

Converging Paths: How China's History Can Shed Light into the Class Structure of Brazil

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Resumo

O Brasil e a China são dois países com histórias nacionais distintas. Entretanto, a expansão do modo de produção capitalista aproximou essas sociedades de maneiras diretas e indiretas. Problemas econômicos, sociais e políticos dessa fase da história passam a serem comuns entre várias sociedades únicas, mas conservando suas particularidades. Neste trabalho, nosso foco é uma comparação entre as classes dos compradores na China e no Brasil, relacionando com a formação histórica de cada um e qual sua função política desempenhada através do tempo. O objetivo é demonstrar o que é possível compreender da história brasileira através da chinesa, mas ainda assim, sendo claro sobre quais as diferenças existentes.

Abstract

Brazil and China are two countries with distinct national histories. However, the expansion of capitalism's mode of production brought these societies together in direct and indirect ways. Economic, social and political problems of this history's phase became widespread between several unique societies, but still keeping their particularities. In this paper, our focus is to compare the class of the compradors in China and Brazil, relating their position with the historical formation of each country and what was their political function throughout time. The goal is to demonstrate how it is possible to understand Brazilian History through Chinese History, but still being clear about the existing differences between the two.

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In 1959, the Brazilian sociologist Gilberto Freyre wrote a piece called "*Why a Tropical China?*". The world-renowned intellectual proposed paths that could compare Brazil and China, both from current situations at the time and shared customs throughout History. According to him:

Why call Brazil "Tropical China" when, unless by its territorial extension, by its power of cultural assimilation and a few Oriental traces that can be found in the Brazilian Civilization, our country is so different from both the ancient and modern China? Probably because there has always been in Brazil something Oriental contrasting with its Occidental characteristics [...] Also, it may possibly contribute to certain similarity of Brazil and China the current tendency by a great number of Brazilians to consider their tropical Amazon

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

forests and all that they contain, specially oil and minerals, as nearly sacred resources, that must be touched only by Brazilians themselves. A kind of Nationalism that is under the aspect of intense Yankee phobia. It must also be taken into consideration other Brazilian's attitudes that are not included among the economical "nationalists" of narrow views, but who think that there must be something specific in certain social, cultural customs, exclusive to Brazil or Tropical America. Customs that should be preserved from Yankee-style standardization. (FREYRE, 2011 [1959], p.182-183).

Freyre's analysis comes from a unique point in Brazilian History – son of sugar mill's landowners that were impoverished and striped of power after major economic and political changes witnessed from the 1880s onwards, his writings carry an implicit rejection of the anti-US sentiment and the rise of a left-wing Nationalism that at the time culminated in the João Goulart Presidency. What Gilberto Freyre's words demonstrate is a continuum that ties the Brazilian ruling class to foreign interests – cultural and economic.

The first concrete evidence supported by Freyre to relate Brazil and China's history comes from the political situation both countries found themselves in at the time of this quote. His rejection becomes clearer and clearer in the following pages as, according to him:

The current Yankee phobia in Brazil has its roots beyond Russian-Communist propaganda – and, ultimately, also Chinese-Communist [...] The mistakes practiced by the United States in relation to Brazil serve to stimulate Yankee phobia and the Communists skillfully manipulate it against the 'Imperialist Yankees', as if Soviet Russia isn't today an imperialist power and China doesn't plan to be a third (FREYRE, 2011 [1959], p.201). Communism, especially the oriental or Asiatic type is not the solution to Brazilian problems [...] [the country's land reforms needs] a serious effort benefiting agriculture's industrialization and mechanization, on which the Free-Enterprise can actively participate (FREYRE, 2011 [1959], p.208).

While Freyre's assessment of the troubled US-Brazilian relations was correct, being a member of the Brazilian ruling class made him politically opt for a national-bourgeois led transformation of the country – reflecting his personal and class interests, condoning the Socialists countries of the time, and also rejecting any sort of anti-US sentiment.

Freyre's contradictory stances come from a specific time in Brazilian History, filled with transformations that changed the fabric of society from top to bottom. In fact, Freyre can be identified as a remnant of the ruling class, rather than its dominant form since then. We say this because Gilberto Freyre was a Minister of the Getúlio Vargas presidency – a right-wing Nationalist government.

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

In 1964, not many years after Freyre's book was published, a military coup d'état sponsored by the U.S. ended prematurely the João Goulart Presidency. At the time, it wasn't clear the path that was taken until that moment, and several interpretations were produced to understand the political turmoil the country was thrown into.

