2018, 34).

Short of men and resources while warring variously with the Netherlands, Spain, and France, Portugal banned for centuries the development of industries and use of the printing press in the colonies. Brazilian liberalism has had to deal with that legacy, obviously one full of unfavorable aspects. However, Pombal developed a certain economic modernization, albeit subject to significant criticism, as well as helped form an educated Brazilian elite who attended Portugal’s University of Coimbra after his educational reforms. These created conditions for national emancipation and the emergence of the first theoretical agenda of Brazilian liberals: the installation of a representative political system. Brazilian liberals initially dedicated themselves to installing such a system, drawing inspiration from Benjamin Constant (1767–1830), François Guizot (1787–1874), and others.

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4. Dom João V, also known as Dom John V, or John V of Portugal, was a monarch of the House of Braganza, who ruled as king of Portugal during the first half of the 18th century. Dom is an honorific designation for a noble or a person of distinction.
Liberals up to 1822 independence

Liberal ideas penetrated Brazil before independence, which liberals supported. Through the secret work of Freemasonry in Brazil and Portugal at the end of the 18th century, Enlightenment thinkers with liberal tendencies influenced the nativist movements that broke out in different regions, such as the "Minas Conspiracy" (*Inconfidência Mineira*) in Minas Gerais, whose leader, Tiradentes (1746-1792), would later be treated by the republic as a national hero. Their doctrinal and proposed formulations, however, were somewhat diffused and did not have a significant impact on later political tradition.

Frei Caneca

An important figure is Joaquim do Amor Divino Rabelo e Caneca (1774–1825), known as Frei (*friar*) Caneca. He was an intrepid pamphleteer from Recife, capital of Pernambuco, in the Northeast of Brazil. He associated himself much more with the democratic radicalism of Jean-Jacques Rousseau (1712–1778) than with the Scottish Enlightenment thinkers or the foundations of the British monarchy. Caneca stood side by side with the priests of the Seminary of Olinda, although his ordination was prior to the foundation of the seminary. They were immensely influenced by the Pombaline reforms, and they sought to unite religion with faith in science and its potential to promote progress. Paradoxically, the Brazilian Rousseauians in the 18th century, counterparts to the French who stoked the Revolution and in its most radical stages attacked the Church, were priests.

For Frei Caneca, each province could “follow the road that seemed better in each way; choose the form of government that seemed most appropriate to its circumstances; and be constituted in the most conducive way to its happiness” (Mug 1875, 55). This doctrine, imbued with Rousseau’s sources, was propitious in provoking revolutions; the victorious independence project was the one that gathered different interests around a political unity over the entire national territory—and it was built around the unifying symbol of the Crown and the emblematic figure of Dom Pedro I (1798–1834).\(^5\)

Caneca participated in the Pernambucan Revolt of 1817. Later, after independence, he was also part of the 1824 Confederation of the Equator, which was another insurgency that occurred in the Northeast of Brazil. In January 1825,

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5. Dom Pedro I, also known as Pedro I of Brazil, or Pedro IV of Portugal, was the founder and first ruler of the Empire of Brazil after independence from Portugal.
José Hipólito da Costa (1774–1823), considered the patron of the Brazilian press, supported English liberal ideas. (Source: Itamaraty Safra catalogue)

he was executed because of the 1817 Revolt. He defended his political platform in a newspaper called Typhis Pernambucano. The platform reflected regionalist ideals rather than a national purpose, as Frei Caneca favored the independence of the Northeast of Brazil more than the emancipationist project around the Crown in Rio de Janeiro. For him, the provinces should have had total autonomy and even been able to secede from the constitutional monarchy pact in order to found independent republics.

Hipólito José da Costa

Even before the independence process in Brazil, the English liberal formulation also influenced Portuguese American leaders. One of them was Hipólito José da Costa (1774–1823), who was born in the extreme south of Brazil. He lived in London and from there edited a famous newspaper called Correio Braziliense. He managed to prevail over the government censorship in Brazil and share the ideas that underpinned the British constitutional monarchy. Hipólito belonged to the elite formed at the University of Coimbra in the wake of the Pombaline reforms. Not only did he carry out important work of doctrinal and historical foundation for classical liberal thought in Brazil and Portugal, but he was a pioneer in defending these ideas within Portuguese political traditions. In Hipólito’s conception, the Portuguese monarchy had a legitimacy that went back to the founder of the nationality, Afonso Henriques (ca. 1109–1185), chosen by the Cortes de Lamego.6 He even pointed out an alleged superiority of the Portuguese crown over the legitimacy of the British monarchy. The latter in the course of its evolution only surpassed the Portuguese by ceasing to be an “absolute hereditary monarchy” (Paim 2019, 21) to become a mixed monarchy. Hipólito wished to avoid the disorder of the revolutions and the uproar he saw in Rousseauian thought. He endorsed the tradition of liberalism classically intertwined with the establishment of a government capable of perpetuating itself.

6. Cortes de Lamego designates an assembly that is said to have met in Lamego and to have founded Portugal, and originated legal norms that would mark the history of Portugal.
Silvestre Pinheiro Ferreira

Before independence, which Hipólito supported at the end, as he died just at the beginning of the history of the Brazilian Empire, two more names should be mentioned. One is Silvestre Pinheiro Ferreira (1769–1846). Although he was born in Lisbon and was not a Brazilian by birth, Ferreira was a prominent figure in the government of the king of Portugal and Brazil, Dom João VI (1767–1826),7 father of Dom Pedro I. Shortly before Ferreira’s presence in a prominent position in the reign, the Porto Revolution in 1820 had broken out in Portugal. The revolution demanded the implementation of liberal and constitutionalist reforms, and also ended up with the return of the king, who was, until then, a refugee in Brazil, having escaped from the invasion of the Napoleonic troops in Portugal in 1808. At a very delicate moment of political tension, Ferreira theorized a transition from the traditional monarchy to the constitutional monarchy. His work, called Citizen’s Manual in a Representative Government (Manual do Cidadão em um Governo Representativo) was extremely influential in 19th-century Brazil in supporting the construction of the institutions of the Imperial State. Ferreira said:

If the jurists had evaluated the importance of this observation, they would have concluded without hesitation that the jurisprudence on representation cannot be other than that of the mandate. When it came to establish the rights and duties of the agents or representatives, whatever they were, it was in the nature of the interests that the reasons should be sought; but, losing sight of this simple idea or omitting the word “interests” and preserving that of a person, they fell into serious errors, especially when dealing with constitutional law and the rights and duties of diplomatic agents. (Ferreira quoted in Paim 2018, 73)

Ferreira said that a representative system—the main goal of Brazilian liberals in the transformation of the Portuguese monarchical regime into an independent constitutional monarchy—should be based on the representation of different interests in the parliamentary body. The emphasis on this theory was one of the factors that allowed, despite the cultural challenges of antiliberal content already mentioned, considerable political stability in the Second Reign of the Brazilian Empire, in which interests started to be represented by political parties.

7. Dom João VI, also known as John VI of Portugal, was king of the United Kingdom of Portugal, Brazil, and the Algarves from 1816 to 1825.
Viscount of Cairu

Finally, José da Silva Lisboa (1756–1835), the Viscount of Cairu, is worth mentioning. Born in the city of Salvador, Cairu is renowned as the first Brazilian economist. By the age of eight he already knew Latin grammar, dedicating himself to philosophical studies and studying music and piano. He was then sent to the University of Coimbra, to take legal and philosophical courses. Deeply religious, he studied the Scriptures and learned about scholastic thought. He became, as he always would remain, a forceful critic of Freemasonry, which he saw as a hotbed of revolutionary thought, and which had great influence in Brazil.

Cairu became secretary of the Inspection Bureau in the state of Bahia, responsible for inspecting and supervising everything that concerned the economic life of the region, particularly classifying sugars and tobacco. At the end of his life, Cairu demonstrated that he did not approve the existence of this type of public agency, with its interference in the economy. He pointed out in the Senate on May 10, 1827, that the bad situation of agriculture “induced El-rei Dom José, in the ministry of the famous Carvalho, to create the Inspection Tables at the main ports of this State, taking care that in this way he would repair the damages, imposing fees and sanctioning abuses” (Belchior 2000, 35).