In 1966, Brazilian intellectual Caio Prado Jr. published "*The Brazilian Revolution*". Reflecting on the country's political history, Prado Jr. launched a different diagnostic regarding the very nature of the nation's situation – for the first time in Brazilian History, an effective comparison between Brazil and China was made, one that did not slandered the other country's experience, but rather learned from it. Understanding the Revolutionary process in China, Prado Jr. argued against the mechanical interpretation of the time – that the country had a national bourgeoisie and a *comprador* class; in fact, due to Brazil's unique historical formation, the Brazilian bourgeoisie was, effectively, entirely composed of *compradors*.

But, how are these comparisons made, and how can they shine light into Brazil's class structure? To answer this, we must first discuss what a *comprador* is; then analyze Brazilian and Chinese History to finally be able to answer this question.

The historical roots of the *comprador*

Capitalism is a fairly old mode of production – Karl Marx states that the earliest forms of capitalist production can be found in some XIV Century Italian cities, but that the Capitalist Era only effectively began in the XVI Century (MARX, 2013 [1867], p.787). While the mode of production's history may be fairly old, its path towards hegemony was a slow process.

The rise of the so-called 'global market' must be put in proper perspective – up until the XX Century, some highly productive and technologically advanced industries coexisted with primitive forms of production, and the mode of production's consolidation is – before anything – a XIX Century phenomenon after the British Industrial Revolution and the French Bourgeois Revolution, which marked the definitive end of feudalism's domain in economy and politics respectively.

What must be understood from this is – while with its fair share of bumps in the road, the rhythm which capitalism penetrated other economies was an uninterrupted and

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

an irreversible process, and in each moment, it involved several forms of penetration, consequently, of transformation (HOBSBAWM, 2017, p.107).

From this, we can argue that in this continuous process, there was still room for distinct strategies adequate for each place's situation, but relying on key figures:

Britannia may have ruled the waves, but when it came ashore for either formal or informal rule it needed local allies who could serve as intermediaries in controlling complex, often volatile populations [...] The support of these local elites sustained the steady expansion of the British Empire for two hundred years (MCCOY, 2017, p.50).

While the emphasis here is on the now-defunct British Empire due to its predominant status in the XIX Century in carrying the mode of production forward, this is nothing but a mere chapter on the path until today. Instead, the first forms of dominance found by capitalism come from Portugal and Spain – countries that Britain, France, the Netherlands and Germany relied on their historical experience to push their own agendas (PRADO JR., 2008).

Portuguese contacts with African kingdoms and nations initially relied on the local rulers' permission to do so in the first place; Portuguese traders taught their language to locals or dropped white convicted men hoping they could meddle and adapt in the new society (RUSSELL-WOOD, 2014, p.34). In Asia, similar strategies followed, and the spearheads for Portuguese penetration in India, China and Japan relied on the preaching Christianity works of the Jesuit Order and the political efforts to establish trade posts.

After 1640, the relevance of Portugal to the capitalist mode of production's expansion dwindled; due to treaties signed with France, England and the Netherlands, nationals from these countries gained access to Portuguese harbors and networks across Asia and Africa, building their own empires under their predecessors' efforts.

With the ascension of the Industrial Revolution and free-trade stage of capitalism in the late XVIII Century these countries' relations towards other nations became increasingly more aggressive and imperious. While in the mode of production's dawn centuries before, the main goal each one strived for was the mere exchange of valuable commodities, from these new conditions onwards, the export of commodities – rather than their exchange – became a necessity for capital's expansion to avoid its constant cycles of boom and bust in Europe.

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

It is during this period that we see in South America a massive shift in trade policy – with the newly independent nations of the continent adhering to free trade in exchange for sovereignty recognition by Great Britain. In Asia, the confrontation between this new phase of capitalism and different countries with their endogenous economies followed bloodier paths – in the case of China, these paths were after the First Opium War and the several unequal treaties signed between the Qing dynasty and European powers.

During the late XIX Century, the cycles of boom and bust of capitalism created entire new conditions for the production and circulation of capital:

(1) the concentration of production and capital has developed to such a high stage that it has created monopolies which play a decisive role in economic life; (2) the merging of bank capital with industrial capital, and the creation, on the basis of this “finance capital”, of a financial oligarchy; (3) the export of capital as distinguished from the export of commodities acquires exceptional importance; (4) the formation of international monopolist capitalist associations which share the world among themselves, and (5) the territorial division of the whole world among the biggest capitalist powers is completed. Imperialism is capitalism at that stage of development at which the dominance of monopolies and finance capital is established; in which the export of capital has acquired pronounced importance; in which the division of the world among the international trusts has begun, in which the division of all territories of the globe among the biggest capitalist powers has been completed (LENIN, 1916).

After briefly glanced all this information concerning capitalism's development until the late XIX Century, we must then come to the important points of this study. Capitalism saw three big, distinct stages: a first phase, led by Portugal and Spain, that created laid de groundwork for the mode of production's consolidation in the Americas, Africa and Asia; in this phase, capitalism isn't a mode of production *per se*, but rather coexists with the predominant feudal economy and politics. The second phase, pioneered by Britain and France, occurs as a consequence of primitive accumulation, in which the first forms of industry and generation of *surplus value* were possible – Europe no longer searches for trading commodities hoping to obtain any sort of *surplus*, now it can manufacture it, and the decisive point for growth is how many countries can open their ports for foreign commodities. The third and last phase is Imperialism, where small enterprises are no longer predominant, and capitalism has become a conglomerate of monopolies striving for dominance over one another, a phase that is still ongoing, despite several internal changes since then.

It was mentioned during the first phase – led by Portugal – that capital's penetration in another nation wasn't a simple process, because it relied on having some

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL
CIRO BARRETO MOREIRA**

sort of collusion between Portuguese traders and local classes. These first forms of cultural assimilation created a distinct class throughout the places where European and other nations meet, and this new class' role is dependent on the current stage of capitalism – these are the origins of the *comprador*, a Portuguese word which the literal translation is “*the one who buys*”.

During capitalism's early stages, the *comprador* – although not yet called by this name – existed mainly to facilitate contacts and promote basic exchange of commodities which were valued at the time. After the Industrial Revolution, capitalism entered its new phase where instead of merely exchanging goods according to their demand and price, the new foundation for the mode of production's expansion was the export of European-made commodities. In the last phase, it also kept this characteristic, but also incorporated two more – the *comprador*'s aid to divide land according to foreign interests he was linked to, and subsequently, to promote exportation of capital:

In 1840, the armed imperialist forces of England invaded China, sparking the Opium Wars and forcing China to sign the first of the unequal treaties – the Nanjing Treaty. This was accompanied by the Anglo-French War against China in 1857, the Sino-French War in 1884, Sino-Japanese War of 1894, the Eight Powers' War against China in 1900 and the annexation of the Shandong Province by Japan in 1914. Through these wars and other methods, foreign aggressors grabbed China's territories, extorted 'indemnities', obtained privileges to station troops in Chinese soil, to establish banks, trading companies and factories, controlling commercial harbors, communication lines, customs administration, and also established the 'spheres of influence' through which could manipulate Chinese internal affairs and reduced the country, politically and economically, to the condition of a semi-colony (HU, 2018 [1951], p.18-19).

From this process, we can end this part understanding where the *comprador* historically comes from, and how they politically acted:

What is the condition of each of the classes in Chinese society? [...] In economically backward and semi-colonial China the landlord class and the comprador class are wholly appendages of the international bourgeoisie, depending upon imperialism for their survival and growth. These classes represent the most backward and most reactionary relations of production in China and hinder the development of her productive forces. Their existence is utterly incompatible with the aims of the Chinese revolution. The big landlord and big comprador classes in particular always side with imperialism and constitute an extreme counterrevolutionary group (MAO, 1926).

Capital's road to hegemony: the development of capitalism in Brazil

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

While we may have seen bits of capitalism's history to understand the *comprador*, so far our considerations explain little to its particular development in Brazil and China – more specifically, what countries have and don't have in common. Distinct historical formations create distinct relations to capital, and to reach any sort of conclusion in this paper, these peculiarities must be further examined. This historical analysis isn't a complete understanding of Brazil and China's history; actually, it is the bits and pieces that contribute to the overall interpretation of the point in question.

The beginnings of Brazil's colonization comes from an unique starting point in the history of European expansion – the maritime voyages of the late XV Century followed the development of continental trade one century before (PRADO JR, 2008). The Portuguese's travels to Africa sought to reduce the overall price of spices and exotic commodities by buying them closer to production centers. While Portugal's goal was to circumnavigate Africa to reach India, Spain opted to sail across the Atlantic Ocean, hoping to eventually reach India, but ending up in the Americas instead.