Documents from the old archives of the Overseas Council in Portugal reveal that Cairu defended the awarding of prizes to inventors and introducers of new machines and factories, demonstrating his enthusiasm for Brazilian economic and technical development. In an official letter of March 28, 1799, Cairu proposed to award Joaquim Ignácio da Sequeira Bulcão, future Barão de São Francisco, for having been “the first owner who had adopted new cane crushing processes” (Belchior 2000, 33). In 1815, he assumed the role of supervising the works that were to be printed, a position in which he basically acted as a censor, given that he and his peers feared what they considered “incendiary writings.” Over time he became more accustomed to the English spirit in this regard, having praised British press freedom as a factor allowing the development of brilliant minds.

In the last decade of the 18th century Cairu became aware of the works of Adam Smith (1723–1790), and later those of Jean-Baptiste Say (1767–1832), which initiated the richest phase of his intellectual trajectory. Cairu’s conservative temperament reacted with reservations to the Liberal Revolution of Porto in 1820, which demanded the containment of the king’s powers. He feared a French-style development, which he considered the worst possible outcome. Later, having

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8. “El-rei” Dom José is the king Joseph I of Portugal.
9. Barão de São Francisco (Baron of São Francisco) was a Brazilian title created by Dom Pedro II for Joaquim Ignácio de Siqueira Bulcão.
defended the maintenance of the union between Brazil and Portugal, he agreed with the widespread Brazilian perception that the Portuguese intended to adopt anti-Brazilian measures and worked for the foreign recognition of the new free country. As a congressman in the Empire, he fulminated against federalism and was opposed to religious freedom, and he also made certain abridgements of his economic liberalism—he supported the existence of trade guilds in the country, understanding them as restricted and capable of improving the arts. At the same time, Cairu also advocated a more just and humane treatment of slaves.

Many authors point out that Cairu’s theoretical influence encouraged Dom João VI to open Brazilian ports to trade with friendly nations, a milestone for Brazilian defenders of economic liberalism. Despite the apparent paradoxes of his mentality, he brought Smith’s economic ideas and the political thought of Edmund Burke (1729–1797) to Brazil. Cairu’s contradictions can mostly be justified by understanding that, under the influence of the philosophy of eclecticism, a French import that guided philosophical orthodoxy during the Empire, Cairu devised a synthesis among a variety of forces: classical economics and Smith’s liberal thought, aspects of state modernization and centralization from the Marquis of Pombal and from the Coimbrã instruction, and conceptual and rhetorical references of feudal and traditionalist atmosphere, echoing the sacredness of the Catholic religion and the emperor. His mentality was an understandable amalgam in a changing world and society, but all of it was touched by a key ingredient: the work of Burke, which Cairu translated into Portuguese, composing the famous *Extracts of Edmund Burke’s Political and Economic Works* (*Extratos das Obras Políticas e Econômicas de Edmund Burke*).

The penetration of Burkean temperance among the Brazilian elite and its introduction into the formal education of the future monarch of the independent country, based on Cairu’s efforts, demonstrated that the British tradition was not alien to the educators of Brazil. In fact, the constituents of the new nation, for the most part, wanted a foundation to be established that would provide cohesion and some degree of predictability in rules and relationships, indispensable to civilization, as Burke propounded.

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10. For more information on eclecticism, see McClellan (2003).
Liberalism at the foundation of the Empire
(1822–1831)

Freemasonry and the Emperor D. Pedro I

Brazil’s independence is related to Portugal’s Liberal Revolution of Porto in 1820. In previous years, during the reign of Dom João VI, when Portugal was experiencing difficulties, Brazil was the center of the Portuguese Empire, because the Portuguese royal family, during the French invasion of Portugal in 1807, fled across the sea to Brazil, establishing Rio de Janeiro as the de facto capital of the Portuguese Empire for the duration of the Napoleonic Wars. Brazil had been elevated in 1815 to the category of United Kingdom to Portugal, gaining a relative sense of autonomy and unity, while being formally integrated into its former metropolis. Several developments, such as the opening of ports, took place in Rio de Janeiro, especially in the vicinity of the old Court. The Kingdom of Brazil was seen as more prosperous than the Kingdom of Portugal, its older ‘brother.’

The Portuguese liberal revolution forced the return of Dom João to Portugal and a call in 1821 for the so-called Cortes de Lisboa, which would function as a kind of constituent parliament. Upon leaving, Dom João kept his son and successor, Dom Pedro, as prince regent, commanding the kingdom of Brazil. Throughout the process, Brazilian representatives saw the intentions of Portuguese parliamentarians as dissolving any sense of Brazilian unity, fragmenting power among the provinces while still submitting some of them to the government of military junta. Even for Brazilian liberals, sympathetic to the general claims of the Porto Revolution (particularly those linked to Freemasonry in Rio de Janeiro), among whom leaders such as Joaquim Gonçalves Ledo (1781–1847) and José Clemente Pereira (1787–1854) stood out, these proposals were seen as anti-Brazilian. The main national statesmen, such as the Viscount of Cairu and José Bonifácio de Andrade e Silva (1763–1838), known as the Patriarch of Independence, intended to maintain the union between the two kingdoms. However, the succession of events in the Cortes de Lisboa led them to produce a gradual movement of emancipation around the figure of the prince regent, transforming him into an emperor and converting the Kingdom of Brazil into an independent empire.
It is pertinent to verify the presence of liberal ideas in the circle of personalities that constituted the First Reign of the Brazilian Empire and directed the country to create the first Brazilian Magna Carta, the Constitution of 1824, which was in force until 1889. The central leader would be Dom Pedro I. The first Brazilian monarch was Portuguese, born in the National Palace of Queluz in Sintra, a district of Lisbon, in 1798. Although he was only nine years old when his family travelled to the new country, his firmly Portuguese origin was one cause of the tensions that disturbed his reign until a definitive impasse led to his abdication. Dom Pedro’s personality was considered very willful and, in 1823, he forcibly dissolved the Brazilian Constituent Assembly, from which, nonetheless, general aspects of the constitution emerged. He is usually characterized as a monarch who admitted the inevitability of the liberal agenda—an agenda he referred to generically as ‘new ideas.’

Dom Pedro was influenced by French liberals, such as Benjamin Constant, and the Neapolitan Gaetano Filangieri (1753–1788). Filangieri held that the old European feudal principles were responsible for the misery in Europe, due to the wasteful luxuries of the aristocrats and nobles. The remedy would be a sort of “orderly revolution,” provoked by the authorities themselves, so as to soften the laws and establish justice. The prince was also a reader of Edmund Burke, as well as of Viscount of Cairu, although scholarship is not a characteristic highlighted by his biographers (Sousa 2015, 115).

Dom Pedro recognized that the old monarchical institutions could not survive in the 19th century in the same form as before. The kingdom—be it the Portuguese or the Brazilian Empire—would need to find a new path. It would not completely abolish existing traditions and institutions, nor annihilate the power or the position of the royal family, nor would it cling to a past that was overcome and unforgiving. In the works of liberal authors like Constant, Dom Pedro found what he judged to be the key to the realization of his wishes.

The history of the Brazilian Empire is divided in three different parts. The First Reign (1822–1831) was a brief period of turbulence and tensions, but it also marked the consolidation of independence. It did not, however, definitively consolidate national unity, which would continue to face challenges through the Regency period (1831–1840) until the advent of the last period, called the Second Reign (1840–1889).
The differences between José Bonifácio and the Masonic group of Gonçalves Ledo were common since the beginning of the First Reign, when the latter began to press for an oath from the emperor that he would accept the constitution, whatever it may be, that would arise from the Brazilian Constituent Assembly. It was a situation similar to the discussions that preceded the departure of Dom João when the revolutionaries of Porto showed interest in the creation of a constitution, and forced the king to accept it. However noble the intention in Porto was to establish constitutional rules to limit arbitrariness, it was from that Constituent Assembly that the anti-Brazilian measures that triggered independence emerged. Averse to such risk, Bonifácio did not want the emperor, in face of all the institutional engineering that he considered necessary to consolidate the new country, to be held hostage to a political mentality that he considered abstract and agitating.

Freemason liberals believed that all national sovereignty should be created under the authority of the nation itself. Bonifácio, on the contrary, believed that Brazilian political authority revolved around Dom Pedro, as the symbolic representative of the homeland. Bonifácio, the Patriarch of Independence, thought a sort of pact had already been concluded between the nation and the emperor, which no constituent assembly could threaten, subordinate, or dissolve. The Constituent Assembly and Dom Pedro should have equal strength and legitimacy in the national regime under construction. Liberals could not, for example, proclaim a republic. Constitutional monarchy would already, in itself, be a limit that no member of the Constituent Assembly could question.

After independence, it was no longer a question of discussing the points of consensus between the forces that carried it out; but, instead, their differences. These, added to personal intrigues and gaps in temperament, were more significant than they were previously. We start with the social scope of Bonifácio’s vision. Although at first he did not want an immediate Constituent Assembly, he favored bringing an end to slavery. That was a horizon of thought that the leaders most concerned with institutional formalism, such as Gonçalves Ledo and other opponents of Bonifácio, did not consider. In general they preached the liberalism of the Americans or the English, but not the freedom for human beings whom they considered their property. The political elite was not prepared for the outlook of Bonifácio, who, in this respect, was ahead of many of his contemporaries.

Until the last years of the monarchy, Brazilian political liberalism coexisted with slavery and the country based most of its economic model on it. Gradually, laws would be approved to end this situation, but this contradiction followed Brazilian leaders all that time.
The Constitution of 1824 and the moderator power

Dom Pedro I, still concerned about the constitution that he expected the 1823 assembly to write, pointed out (probably under the influence of Bonifácio):

a wise, just and enforceable Constitution, dictated by reason and not by whim, which only lowers overall happiness, which can never be great, without having solid bases, bases that the wisdom of the years has shown to be true, to give a fair freedom to the peoples and all the necessary strength for the Executive Power. A Constitution in which three powers are well divided, so that they cannot be arrogated, rights that do not contend among each other, but that are organized and harmonized in such a way that will become impossible, even over the course of time, to be dangerous, and that will more and more compete hand in hand for the general happiness of the State. After all, a Constitution, which places barriers inaccessible to despotism, whether real, aristocratic or democratic, chases away anarchy and plants the tree of freedom, in the shadow of which must grow unity and tranquility, independent of the empire, that will become the haunt of the new and the old world. (Dom Pedro I, quoted in Sousa 2015, 464, my translation)

A philosophy that guided the construction of the first Brazilian constitution, embraced by the emperor, was to avoid a too metaphysical or “impracticable” constitution (Sousa 2015, 465), opposing excessive influence of Rousseau’s thought. The resulting constitution established a hereditary monarchy regime and, based on the work of Constant, it established four powers: the executive, the legislative, the judiciary, and the moderator.

The executive power remained in the hands of the emperor, who would appoint his ministers, executors of orders, and the presidents of provinces, who had a charge equivalent to current state governors. Later, in the 1840s during the Second Reign, without changing the constitution, the political system underwent an evolution toward parliamentary bias. The emperor was supposed to appoint a ministerial office under the command of a president of the Council of Ministers, with a function analogous to the prime minister in traditional parliamentary systems. This president would share with the emperor the exercise of the executive power; the ministers were responsible for their acts, while the emperor was legally free of responsibility.

The legislative branch was made up of the Chamber of Deputies and the Senate, with deputies elected by census vote (based on certain economic criteria) and senators appointed by the emperor, chosen from a list of the three with the most votes. The judiciary, by its turn, was also appointed by the emperor, with the judges having a lifelong position, suspended only by sentence or by decision of the
monarch himself. Voting was restricted to men over 25 with high income. At first, there were indirect elections, in which they chose those who voted for deputies and senators; later, the Saraiva law, in the final stretch of the Empire, established direct elections. The candidates, on the other hand, needed to have an even higher income and could not be freed slaves. They also needed to be Catholics, since Catholicism was the country’s official religion. The structure of the Catholic Church, however, was administratively subordinated to the government, in the system known as Padroado, triggering problems at the end of the Empire. Notable among them was ‘the religious question,’ which put Dom Pedro II (1825–1891) at odds with the clergy when he decided to punish priests who banned brotherhoods whose members were Freemasons. The constitution also determined the maintenance of the State Council, an organ composed of direct advisers chosen by the emperor. Rio de Janeiro was maintained as the capital of Brazil.

Regarding the moderator power, it was the object of the most intense discussions throughout the monarchical period. In France, Constant feared that the power of political oligarchies would break the constitutional rules, making it necessary to have a power different from all others to subdue them in the event of a conflagration. Political freedom would need to be constrained in the crisis by an instrument that would protect individual freedoms and the constitution from imminent dissolution. The separation of powers, inspired by the work of Baron de Montesquieu (1689–1755), would have to live with a power superior to the others, which would be that of the constitutional monarchs.

Constant believed that the moderator power was not to be confused with any of the others, nor with the executive; the king would have to be passive, without government, a chief and representative of the state:

The Executive Branch, the Legislative Branch and the Judiciary Branch are three springs that must cooperate, each on their side, with the general movement; but when these springs are disturbed and cross, clash and interlock, a force is needed to put them back in place. This force cannot be in one of the springs, as it would use it to destroy the others. It is necessary that it be outside, that it be neutral, so that its action is necessarily applied in all places where it is necessary that it be applied, and so that it is preservative, reparative, without being hostile. The constitutional monarchy creates this neutral power in the person of the head of state. This chief’s real interest is by no means that one of the powers overthrows the other, but that everyone support each other, understand each other and act in concert. (Constant quoted in Guandalini 2016, 31)

The inspiration of Constant, adapting his concepts and concerns about the French political context to the Brazilian context, is evident in the constitutional text of
Brazil’s monarchy. However, the Brazilian Constitution did not reproduce his concepts faithfully. First, it formally made the monarch the head of the executive branch, even though he only exercised executive power through the ministers. There is a subtle intrusion of a character more active in its function than what Constant would naturally have wanted. At the same time, legal immunity was given, in Brazil, to the person of the monarch and not to the moderating power. Hence, the emperor became legally immune for whatever he decided in the executive sphere; therefore ministers could be punished because they ratify the acts of the executive by signature, but the power-maker, their leader and mentor, the monarch himself, could not be.

The Regency and the Second Reign (1831–1889)

Political groups in the Regency and the ‘moderate liberals’

The temperament of Dom Pedro I provoked profound resistance in society. Some episodes were striking enough to reduce his popularity, such as the assassination of the Italian-born liberal pamphleteer Líbero Badaró (1798–1830), a staunch critic of the emperor, editor of the newspaper called Observador Constitucional. When Dom Pedro I abdicated the throne, on April 7, 1831, under strong pressure, the episode became known among that generation of politicians, including leaders such as Bernardo Pereira de Vasconcellos (1795–1850), Evaristo da Veiga (1799–1837), and Diogo Feijó (1784–1843), as a ‘liberal revolution.’

Despite not having political parties as in modern politics, Brazil was divided into three major political groups during the Regency period (from 1831 to 1840). This was the moment when, waiting for the future monarch Dom Pedro II to reach age 18, Brazil was governed by regents who did not have the moderating power, a turbulent experience in which governance resembled a republic. The first group was the so-called caramurros or restorers, who wanted the return of Dom Pedro I to power. With the death of Dom Pedro I, who fought against absolutism in Portugal in his last years, this group disappeared.

The second group was that of the so-called ‘exalted liberals’ or ‘radical liberals,’ like Antônio Borges da Fonseca (1808–1872) and Ezequiel Corrêa dos Santos (1801–1864), who led provincial revolts that eventually assumed separatist positions. Finally, there was the group of ‘moderate liberals,’ whose proposal was to establish liberal institutions of national scope under the aegis of the Brazilian
Crown. That was the original project of the founders of the Empire.

Dom Pedro II ascended to the throne in 1840 with the famous ‘Majority Coup’—the only coup d’état that took place under the imperial constitution—which made him officially emperor before the time prescribed by law. This inaugurated the Second Reign of the Empire. There were about five decades of relative institutional stability, in which the group of the so-called ‘moderate liberals’ dominated and established political orthodoxy.

**Saquaremas and luzias**

During the Second Reign the ‘moderate liberals’ divided themselves into two groups: the *saquarema* (Conservative Party) and the *luzia* (Liberal Party). As it can be pointed out, in general, both conservatives and liberals reflected, in Brazil, different tendencies of liberalism. To clarify the basic difference between them, it is worth noting two iconic examples: Paulino José Soares de Sousa (1807–1866), the Viscount of Uruguai, one of the most relevant saquarema theorists, and Aureliano Tavares Bastos (1839–1875), representative of the luzias.