While Portugal still tried to reach India, Spain immediately established a permanent presence in the newly discovered continent. The conquest and pillage of the Aztecs and Incas by the conquistadors Cortéz and Pizarro ensured a massive influx of cheap silver to the Spanish monarchy, catapulting it to become one of the richest kingdoms of Europe at the time. Portugal, seeking to enrich from the same silver, announced its claims on the Americas by the Treaty of Tordesillas in 1494, and officially discovered Brazil in 1500. Although having claims and having readily started some sort of local presence through the creation of *feitorias* – trade posts between the Portuguese and natives – gold and silver were not found in large quantities necessary to justify an effective colonization effort (PRADO JR, 2008).

But the constant presence of French pirates forced Portugal to create the first forms of permanent settlement – politically, the Hereditary Captaincies; economically, the large sugar cane plantations. The first challenges to colonization came from the kingdom's problems: Portugal didn't have a substantial population, nor a rural exodus phenomenon. Most of the country's nobles and rich traders preferred to invest and venture into Africa and India than Brazil; therefore, the only conditions that could spark interest was the concession of land and a somewhat lucrative investment – in this period, these investments were sugar cane plantations due to the high demand of refined sugar.

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

With these conditions, the first phase of Brazilian economic development occurred with the following characteristics: (i) belongs to the Commercial Revolution of the XIV-XVI Century; (ii) it is a commercial enterprise of large proportions; (iii) production is based on an agrarian economy; (iv) production of tropical commodities; (v) production is made with primitive, low level techniques; (vi) production is destined to the foreign market; (vii) as a result, the economy was susceptible to constant crisis related to capitalism's boom and bust cycles; (viii) the only way this production was possible with such low techniques employed was through extensive agriculture, resulting in latifundiums; (ix) due to Portugal's scarce population, the necessary labor force couldn't be found on the country, having to resort to slavery; (x) therefore, the means of production are only two: the land and the slave, both being commodities; (xi) this resulted in wealth inequality; (xii) predatory economic activities and (xiii) early formation of monopolies (SODRÉ, 1978, p.72).

In this way, economic surplus had two origins during the Colonial period – the first was through the overexploitation of the slave, the second was through circulation of commodities through the Atlantic Ocean. With these characteristics, the development of Brazil's economy was completely tied to the development of capitalism in Europe, and this is evident from some specific moments in time: in the late XVI Century to the mid-XVII, the sugar boom propelled the economic growth of Brazil to produce just one high-demanded commodity. After the Dutch Invasions of Brazil in 1630, the region lost its dominance in this commodity's production, having to compete with cheaper sugar from the Caribbean.

In the late XVIII Century, the Industrial Revolution of Great Britain raised drastically the demand for cotton; after the American Revolution that consummated the colony's independence, Britain's need was satisfied by Brazil – Pernambuco, the third most economically important province at the time, and the second biggest producer of agrarian commodities went from 26.7 tons of cotton produced in 1780 to nearly 3 million in 1807 (MOREIRA, 2019). But after the turn of the XIX Century and warmer relations between the United States and Britain resumed, Brazil's cotton production dropped sharply.

Economically, this means that since the earliest beginnings of Brazil's colonization, the overall economy's well-being was intrinsically related to Europe, therefore, traders and landowners always had as their interest the maintenance of

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

networks between them and their European counterparts. This also meant that during periods of crisis or when the economy didn't produced enough surplus and generated widespread debt – such as the years between 1801 to 1806 (MOREIRA, 2019) – the local traders and landowners' creditors were Metropolitan traders and bankers that could hold them accountable for financial losses.

So far, we have only understood Brazil's ruling class' economic relations, but haven't yet dwelled into its political form. Because from this point onwards, a comparison with China is useful, and where differences are more noticeably present.