In his book *Essay on Administrative Law* (*Ensaio sobre o Direito Administrativo*), Uruguai compared the administrative experiences of countries like France, England, and the United States with those of Brazil, a very young nation that needed to be inspired by other models and traditions to construct some of its institutions. He referred to his luzia opponents as adherents of the “so-called liberal opinion” because, in a note, he said, to the likely surprise of some unwary contemporaries, that his position is the one which was truly liberal (Uruguai 1862, 15). The theoretical references that Uruguai cited, which he used without moderation to support his positions, came from French liberalism, ranging from Benjamin Constant and Alexis de Tocqueville (1805–1859) to the French ‘doctrinaires’ like François Guizot. In Uruguai’s opinion, the French institutions of doctrinal liberalism, due to their originality and relative independence from a long historical formation process, were more applicable to the Brazilian socio-political context than British institutions. He developed his arguments by always comparing the constitutional and political thinking in force in other countries with the local legal debate, seeking to support what could and could not apply to the Brazilian context.
In the view of Uruguai and the saquaremas, some institutions clearly established by the Brazilian fundamental law were necessary to the Brazilian social state. These included the Lifetime Senate, the Council of State, the Moderating Power and political centralization, with the possibility of the monarch acting on the provinces through the provincial presidents appointed by the central power.

For Uruguai, the decentralizing reforms applied by the Additional Act of 1834 had made the central legislative branch overly hostage to the decisions taken by the provincial assemblies—created by the Act—hampering the political process. That necessitated the imposition of the Interpretative Law of the Additional Act, formalized in 1841 by the saquaremas. Uruguai also believed that the provinces, wishing for more power, had reduced the strength of the municipalities. The most important point was that the Empire’s elections would be affected by the lack of development of self-government. Above all, the elections would be compromised. Due to the scant communication between the regions, the lack of education of the Brazilians, and the nefarious power of local political influences, any opposing project for the country would effectively cease to exist.

The saquaremas believed that it was necessary to adapt liberal principles to the social, historical, cultural, and geographical circumstances of Brazil. This, in their view, demanded a political centralization capable of avoiding the power of the local oligarchies, guaranteeing the circulation of the parties in power, and protecting the liberties of the opponents. For Uruguai, at that time in history, the freedom of individual citizens—with which, as a liberal, he was concerned—was more threatened by local authoritarianism than by the central government and for this reason the central government should exercise greater scope and power.

On the other hand, luzias like Tavares Bastos were more directly influenced by the American democracy and the English monarchy. They generally defended the extinction of the Council of State and the Lifetime Senate, as well as the need for a ministerial referendum on the exercise of the moderating power. Some moved to republican positions, but the party was, in itself, monarchical. Their main banner was to combat centralization and defend the purity of application of the Additional Act of 1834, considered by them to be one of the most relevant and admirable legal instruments in Brazilian history.

For Bastos, centralization was a backward political practice. In his opinion, the work of the generation that fought Dom Pedro I could only be complete with the confederation of the provinces, the suppression of the Council of State and the union of the attributions of the Moderating Power and the Executive Power. Thus, the monarchy would become an entirely harmless institution. Saquaremas like Uruguai were, in his view, men without faith in the destinies of democracy or in the providential mission of the American continent. Since the beginning of his most important book, The Province (A Província), Tavares had praised the Anglo-
Saxon countries as models that Brazil could aspire to. Also, he urged his party to combat the excessive policy of order and centralization and defend freedom.

Tavares Bastos’s conceptions defended the existence of humanity’s progress toward the greater exercise of freedoms. It also postulated that centralization, political or administrative, represented a nefarious obstacle to such progress. In his point of view, the U.S. exemplified a trend that was manifesting itself around the world toward decentralization. The trend would also advance in countries like France, which was further behind. Also in his view, the Interpretative Law of the Additional Act was a setback, a protest of an archaic mentality against the liberal advances achieved in America itself. For him, the deficiencies of the provinces in terms of transport and postal services, for example, stemmed from the suffocating power of the central state. Contrary to what the saquaremas said, in his view it was the centralization of power that manipulated the elections, preventing real democratic life in the provinces and in the municipalities. To the saquarema argument that the people were uneducated and thus not ready for democratic life, he opposed the argument that these people would remain uneducated under the aegis of a system he considered oppressive.

A real federation, as the United States, could emancipate the spirits and also mobilize the dispositions in Brazil. In Tavares Bastos’s opinion, based on the American example, all Brazilian provinces should adopt the absolute freedom of religion, freedom of the press, the right of assembly, and a sacred respect for private property. A real federation would consist of regions with autonomous political powers and even their own constitutions, without breaking up the union between them.

For Tavares Bastos, the problems observed as a result of the decentralizing franchises granted to the Brazilian provinces stemmed from the lack of experience with the representative system. So, in his opinion, it was saquaremas like Uruguai who had abdicated democratic and liberal evolution due to prejudice against people in the provinces.

Saquaremas understood that the local parties tyrannized the police and justice, so they held that these devices should remain under central control. They believed that the fears of José Bonifácio, who understood that Portuguese America ran the risk of splitting itself into small despotic republics, would be realized unless the empire and the emperor maintained a certain level of centralization. The luzias,
on the opposite side, understood that the central power was tyrannical and held that the provinces should be strengthened.

During most of the Second Reign, these currents of opinion fueled the political dispute, along with provincial and municipal political motivations that did not always reflect the great national debates. The aristocratic regime, the census vote, and the practice of slavery all led to an effort to establish representative institutions based entirely on the liberal tradition of the 19th century. There were anti-liberal traditionalist currents, but they were in the extreme minority.

**Liberals at the end of the Second Reign**

In the last decades of the Empire, saquaremas and luzias were affected by a supraparty movement which advocated the immediate abolition of slavery without payment of compensation to the slaveowners. Among the abolitionists, one luzia who would become a reference for Brazilian liberals, Joaquim Nabuco (1849–1910), stood out. Politically, Nabuco defined himself as an “English liberal.” “When I enter the Chamber,” he said, “I am entirely under the influence of English liberalism, as if limited to Gladstone’s orders; this is essentially the result of my political education: I am an English liberal—with radical affinities, but with whig adherences—in the Brazilian Parliament; this way of defining myself will be exact until the end, because English liberalism, Gladstonian, Macaulayian, will always endure, it will be the unavoidable vassalage of my temperament or political sensitivity” (Nabuco 1998, 177). Freeing slaves, making all the inhabitants of Brazil effectively citizens, became the cause of Nabuco’s life. He went to the Vatican to meet with Pope Pius IX (1792–1878) to ask for a manifesto against slavery. For him, abolition was a social force above the current parties, which envisaged a vast work to be done ahead of a Brazil without slaves.

The central understanding expressed by Nabuco was that slavery was more than an isolated fact in Brazil; it was an essential element of its formation as a society, the driving force of its backwardness and its infamies. According to him, in the United States, slavery resulted in a political division between North and South, a very violent Civil War, and a racial tension so profound that it almost completely encased the people in separated halves. In Brazil, on the contrary, a much greater dose of mixing and assimilation would have embedded slavery itself in the soul of the country with a much longer-lived naturalness.
The reforms that combatted slavery were carried out through gradual legislation, from the ban on trafficking to complete abolition. Most of these reforms were made during the squaremata governments, including the last one, the Golden Law, responsible for extinguishing slavery, signed on May 13, 1888, during the ministerial office of João Alfredo (1835–1919), Nabuco’s political opponent, but who received his support in this cause.

Among the liberal monarchists of the end of the Empire, the figure of André Rebouças (1838–1898), an engineer and inventor who was influenced by his readings of Smith and Say, also deserves mention. From a practical point of view, Irineu Evangelista de Sousa (1813–1889), the Viscount of Mauá, was a pioneer in several ventures in Brazil, an enthusiast of free enterprise and the Industrial Revolution.

**Republican liberalism and authoritarian cycles**

**The Old Republic: Positivism and the power of the oligarchies (1889–1930)**

A combination of factors, including the popularization of the positivist philosophy of Auguste Comte (1798–1857) and a growing dissatisfaction in military circles, which started to be directly involved in politics, triggered a military coup on November 15, 1889. The coup deposed the monarchy, exiled the imperial family, and proclaimed a republic as the form of government.

Different currents of opinion shaped the republican elite of that period. Positivists, both orthodox and heterodox, were among them. Paradoxically, despite the purported anti-militaristic spirit of positivism, the doctrine played a prominent role in the mentality of the Brazilian armed forces. At the same time, the military’s meddling in politics led to the development of authoritarian currents such as the so-called Floridian ‘Jacobinism,’ composed of enthusiasts for President Floriano Peixoto (1839–1895). The third current was composed of the Republican liberals, many of them organized around the minority Republican Party after 1870.

Despite the fact that the first two republican governments were military and authoritarian, constituting the period that became known as the Republic of the Sword (República da Espada), the liberals gained influence and attracted part of the elite of the traditional monarchical parties to integrate the new political class. Both Afonso Pena (1847–1909) and Rodrigues Alves (1848–1919), who became presidents of the Republic, were examples.

The influence of liberal thought proved to be substantial at the first republican constitution of 1891. Absent was any explicit positivism or attempt to
enshrine a dictatorship. Eliminating the titles of nobility and establishing the official separation between the Church and the state, the Republic transformed the provinces into states of a federation—at least nominally. In reality, many of these states, without much of a tradition of autonomy, gradually ceded their powers to the central power (Saldanha 1978, 109). The whole system only worked due to a pact that reinforced the position of the president of the Republic, a pact that was formalized by the policies of the second civil president, Manuel Ferraz de Campos Sales (1841–1913).

A ‘historic republican’—as Brazilian historiography labels one who supported the Republic during the last decades of the Empire or who took part in the coup that installed the regime—and an oligarchic liberal, Campos Sales defended presidentialism, but he had also been philosophically influenced by positivism, as had several liberals of his time. As previously seen, since Silvestre Pinheiro Ferreira, the Brazilian liberals of the monarchy had sustained the parliamentary representative system. Based on the work of Ferreira, in the Empire the parliamentary representative system served the interests embodied in political parties (although they were not exactly the same as modern parties). The positivists imagined that politics is completely subordinated to a scientific basis, which, in their point of view, happens likewise with all the other complex aspects of social life. In the positivist mentality, currents of opinion and political and partisan confrontations were seen as archaic and disorderly behaviors that should be replaced by ‘positive knowledge.’ Therefore, the positivism had weakened Republican liberalism.

Sales assumed the presidency with the aim of pacifying the political system after the Republic of the Sword and after the turbulent civilian government of Prudente de Moraes (1841–1902). For that, he wanted to implement financial measures which were considered unpopular, in order to clean up Brazil’s excessive debt. The solution was an agreement between the presidency and the state oligarchies, leading each to guarantee the position of the others. For that, the president had the support of the oligarchies through state representations in Parliament. Politics and representation took second place to management and its technical purposes. At the same time, arbitrary measures to restrain opponents were institutionalized, such as the Powers Verification Commission (Comissão Verificadora dos Poderes), which simply controlled the inauguration in Parliament of opposition parliamentarians, regardless of the outcome of the elections.

This period following the Republic of the Sword, called the Oligarchic Republic, was marked by the recurrence of emergency rule under a state of exception—a decree by which the president can suspend some liberties and the activity of the legislature and the judiciary—and of electoral fraud and armed interventions in politically weaker states (Paim 2018, 157). There was no party
diversification, the regime being basically a single party, merely regionalized. There was a Republican Party in each state, but it did not offer a clear programmatic differentiation of currents of opinion. Politically the Campos Sales liberalism had positivist influences, and the policies he enacted did not really favor the representative system. Economically, he had the Minister of Finance Joaquim Murtinho (1848–1911), who adopted a policy to contain the issue of currency and renegotiation of foreign debt to resolve the country’s disastrous economic situation. Murtinho was influenced by liberal economic thinking and believed that state intervention would bring more harm than good to society. The next president, Rodrigues Alves, carried out several public works, mainly in the capital of the time, Rio de Janeiro, and he resisted economic interventionism to help large coffee growers. Subsequent governments, in general, adopted this last policy, defined in the meeting known as the Taubaté Agreement, which represented, in reality, another episode of Brazilian patrimonialism.

Rui Barbosa (1849–1923) was probably the most important liberal in the Oligarchic Republic. This is so despite his having supported the republican coup and having had a very questionable performance as minister of finance in the government of Deodoro da Fonseca (1827–1892), when Barbosa adopted a policy of increasing the issuance of currency. But, if liberalism is considered a political movement, he inspired a good part of the Brazilian liberal leaders of the 20th century. Rui Barbosa became a recurrent opponent of the established regime, facing at the same time the oligarchic artifices of the groups that were in power and the militaristic thinking of other opposition groups. Barbosa was an authentic polymath, exercising functions such as journalist, diplomat, translator, and orator. For his performance at the Hague peace conference in 1907, he became known as ‘The Eagle of the Hague.’ He became a critic of the frequent application of the emergency rule of state of exception and the authoritarian instruments that the authorities used in Brazil, defending the legalism and the autonomy of the judiciary, as well as carrying out widespread electoral reform, including the adoption of the secret ballot, non-existent in the Oligarchic Republic. In his second electoral dispute, in 1919, Rui Barbosa was no longer restricted to discussing institutional and formal issues, bringing attention to the so-called social issues, such as regulation of the work of minors and protection against accidents at work (Paim 2018, 184).
Joaquim Francisco de Assis Brasil (1857–1938), in addition to being a historic republican, was another prominent liberal of the period. In the extreme south of the country, he assumed leadership of the fight against the dictatorship implanted in his state, Rio Grande do Sul, under the political guidance of Castilhismo, a local adaptation of the positivist thought based on the figure of Júlio de Castilhos (1860–1903). That application of positivism became the most successful doctrinal formulation of authoritarianism in the still young Republic.

It’s important also to add the name of the jurist João Arruda (1861–1943), who, after the death of Rui Barbosa, became an important liberal theorist in São Paulo in the 1920s. In the frontispiece of his book *From the Democratic Regime* (*Do Regime Democrático*), Arruda highlighted the motto of Patrick Henry (1736–1799), “the price of freedom is eternal vigilance,” which would become the motto of Brazilian liberals after the Second World War.

### Liberals under Getúlio Vargas’s rule (1930–1945)

At the end of the 1920s, authoritarianism in Brazil was practiced by republican oligarchies, but, after has being combined with liberal formalism for a while, acquired different doctrinal proportions. As in the rest of the world, it strengthened new openly anti-liberal political currents, often rival currents. Despite this, the word *liberal* continued to enjoy some popularity. In Brazil, a coalition of political forces discontented with the current system created an electoral ticket they called the ‘Liberal Alliance’ to challenge the candidate of the dominant oligarchy. Unfortunately for liberals, the leader chosen to represent the Liberal Alliance was Getúlio Vargas, from Rio Grande do Sul, where the authoritarian trend then called Castilhismo held sway. The 1930 Revolution overthrew the oligarchic republic, but instead of calling for a new Constituent Assembly, Vargas became provisional president and began to govern arbitrarily.

In 1932, liberal currents that supported the 1930 Revolution and currents from the previous oligarchy joined themselves in São Paulo to claim a Constituent Assembly, provoking what became known as the Constitutional Revolution. Vargas repressed the revolt of São Paulo, but a Constituent Assembly was only formed in 1934, keeping him in power by indirect election. New elections were scheduled for 1937, with liberal currents gathered around the candidacy of Armando de Sales Oliveira (1887–1945), the governor of São Paulo who had links to the business sector. He was part of the liberal circles that had supported the revolution that brought Vargas to power, and he did not countenance authoritarianism. For Sales, communists and dictators of all kinds needed to be fought in the name of liberal

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11. An authoritarian political current derived from positivism that was born in Rio Grande do Sul.
democracy. His candidacy would be supported by the party called União Democrática Brasileira, founded to support his election. Unfortunately for his supporters, the plans were thwarted by a Vargas coup that dissolved Parliament, canceled the elections, and established, in 1937, the nationalist and statist dictatorship called Estado Novo.

The Estado Novo is the period of the greatest eclipse of the Brazilian liberal tradition. The Vargas dictatorship reinforced all the patrimonial and positivist aspects of the national political culture, promoting an industrialization developed by the state. Liberals were fully disorganized as a movement, persecuted and exiled, and the dictator assumed wide powers over the country, building a political machine that would survive his regime and keep his allies as occupiers of power. In the final stretch of the dictatorship, in 1943, part of the elite of the state of Minas Gerais signed the famous Manifesto dos Mineiros, a politically liberal demand for the end of the dictatorship, claiming that Brazil did not need Vargas’s authoritarian command to develop.