A key part in the Chinese Revolution's history was the role played by the country's bourgeoisie – while it was mentioned that *compradors* worked on behalf of foreign interests, the country had a national bourgeoisie that developed after 1860 (HU, 2018 [1951] p.19). This class had both right and left leaning members and stances, therefore, it was simultaneously a potential ally and enemy:

Who are the people? At the present stage in China, they are the working class, the peasantry, the urban petty bourgeoisie and the national bourgeoisie. These classes, led by the working class and the Communist Party, unite to form their own state and elect their own government [...] The national bourgeoisie at the present stage is of great importance [...] China's modern industry still forms a very small proportion of the national economy. To counter imperialist oppression and to raise her backward economy to a higher level, China must utilize all the factors of urban and rural capitalism that are beneficial and not harmful to the national economy and the people's livelihood; and we must unite with the national bourgeoisie in common struggle. Our present policy is to regulate capitalism, not to destroy it (MAO, 1949).

Here, the biggest differences between Brazil and China shine strongly. To resist imperialist aggression, several classes of China united – although these alliances not always were warm – but, this never meant that the Chinese Revolution was led by the national bourgeoisie: *“The people's democratic dictatorship needs the leadership of the working class. [...] In the epoch of imperialism, in no country can any other class lead any genuine revolution to victory. This is clearly proved by the fact that the many revolutions led by China's petty bourgeoisie and national bourgeoisie all failed”* (MAO, 1949).

In Brazil, the country's class structure was completely different than of that of China. In fact, the country's national bourgeoisie never fulfilled its historical role to develop productive forces, but always choose to side with foreign interests. But let us not get ahead of our analysis, and return into an inquiry about historical roots.

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

It is already clear that Brazil's ruling class was economically tied to foreign interests since its conception. However, this does not mean that class struggle in Brazil couldn't have lead into a different scenario overall.

In the early XVI Century, there was no major different cultural traces that distinguished both Brazilian and Portuguese land-owners, in fact, some historians prefer to refer to them as 'Luso-Brazilians'(MELLO, 2007), with both being one and the same. But this situation drastically changed until the XIX Century's beginning.

The Dutch Invasions of Brazil produced the first different understandings of identities – the Portuguese crown at the time did not pay attention to liberate the colony from Dutch rule, so the local landowners were responsible for most of the war effort. When the invasions ended in 1654, these local landowners expected proper rewards for their contribution, but the Portuguese crown choose to side with Portuguese traders, granting them with properties, noble titles and public positions. This process culminated in the 1710 skirmishes between Brazilian-based landowners and Portuguese traders that signaled the first political and cultural rupture, despite both still being economically tied (MELLO, 2003).

In 1808, because of the Napoleonic Invasions of Portugal, the Portuguese crown fled to Brazil, fixing their residence in Rio de Janeiro. This event changed the country's history in ways difficult to synthesize – the national economy became more integrated and public institutions were refined. But for our purposes, what must be stated is that the Court's arrival was largely funded by the different provinces, what caused massive discontent among the free population. Furthermore, the impacts of the French Revolution and the dissemination of Liberalism created the first forms of political upheaval.

Two of the first major uprisings were the "Conjuração da Bahia" of 1798, and the "Pernambucan Revolution of 1817"; these are just two of a series of revolts that stretch until the 1850s. Both of these constituted major threats to the Portuguese crown's rule, and although with different paths followed, all searched for some sort of political independence. But due to both swift and aggressive reaction by the King and the revolts' fragile class composition, especially regarding the continuation of slavery, none of these revolts were successful. What in fact happened was the destruction of the province's independent political projects by the crown, with the latter being supported by the landowners based in Rio de Janeiro (SODRÉ, 2011 [1962], p.111). It was a

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

second colonization, where politically and culturally, each province's ruling class was being amputated by the Rio one.

Why is this important? To differentiate between China and Brazil, it is necessary to make these distinctions – beyond being tied economically tied to Europe, by the 1850s, Brazil had lost its provinces' identities. There was no room for a national bourgeois class – nor economically, neither politically. When Great Britain's capital started to penetrate Brazil from the 1820s onwards, it slowly co-opted Brazil's ruling class, reducing it to a *comprador* one. Therefore, Brazil had the *compradors*, but differently than China, did not have a national bourgeoisie.

This historical problem is fundamental to understand recent Brazilian political history – between the 1930s up until the mid-1960s, the country was able to promote its first experiences of independent industrialization following the Second World War. Simultaneously, the impact of the Russian and Chinese Revolution warmed the country's working class' mood; as a consequence, this entire period, especially after 1945, the possibilities and expectations of a revolution were high.

What was unclear at the time was how the revolution could be made in the country – nor a complete application of Soviet Marxism-Leninism that stormed Europe, nor a similar path to the Asiatic experiences of China, Korea and Vietnam. Due to the unique historical formation of Latin America, analogy had several limitations in promoting a clear interpretation and, subsequently, creation of a political program.