Also around this period, the figure of Eugênio Gudin (1886–1986) began to stand out. Gudin was the iconic supporter of economic liberalism in the mid-twentieth century, exerting great influence on the next generation of Brazilian economists. As minister of finance during the brief administration of Café Filho (1899–1970), between 1954 and 1955, Gudin defended fiscal responsibility and monetary balance. He was also a member of the Mont Pèlerin Society and represented Brazil at the Bretton Woods Conference. He was one of the very few Brazilian admirers of Ludwig von Mises (1881–1973) and Friedrich Hayek (1899–1992), although he did not reject the ideas of John Maynard Keynes (1883–1946). Gudin helped to create the first Brazilian university course in Economy, worked for foreign companies such as Light, and was an autodidact economist, an engineer, and even an amateur opera singer.

The economic debates between Gudin and Roberto Simonsen (1889–1948), defender of development through the state route, became famous. Simonsen was the practical winner of the debate, with the Vargas dictatorship and most subsequent governments adopting his formulations to some extent.

National Democratic Union and the opposition to Varguism (1946–1964)

When the Vargas dictatorship ended, the 1946 constitution came to govern a multiparty political system. Three parties were really relevant nationally. Two of them, Brazilian Labor Party (PTB) and Social Democratic Party (PSD), came from Getúlio Vargas’s political machine and maintained Vargas’s populism as the most powerful political current of the period. At first, in 1945, a large portion of
the opposition to Vargas joined the third party, the National Democratic Union (UDN), which even included a socialist current. Over time, the UDN had mainly become a haven for liberal and conservative currents opposing Varguism. Some smaller parties tended to support the UDN. One was the parliamentary party Partido Libertador, which had Raul Pilla (1892–1973), a doctor from Rio Grande do Sul and a supporter of Assis Brasil. Another one was the Brazilian Christian Democratic Party.

Despite the departure of the socialists, the UDN never had a single ideological point of view. It had internal wings and distinctions according to the region of the country. A portion of the UDN, known as "bossa nova," was closer to economic intervention. Another wing, known as "chapa branca," stood out for making pragmatic alliances with the Varguist currents. Its economic liberalism had limitations. For example, the state oil monopoly in Brazil was officially proposed by a Udenist, Olavo Bilac Pinto (1908–1985). The most forceful wing in opposition to communism and Varguism was known as "banda de música."

Udenist liberals were influenced by tenentism—a political movement at the end of the Oligarchic Republic in which low-ranking soldiers organized diffuse rebellions against the established political system—and believed that solutions through force were necessary to dismantle the political-economic structure built by Getúlio Vargas and carried on by his political heirs. Udenist liberals eventually supported military initiatives considered to be coups against their opponents. In fact, the first presidential candidates supported by the UDN were military graduates of tenentism: Brigadier Eduardo Gomes (1896–1981) and Juarez Távora (1898–1975). While both were defeated, the latter stood out for his defense of increasing the power of municipalities.

Among UDN civilian leaders, there are names such as Octavio Mangabeira (1886–1960); Afonso Arinos (1868–1916); Milton Campos (1900–1976), who was governor of Minas Gerais; Pedro Aleixo (1901–1975); and Aliomar Baleeiro (1905–1978). However, the most charismatic and popular leader in the history of the UDN, considered a central character in the history of 20th-century Brazil, was Carlos Frederico Werneck de Lacerda (1914–1977).

A communist in his youth, Lacerda converted to Catholicism under the influence of intellectuals such as Alceu de Amoroso Lima (1893–1983) and Gustavo Corçao (1896–1978). Later, other religious thinkers, especially the American bishop Fulton Sheen (1895–1979), would have an influence on him, including his use of the media to direct his speeches against everything that he considered a threat to civilization and the prosperity of the nation. Lacerda took a viscerally anti-communist stance, stating that in the doctrine he espoused in his youth there were elements incompatible with Western civilization, such as the nationalization of structures and their unrestricted subordination to the state as the
protagonist and leader of the whole society. He came to see in communist doctrine
the danger of a dictatorship worse than the others, much more organized and,
consequently, much more difficult to overthrow.

Communism was Lacerda’s greatest concern in international relations, so much so that he was
always averse to the interests of the Soviet Union, openly supporting a democratic and western alliance
with the United States against Soviet totalitarianism. In Lacerda’s mature phase, during the 1950s and
1960s, his greatest theoretical and political inspirations resided in Rui Barbosa’s anti-oligarchic liberal-
ism. Lacerda had a conservative sympathy for the idea of a free ‘Christian civilization’ in the style of
British prime minister Winston Churchill (1874–1965), and, in particular, in the party and ideological
ensemble that brought Germany back after the Second World War: the Christian democracy of
Chancellor Konrad Adenauer (1876–1967) and the German ordoliberalism (or ‘social market economy’) of authors like Wilhelm
Röpke (1899–1966) and Ludwig Erhard (1897–1977). Lacerda preached the intention of making the UDN a grassroots party, capable of mobilizing public
opinion to build an authentic liberal-democratic regime and defend the notional
heritage of Western Judeo-Christian civilization. He promoted the decentralization
of power, tolerance of foreign capital as a partner for national development, free
enterprise, and the abolition of a tax that financed labor unions.

The military regime (1964–1985)

The tensions between Lacerda’s UDN and the Vargas parties, with the participation of the communist movement and the polarizing atmosphere of the Cold War, led to definitive friction in 1964, when President João Goulart (1919–1976) sided with the extreme left represented by some communist leaders and his brother-in-law Leonel Brizola (1922–2004) and broke the hierarchy of the armed forces, giving amnesty to rebel soldiers. The opposition political forces solved this problem with a coup, called by their defenders a ‘counter-revolution’ or ‘counter-coup,’ which deposed Goulart and had the support of most Brazilian liberals, particularly the UDN.

The initial intention was that a government led by military president Humberto de Alencar Castelo Branco (1897–1967), indirectly elected by the Parliament, would conduct elections for a new civilian president. In anticipation of these
elections set for 1965, the name of Carlos Lacerda emerged as one of the favorites for the presidency, which would allow the UDN to directly govern Brazil for the first time. The only time the party had won national elections was when it supported Jânio Quadros (1917–1992), who was not affiliated with the UDN and resigned in his first year of government. But the planned elections were cancelled.

The Castelo Branco military government paid attention to economists with a more liberal and sympathetic view of foreign capital, many of them influenced by Eugênio Gudin. That policy significantly reduced inflation. Some figures with a more liberal view became relevant throughout the military period, such as Octavio Gouveia de Bulhões (1906-1990), Mário Henrique Simonsen (1935-1997), and Helio Beltrão (1916-1997). However, in general terms, after the Castelo government, the regime suffered a political hardening and a progressive nationalization of economic conduct. The military nucleus, supported by civil circles, claimed the need to purge the country of communism and corruption. Instead of calling for new direct elections, Brazil adopted an authoritarian regime that became, especially after 1968, a dictatorship—although, unlike the Vargas dictatorship, there was regular presidential succession, always among the military, which meant that this dictatorship was not personalist. For Lacerda it did mean the loss of his right to run for office. And political liberalism again lost ground.


The end of the military regime and the beginning of the New Republic, organized around the 1988 constitution, led to attempts to found nominally liberal parties. An example, founded in 1985, is the Party of the Liberal Front, PFL (Partido da Frente Liberal) of Senator Jorge Bornhausen (b. 1937), who had been a member of the UDN. Another is the Liberal Party, PL (Partido Liberal), founded by Álvaro Valle (1934–2000). The Liberal Party ran businessmen Guilherme Afif Domingos (b. 1943) for president in 1989 and Flávio Rocha (b. 1958) in 1994. However, the first party changed its name, rejecting the designation ‘Liberal’ and adopting that of ‘Democrats,’ similar to the Democratic Party of the United States. The second one disappeared, merging with PRONA, a nationalist and anti-liberal party led by Enéas Carneiro (1938–2007). Such facts attest to the fragility and lukewarmness of liberalism in the first decades of the New Republic.

The most successful presidential candidate with a liberal platform was Fernando Collor de Mello (b. 1949), who in 1989 won the presidency in Brazil’s first direct elections since 1960. Collor initiated modernizing reforms but was involved in corruption scandals. In addition, he adopted interventionist economic measures, such as the confiscation of savings, which had a profound traumatic effect. Such actions induced an impeachment process, the first in Brazilian history.
The predominant political current in the New Republic was in fact social democracy.