At the time, one of the predominant interpretations regarding what role capitalism and the bourgeoisie still had to fulfill was of a two-stage revolution: firstly, a bourgeois-democratic revolution led by the country's capitalists; only after capitalism's consolidation could the possibilities of a socialist revolution occur.

Here, another difference with China can be identified – while in the latter the bourgeoisie still had a role to the nation's development, in uplifting the productive forces and generating the overall wealth, this never meant this class was in control of this process, but actually was being used with this intent. In contrast to Brazil, misunderstandings of Marxist theory combined with class interests created a deviation from this similar successful path at the time – the bourgeois-democratic revolution should be led by the bourgeoisie; in essence, what Brazilian communists at the time were upholding was capitalism's strengthening, not its regulation.

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL
CIRO BARRETO MOREIRA**

During the 1920s and 1930s, Imperialism's penetration in the country was divided between British, French and American capital – energy, telephone lines, transportation, natural gas and railways were monopolized by the British-based 'Light' company; the production of oil and fuels was dominated by the American 'Standard Oil Company' and 'Anglo Mexican Petroleum Company' (BRANDÃO, 1928).

It is not by accident that the first loan, already over a century old, but still not paid, was made in England [...] (BRANDÃO, 1928, p.41). Through loans, English Imperialism is the owner of over 5 million contos [de réis] employed in Brazil. The Brazilian bourgeois-feudal State is, firstly, a satellite of English finance. Through America Fabril, English Imperialism dominates the largest textile company of the country. Through the Institute of Coffee's Permanent Defense, English Imperialism dominates coffee's valorization. Through the Brazilian Coffee, English Imperialism vassalized millions of São Paulo's coffee makers. Through the São Paulo Railway, English Imperialism took over the Brazil's main coffee cultivation zone. Through the Leopoldina Railway, English Imperialism dominates almost 3 thousand kilometers of important areas, be it coffee, sugar or dairy producing ones. Through the State of Bahia South Western Railway Co. Ltd. English Imperialism is the lord of the richest cocoa producing region in Brazil. Through the Great Western, English Imperialism owns the richest sugar producing region in the country (BRANDÃO, 1928, p.82-83)

Through these informations, we know that in the early XX Century, Brazilian economy was largely dominated by foreign capital, mainly British. During the Getúlio Vargas Era, Brazilian capital was able to somewhat be a form of national capital, although it was never individually strong to exist without the support of State-owned companies; furthermore, the possibilities that made this possible were, firstly, foreign political phenomenon and later internal transformations. After the Second World War, British and French capital quickly retracted, being overtook by the American one and needing to rebuild the war torn countries. In this process, Latin America's link to Europe was greatly weakened due to both these circumstances and Getúlio Vargas' effort for national industrialization.

But, due to Marshal Eurico Gaspar Dutra's Presidency, the country embraced warmer relations with the United States, which recreated the groundwork for foreign penetration; a few years later, the Juscelino Kubitschek Presidency organized a massive development effort under the slogan "50 years in 5". But, due to Eurico Gaspar Dutra's previous influence, and the always hovering presence of American capital, Kubitschek's plan for development involved joint-ventures with American companies, therefore, multinational and associated investments grew rapidly and stably during this period

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

(DREIFUSS, 1981, p.71), instead of making the country more economically independent, it reiterated foreign dominance.

These foreign interests worked in the government's decision process through supposedly neutral technical evaluations and consultations necessary to the development goals' fulfillment. What this effectively created was a political bloc composed of Brazilian and foreign businessmen at the top, mainly composed of owners and directors of multinational enterprises; just below them, a highly qualified stratum of public and private administrators and technicians, and lastly the cooptation of military officials that happened under the private sponsorship of military education (DREIFUSS, 1981, p.71).

As Uruguayan sociologist René Armand Dreifuss puts it:

Monopolistic transnational capital formed a new bloc of power based not only in its volume, concentration degree and capital integration, but also on the quality of its administration and political organization, as well as oligopolistic infrastructure. With the economic prominence established by monopolistic capital, the differences between big financial-industrial complexes of national or associated character and foreign capital became indistinct. Transnational and national ventures of great scale, acting together as a bloc of power, tried to flank the political-economic restrictions of populism while they mined the political system and the traditional regime (DREIFUSS, 1981, p.104).

In fact, capital association and concentration during this period became so big that out of the 276 multi-millionaire groups that acted in Brazil, 68% were co-opted by foreign capital:

Table 1. Penetration of Foreign Capital in Brazil during the 1960s.

	Foreign Groups	National Groups with Foreign Capital	National Groups
Capital	Number/%	Number/%	Number/%
900 million to 4 billion Cr\$	77/34,9	66/29,9	78/35,2
Above 4 billion Cr\$	31/56,4	15/27,3	9/16,3
Total	108/39,1	81/29,3	87/31,6

Source: René Armand Dreifuss.

These statistics provide a more concrete view into Brazil's private economy at the time – entirely foreign-owned groups accounted for nearly 40% of the biggest enterprises in the country, and Brazilian ventures tied to foreign capital corresponded to 1/3 of the total groups. Meanwhile, entire Brazilian national groups also accounted for over a little 1/3, but with proportions disfavoring their position, as they only composed

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

16,3% of the multi-billionaire groups. Therefore, Brazilian capital was largely smaller and restricted in its overall terms of economic power, being cast away by foreign capital.

This meant that while during the 1920s and 1930s, Brazil's economy was largely dominated by Great Britain, but this domination was also constantly competing with other imperialist nations – namely, the United States. Because of the Second World War, the nationalistic period of Brazil was able to somewhat promote industrialization and expand national capital. After the war's end, British and French imperialism's retraction was quickly taken over by the United States' presence in Latin America. The less than two decades of nationalistic administration were not capable of solving centuries-old contradictions that stretched from colonial and imperial times, nor strengthening Brazilian capital's overall position against foreign one.

With this, we can go back to this paper's first paragraphs concerning the 1964 coup d'état. Now we have sufficient historical background to understand what happened at the time, and finally bring the proper interpretations that merge Brazil and China together.

The 1964 coup d'état: fears of the red menace and the Brazilian compradors in action

In 1959, the Cuban Revolution's impact in South and Central America shook the entire foundation of the U.S.'s dominance in the continent. From this moment on, American foreign policy adopted a more hardline approach when handling political transformations and upheavals.

In the 1960 elections, Jânio Quadros, after his famous persecutions of communists in the years before, won the presidency with an agenda that pleased both Brazil's middle and ruling classes. But, simultaneously, João Goulart, a leftist sympathizer, won the vice-presidency. Jânio publicly followed a neutral foreign policy – and reproached relations with the Soviet Union, China and Cuba. Due to the overall politic turmoil at the time due to the Brazilian working class' high expectations, the United States adopted a hostile and sabotage policy against Jânio Quadros, and in 1961, the president renounced his position. The fact was that the United States was not ready to accept another Cuba in the continent (SPEKTOR, 2018).

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

Concomitant to his resignation, vice-president João Goulart was at an official visit to China to meet with Mao Zedong, Zhou Enlai and Liu Shaoqi. Jânio's unplanned resignation coincided with what seemed the union of two non-aligned, sovereign countries. The Brazilian ruling classes feared for the worst, and tried to promote a first coup against João Goulart, that was only allowed to return to Brazil by the governor of Rio Grande do Sul that armed the population in his defense.

The João Goulart Presidency was short-lived, but at the same time, sought to promote radical transformations in the country's social fabric – minimum wage was doubled, the Parliament's influence was reduced, a Three-Year Plan was launched to organize a rural and urban reform, among other policies. The rapid changes sparked a widespread fear among the ruling and middle classes that Brazil could turn into a new Cuba, and the political-economic bloc that had been building itself since the end of Getúlio Vargas' government took swift action to sabotage the country's sovereignty in April 1 1964, making the coup d'état. It is by no accident that American ambassador Lincoln Gordon wrote in the same year: *"If our influence is to be brought to bear to help avert a major disaster here—which might make Brazil the China of the 1960s"* (GORDON, 1963)

While U.S. meddling in 1964 is clear – both politically and economically, what many failed to recognize at the time was to expect a political reaction of a supposed national capitalist class – this was due to the erroneous policy followed years before. In fact, the official Brazilian Communist Party's opinion at the time was: *"It is imperative [...] to free Brazil from the American Imperialism's yoke and carry out radical democratic transformations in the country that can put an end to oppression"* (PRESTES apud PRADO JR, 2014, .67).