The government of the social democrat Fernando Henrique Cardoso (b. 1931), who was president from 1995 to 2002, faced hyperinflation and a need to balance the budget. He had support from liberals to carry out important economic reforms. The Real Plan (Plano Real), which was successful in stabilizing the currency, and which started under the previous government—that is, under the brief presidential term of Itamar Franco (1930–2011) who became president as consequence of Collor’s impeachment—was carried out with the participation of very liberal economists, such as Gustavo Franco (b. 1956).

Until 1993, Brazil opened its economy rapidly. After that, the process lulled and then accelerated again from 1998 to 2004 during the government of President Fernando Henrique Cardoso. From the presidential term of Luiz Inácio Lula da Silva (b. 1945) onwards, during the age of the Workers’ Party, there was a considerable reversal, which was continued by Dilma Rousseff (b. 1947). Rousseff too faced an impeachment process; she was convicted and removed from the presidency. That seemed to promise to change the course of the economy to a more open system, but the fact is that Brazil is still struggling to recover from its recent past.

The most representative liberal leader of that period, who effectively fought what he considered to be statist and interventionist aspects of the 1988 constitution, and was also a disciple of Eugênio Gudin, was Roberto Campos (1917–2001). He became a politician after economists of the ‘Chicago School’ had advised the Chilean military dictatorship of Augusto Pinochet (1915–2006) and also in the period of the defense of free-market thinking at the international level by leaders such as Ronald Reagan (1911–2004) and Margaret Thatcher (1925–2013). Campos saw himself as a representative in Brazil of that cycle of intellectual and political defense of economic liberalism. He was a very peculiar case of a Brazilian parliamentarian who openly endorsed the theses of economists such as Ludwig von Mises, Friedrich Hayek, and Milton Friedman. Called by critics ‘neoliberal,’ or, in a pejorative Anglicist adaptation of his name, ‘Bob Fields,’ Campos ended his career as a champion of ideas like austerity in monetary policy, privatization of state-owned companies, reduction of economic regulations, and opening to foreign trade. Economist and diplomat, politician and thinker, Campos
had a long history of services rendered to the Brazilian state as an employee, taking part in the preparation of technical projects, in the creation of institutions, and in the role of minister in the Castelo Branco government. In addition, he was an ambassador before becoming a senator and deputy. He never managed to become a popular leader or create anything close to a mass movement in his surroundings and he had to put up with the aversion of socialists, social democrats, labor leaders, and other sectors of the national left. However, through his journalistic columns, television appearances, and speeches from the Congress floor, he managed to gather admirers of a more educated social group and succeeded in inspiring a generation of defenders of liberal ideas, in which the journalist Paulo Francis (1930–1997), a former leftist, can be included. A recurring statement of Campos was to point out the escapist tendency of Brazilian leaders, who would always hold foreign powers or the elite’s ‘hidden forces’ responsible for the country’s own failures. These trends would have prevailed, for example, in the João Goulart administration, to which Campos served as ambassador in Washington, making direct contact with American president John F. Kennedy (1917–1963). Both as an ambassador and as an economist, Campos established relations with the principal world leaders.

**Intellectual developments of liberalism**

Still within the New Republic period, in the exclusively theoretical field, the work of important liberal thinkers stands out. José Guilherme Merquior (1941–1991) was a literary critic, political scientist, diplomat, and writer who became famous for polemicizing against socialism and Marxism. Merquior was a disciple of the French intellectual Raymond Aron (1905–1983) and believed in a political agenda that he called ‘social liberalism.’ Although he recognized the importance of Mises and Hayek in denouncing socialist tendencies, he advocated Keynesian policies and believed that they had saved capitalism and liberalism. Merquior was a historian of liberal thought, particularly in his work *The Ancient and Modern Liberalism* (*O Liberalismo Antigo e Moderno*). The jurist Miguel Reale (1910–2006), in his mature phase, was another important Brazilian intellectual who considered himself an adherent of social liberalism, as did the professor, lawyer and politician Marco Maciel (b. 1940).

Antonio Paim (b. 1927) is a notable reference in the social sciences and in the historiography of Brazilian liberalism. Paim studied philosophy in the Soviet Union, when he was a communist sympathizer. He is the author of dozens of academic articles and reference books, as well as prefacing and collaborating on reissues of works by other authors. His classic *History of Brazilian Liberalism* (*História do Liberalismo Brasileiro*), re-edited in 2018, is an impactful work on the theme.
Among his pupils, Ricardo Velez Rodríguez (b. 1943) stands out; he had a brief stint at the Ministry of Education and developed studies on Alexis de Tocqueville, the influence of French liberals on the Brazilian elite, the problem of patrimonialism, and the nature of Castilhismo. Paim also lists the following Brazilian intellectuals who looked at different aspects of liberalism: Alberto Oliva (b. 1950), Francisco de Araújo Santos (b. 1935), Roque Spencer Maciel de Barros (1927–1999), João de Scantimburgo (1915–2013), Gilberto de Mello Kujawski (b. 1929) and Celso Lafer (b. 1941).

It is necessary to highlight two more names in the field of scholarship in recent decades. One is that of Ambassador José Osvaldo de Meira Penna (1917–2017). Echoing Edmund Burke, Meira Penna defended the old British Whiggism, heir to the freedoms and de-concentration of powers made possible by the Magna Carta of 1215. He contrasted its legacy with that of the French revolutionary mentality and Jacobinism, which provided the roots of socialism and exacerbated nationalism. The countries of Latin America would have been living in the shadow of the Jacobin terror or Bonapartist authoritarianism, he thought. Rather than institutionalizing freedom, as did the British or Scottish line liberals and the American founders, who would have reconciled order and freedom within a legal framework, these countries preferred Rousseau’s foolishness, which would condemn a tension between the despotism of the caudillos and the democratism of the agitators. In addition to Meira Penna, Ubiratan Borges de Macedo (1937–2007) should be named. He defined liberalism as a historical phenomenon rather than an abstract doctrine; he pioneered in the study of monarchical liberalism, as well as advancing the liberal approach to ‘social justice,’ using Hayek’s considerations.

In 2002, with the election of Lula and the rise of the Workers’ Party (Partido dos Trabalhadores), PT, to power, liberalism was again eclipsed, with leftist currents running strong. On the other hand, in recent years, adding the work of several organizations to the corruption scandals and the economic problems caused by the PT governments, different aspects of liberalism have gained wide popularity, especially among young people, using virtual means to disseminate their ideas. The phenomenon, which also encompassed conservative thinking, was popularly known as ‘New Right,’ for demarcating the reappearance of these ideas in a more ostensible and numerous way, after a period of relative ostracism.

In the New Right train, at least one party was identified with liberal ideals, called Novo (‘new’ in Portuguese). It was founded in 2011, supporting the engineer João Amoêdo (b. 1962) for president, who won 2.5 percent of the valid votes. In the same election, however, Novo won the election in the state of Minas Gerais, bringing to power Governor Romeu Zema (b. 1964), and parliamentarians who openly declare their adherence to liberalism were elected through other parties. Second, the economist Paulo Guedes (b. 1949), who was graduated from the
University of Chicago and claims to be an advocate of Chicago School economics, headed the Ministry of Economy in the presidential government of Jair Bolsonaro (b. 1955). Many other economists who see themselves as advocates of the Chicago School are working under Guedes’s command.

Politicians like Zema and Bolsonaro were elected, in part, as a result of a vast wave of rejection not merely of the left and the PT but also of mainstream politics because of corruption scandals revealed by an investigation called Operação Lava Jato (Car Wash Operation).

Liberalism in Brazil today

Context of liberalism in the New Republic

Since the 1980s, Brazilian liberalism experienced a phase of discredit in the period of the New Republic when national party politics became a dispute between the social democrats of the Party of Brazilian Social Democracy of Fernando Henrique Cardoso and Luiz Inácio Lula da Silva’s Workers’ Party. However, it also entered an unprecedented stage: the theoretical defense undertaken by institutes, organizations, and social networks. For the first time in the country’s history, institutes, study groups, and student organizations came into existence with the purpose of spreading the political and economic ideas of liberalism.

As early as the 1970s, there were liberals influenced by the ideas of Mises and Hayek, like the entrepreneur and engineer Henry Maksoud (1929–2014), who came to write a draft constitution for Brazil based on Hayek’s theory of demarchy. This is a system in which the law-making assembly is composed of a council of wise people, not elected by universal suffrage, as a method to guarantee the rule of law. Maksoud brought Hayek himself to Brazil several times and disseminated liberal ideas through television and a periodical, Visão magazine, which he acquired in 1974.

The Liberal Institute

The first organization created with the exclusive function of spreading liberalism was the Liberal Institute, which was founded in Rio de Janeiro in 1983 by businessman Donald Stewart Jr. (1931-1999), who was a convert to liberal thought due to his readings of Hayek’s work and translated Mises’s classic Human Action to Portuguese, though he was not a scholar. Since its inception, the Liberal Institute has functioned as a nucleus bringing together authors of different trends within
liberalism. Its first academic director was Og Francisco Leme (1922–2004), and the entrepreneur Salim Mattar (b. 1948) is one of its main supporters.

For Paim, it was thanks to the Liberal Institute that “at least in part, the intense mobilization that the Brazilian business community started to develop in recent years in favor of economic opening, privatization and the extinction of state monopolies.” Stewart’s effort via the Liberal Institute was decisive in the cycle of mobilizations to try to effect “the replacement of traditional Brazilian patrimonialism through which the State dominates the economy” (Paim 2018, 347).

The Liberal Institute, in the first instance, had the purpose of translating books, because Stewart was bothered by the lack of liberal literature in the teaching materials of universities. The liberal economics of Mises, Hayek, and Friedman was undoubtedly the largest benefactor of the effort, as until then it was known by only a few circles, such as that of Eugênia Gudin’s disciples. The Liberal Institute also resumed the links of Brazilian liberalism with the main liberal economic schools abroad, such as the Chicago school and the theory of public choice of James Buchanan Jr. (1919–2013). Stewart’s purpose was similar to Hayek’s in creating the Mont Pèlerin Society. In addition to bringing together and facilitating the exchange of ideas, he took steps to bring some of these ideas to a large audience that was unaware of them, as well as to leaders from different sectors of society, from the academic sector to the political sector. Like Hayek, Stewart believed that the evolution of society in more liberal directions had to begin with civil discourse and persuasion; literature and discussion were needed.

With their encouragement, liberal institutes emerged in different states, meeting in 1988 to establish a Declaration of Principles that reflected the goals that everyone should defend in order to recognize themselves as allies. Each institute, however would conduct the projects and initiatives that seemed to them most appropriate. Most of these institutes disappeared later, but the original Liberal Institute remains in operation. In 2013, the economist and political commentator Rodrigo Constantino (b. 1976) and the lawyer Bernardo Santoro (b. 1982) were responsible for starting a new stage in the Liberal Institute’s story by increasing its presence on the Internet.
Recent institutional efforts to support liberalism

Despite the disappearance of the other liberal institutes, similar initiatives were developed, especially in the 21st century, when intellectual and political resistance to Workers’ Party governments were organized. The Millennium Institute, founded in 2005, brings together intellectuals to promote the values and principles of a free society, such as individual freedom, property rights, market economics, representative democracy, the rule of law, and institutional limits to government action.

The Mises Brasil Institute, founded in 2007 and chaired by Helio Beltrão (b. 1967), son of the liberal economist of the same name mentioned earlier, became an institution of great renown, organizing a postgraduate course in liberal economic thought. Several intellectuals attended their circles, including economist Ubiratan Jorge Iorio (b. 1946), who has been a member of the Central Bank of Brazil and the Brazilian Institute of Economics of the Getúlio Vargas Foundation in Rio de Janeiro, in addition to being a researcher at the Brazilian Market Institute of Capitals. Historian Alex Catharino (b. 1974) is editor of LVM Editora, an initiative formed by individuals linked to the Mises Brasil Institute to publish books about liberal, libertarian and conservative ideas. Political scientist Bruno Garschagen (b. 1975) wrote a book that became a bestseller, *Stop Believing in the Government: Why Brazilians Don’t Trust Politicians and Love the State*, which criticized the paradoxes of Brazilian patrimonial political culture.

These institutes and several other movements and study groups are gathered in an association called Rede Liberdade, which is designed to coordinate their efforts. Below is an examination of the main members of the Rede Liberdade network that have not yet been mentioned.

- Liberalism in the state of Rio Grande do Sul also is promoted by the Atlantos Institute, which holds lectures and events free of charge and open to the public in at least five of the largest preparatory schools in Porto Alegre. There is also the Institute of Entrepreneurial Studies (Instituto de Estudos Empresariais, IEE), an institution founded in 1984 that has held the Freedom Forum, the largest liberal event in the entire country, since 1988. It receives national and international guests, including political leaders who do not defend liberalism, like candidates for the presidency of the Republic in election years. In 2007, the Atlantos Institute received the Templeton Freedom Award Grant as one of the most promising global institutions for the defense of freedom. It was also classified as one of the 150 organizations that most influence political, social, and economic changes in the world in
the 2013 ranking of “Global Go To Think Tanks” organized by the University of Pennsylvania (McGann 2014). Two leaders in the current liberal movement of that state are Roberto Rachewsky (b. 1955) and Winston Ling (b. 1955), influenced by the Objectivist philosophy of Ayn Rand (1905–1982).

- The Livres movement, which brings together some economists linked to the Real Plan—the strategy conducted under Itamar Franco and Fernando Henrique Cardoso’s governments that ended the hyperinflation. These include Elena Landau (b. 1958) and Pérsio Arida (b. 1952), and the movement is identified with trends ranging from social liberalism to libertarianism. Its motto is the expression ‘completely liberal;’ Livres members believe that other organizations dedicated to liberalism support incomplete or too conservative versions of liberal thought and should be more concerned with issues such as minorities.

- The Acorda Brasil movement participated in the demonstrations for the impeachment of Dilma Rousseff. It still exists, and it defends the rule of law, federalism, separation of powers, individual freedom, and entrepreneurship. Its co-founder is a descendant of the Brazilian imperial family who was elected federal deputy in 2018, Luiz Philippe de Orléans and Bragança (b. 1969).

- The Mackenzie University Economic Freedom Center, in São Paulo, holds important conferences on liberal thinking, particularly in the economic field, and brings in international guests.

- The ProLiber group aims to disseminate liberal proposals for Brazilian problems.

- Other members of Rede Liberdade who disseminate liberalism in their respective states, among congresses, publications, conferences, and leader training, include: Clube Farroupilha, in Rio Grande do Sul; Clube Ajuricaba, in Amazonas; the Democracy and Liberty Institute, in Curitiba; the Liberal Institutes of Alagoas, São Paulo, Triângulo Mineiro, Minas Gerais and Paraíba (all newer and independent of the original Liberal Institute); the Dragão do Mar Study Group, in Ceará, one of the oldest and most traditional in the country; the Libertarian Youth of Sergipe; Instituto Liberdade (former Liberal Institute of Rio Grande do Sul); the Instituto Liberdade e Justiça, in Goiás; the Carl Menger Institute, in Brasília; and the Leaders of Tomorrow Institute, in Espírito Santo.

- The various state branches of the Institute for the Formation of Leaders, which aims to train leaders in the business field, also belong to Rede Liberdade.
In the student environment, Students for Liberty Brasil operates in the student environment. It’s one of the largest student organizations in the SFL network.

Unrelated to Rede Liberdade, there is the Instituto Liberal do Nordeste, one of the oldest among the young liberal institutes, and other local institutions, such as the Instituto Libercracia, in Pernambuco. Also unrelated to Rede Liberdade is the Movimento Brasil Livre (MBL), a national movement that led street demonstrations against the government of President Rousseff, publicly expressing an identification with liberal agendas and electing candidates linked to its coordination by different parties. And throughout the Jair Bolsonaro administration, the MBL has taken a position against President Bolsonaro.

**Final considerations**

In the academic and intellectual field, liberalism is far from being dominant in Brazil, even in the economic area. However, there are institutions that share experiences and initiatives with the purpose of promoting the dissemination of liberal ideas in a more consistent way. This cooperation among liberals is unprecedented in Brazilian history.

A native liberal tradition goes back to the circumstances that led to the foundation of Brazil as an independent country. The tradition coexists with cultural challenges that keep it from fully embedding in society and in the conduct of institutions. These challenges make Brazil, from time to time, experience cycles of intensification of authoritarianism and institutional ruptures. However, since the country officially appeared in 1822, there has been no historical period in which there were no active liberals, either politically or economically, fighting for the fundamental ideas of liberalism in the face of great obstacles.

The future of Brazilian liberalism depends, in part, on not losing sight of the efforts and contributions of that tradition. At the same time, the foreign perception of liberalism in Brazil will always be deficient if it does not incorporate awareness of the relative antiquity of liberalism in the country.

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