The necessity for resisting American Imperialism was, paradoxically, to promote Brazil's national capital and democracy ruled by these oligarchs. In this process, the erroneous diagnose, thinking that at the time there was still a big rift that separated Brazilian and foreign capital, which has been shown already to not be the case.

But, in 1964, there were no interpretations that searched for this – instead of pushing for the radical rupture with the military dictatorship from the very beginning; the defense of the defunct bourgeois democracy was the main political agenda. The difficulties for making such a rupture were understandable – there wasn't enough knowledge regarding Brazil's relation to foreign capital, nor there were similar political

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

experiences that the country could relate. By all means, understanding the current political process was a task which had few parallels in history.

So, when in 1966, during the debates regarding the possibilities of the Brazilian Revolution, Caio Prado Jr. argued the following:

[...] In Tsarist Russia and Asian countries, we observe a specific line dividing the following classes and social categories in which their position and political, economic relations result in some of the most important revolutionary tensions and impulses: the large landowners, which in Brazil are referred to as the feudal lords of Russia and Asian Countries; a retrograde bourgeoisie connected to these landowners and allied to imperialism and, finally, a progressive fraction of the bourgeoisie and possible ally of the peasantry and workers in the bourgeois-democratic revolution, the so called "national bourgeoisie" [...] All these groups that constitute in Brazil, the economic, financier, social and politically dominant class are composed by the same category of individuals [...] The interests of these individuals naturally differentiate only in what concerns their private business and financial level. But don't have a distinct class position of social category [...] They are all businessmen, bourgeois, capitalists [...] that don't differentiate between themselves except by their activities and size of their businesses (PRADO JR, 2014, p.71-72).

Furthermore: *"From this, there is no basis for establishing political-social distinction, of structural nature, between the sectors and social categories of Brazil"* (PRADO JR, 2014, p.71). A previous learning experience from Brazilian Communists searched to mechanically transport China's history into the country – searching for a *comprador* bourgeoisie equal to the one found in Asia – but this was vastly wrong because of two things: i) Brazil developed intrinsically with the capitalist mode of production, therefore, its class structure always had the presence of the bourgeoisie, although their shape changed during time; ii) the effect of Imperialism didn't create a *comprador* class on one side and on the other a national bourgeoisie, similar in what happened to China; the penetration of foreign monopolies turned the entire bourgeois class of Brazil into large *compradors* that enriched themselves together with foreign capital – in one phase, just selling raw materials, in others, starting industrial ventures.

[...] the different sectors of the Brazilian bourgeoisie evolved in parallel, or even as a sole class maintained on the basis of the same productive system and constellation of interests. Not even the impact of capital and foreign ventures, including in its most evolved and recent phase, that is the imperialism in its apogee, introduced, like in other places, a disaggregating effect and capable of generating contradictions. This is due to the particular circumstances that Brazilian economy's integration into the international capitalist system that happened in imperialism, and its subordination to this system [...] This is the main circumstance that makes Brazil so vulnerable to

**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA

international financial capital's penetration when capitalism reaches this phase of its development. The country turns immediately and automatically, without resistance, into an easy open field for their operations (PRADO JR, 2014, p.116).

Now, it is clear the role the *comprador* class – which is practically the whole country's bourgeoisie' – in the 1964 coup. But this understanding was only possible after decades of studies regarding this traumatic moment in the history of the country, but it doesn't relate to the present. The conditions in which this new class formation was created hasn't been surpassed, therefore, their existence still occurs. For this, there is no current study searching for this answer, but there are glances on how they operate in this new phase: Today, there is no need between foreign and the country's ruling class to promote industrialization, since the rate of profit in this regard is not the highest. After the Plano Real, speculation and public dividends, sponsored by high interest rates from the Central Bank became the highest grossing forms of capital accumulation.

What is possible to certain is – Brazil has a national history substantially different from China, but analogies are possible. If it is possible to understand Brazil through China's clashes with Imperialism, the same can't be said for the inverse situation – the conditions which Brazil finds itself in haven't been surpassed, while China has. The challenges that face the latter are entirely different from the former; because they situate in distinct phases of class struggle, their experiences are not mutually relatable.

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CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL
CIRO BARRETO MOREIRA

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**CONVERGING PATHS: HOW CHINA'S HISTORY CAN SHED LIGHT INTO THE CLASS
STRUCTURE OF BRAZIL**
CIRO BARRETO MOREIRA