

BOOK VI

EARLY YEARS OF THE
ESTADO NÔVO, 1937–1938



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“Old institutions which, up to now, were the bases of social and political organizations, are in bankruptcy. People are seeking new forms. . . . We are not concerned with the internal structures of other countries, just as we do not accept foreign interference with our organization.”

1. November 10, 1937



EARLY ON THE rainy morning of November 10, 1937, troops guarded the doors of the Senate and Chamber of Deputies, preventing legislators from entering. The troops were those of the Federal District police force, Dutra preferring not to have the Army close Congress.¹

There was no great national outcry. Eighty federal legislators signed messages congratulating Vargas. Only six, including congressional president Pedro Aleixo, sent messages opposing the coup, but the number would have been greater had not Armando de Sales *deputados* been confined incommunicado at their residences.

The Armed Forces, the military ministers maintained, had not assumed the initiative and were only backing a decision made by the head of the nation and the politicians.² Among the few objecting military men were Colonel Eduardo Gomes, who resigned his post at the First Aviation Regiment, and five generals, some of whom were relieved of their

¹ Hélió Silva, Part 11 of “Lembraí-vos de 1937,” *Tribuna da Imprensa*, Rio, October 26, 1959.

² *Ibid.*

duties in accordance with an article of the new constitution which allowed the regime within its first sixty days to "retire" whomever it wished.

At a meeting of generals in the War Ministry on the morning of the tenth Dutra stated that the nation would get its constitution within ten minutes. He was right.³ Presses had been at work turning out copies of the extraordinary brain child of Francisco Campos. The Constitution of 1937, which would have satisfied the most ambitious dictator, was decreed by Vargas as effective at once. It was signed at Catete Palace by all the Cabinet ministers except Agriculture Minister Odilon Braga, who resigned. As he was a Mineiro this gave Vargas the opportunity of satisfying the Partido Republicano Paulista and repairing the lack of balance which came about when Francisco Campos, a Mineiro, replaced Macedo Soares.

At Guanabara Palace early on the evening of the tenth Vargas addressed the nation by radio. He assailed the 1934 Constitution and described Congress as having been "inoperative." The method of electing Presidents every four years, including the use of defective political parties, was called a calamity; "universal suffrage becomes the instrument of the most audacious and a mask which only poorly disguises the connivance of personal appetites and schemes." In a hardly just reference to Armando de Sales, Vargas stated that "only yesterday, culminating demagogic intentions, one of the presidential candidates sent a frankly seditious document to be read in the Chamber of Deputies, and had it distributed in the barracks."

Mention was made of the recent "state of war," requested by the Armed Forces "on account of the fresh outbreak of Communist ambition, favored by the confused milieu of electioneering meetings." "When political contests threaten to degenerate into civil war it is a sign that the constitutional regime has lost its practical value."

"Backed by the confidence of the armed forces, and responding to the general appeals" of his fellow citizens, Vargas explained that he was agreeing to sacrifice the leisure he had earned. With moral and political "deceptions" eliminated, the nation could go forward under the new Constitution, which, he declared (without accurately indicating what lay ahead), "maintains the democratic form." "Let us," he concluded, "restore the nation . . . letting it freely construct its history and destiny."⁴

Having thus ushered in the Estado Nôvo (New State), Vargas went

³ Lourival Coutinho, *O General Góes Depõe*, p. 317.

⁴ Getúlio Vargas, *A Nova Política do Brasil*, V, 19-32.

to the Argentine Embassy to attend a dinner to which he had accepted an invitation before knowing that the tenth would be the day of the *golpe*. Someone recalled that back in 1933, ten minutes after the granite slab at Petrópolis had brought death and painful injury to the occupants of the presidential car, Getúlio's pulse had been found entirely normal. An observer, impressed now with Getúlio's calm on November 10, wrote that "of all the living statesmen of the world today, Vargas is without doubt the coldest, most rational and cynical. Emotion of any kind he does not know . . . For him loyalty and consideration have no meaning."

Getúlio turned to the problems of organizing his team and dealing with "friends" and "foes," especially the Integralistas.

Valadares in Minas continued to be "governor," but elsewhere the state chief executives became *interventores*. Two governors were promptly replaced: Juraci Magalhães, because he resigned and because Vargas no longer wanted him; and Lima Cavalcanti, because he was deposed in favor of Agamenon Magalhães, one of the many admirers of the growing Nazi strength.⁵

José Américo returned to the federal Budget Tribunal as though nothing had happened. But Getúlio, military commanders, and the police regarded Armando de Sales and his Constitutional friends in São Paulo as dangerous, particularly as Júlio de Mesquita Filho was entirely disposed to fight again and had been in touch with Flôres da Cunha. Armando de Sales was "exiled" under guard to a mining town in Minas and told he could go to Europe any time he wished.

Abroad the reactions were various. The German press was delighted with the Brazilian step and described it as displeasing to the Pan-Americanism advocated by the United States.⁶ The president of the Italian Senate attributed the Brazilian change to the example of Italian fascism and the good work of Italian culture in Brazil. "The Integralista Green Shirts," he added, "are the sons or younger brothers of our glorious Black Shirts."⁷ It was predicted that the Brazilian Mussolini would early adhere to the Italian-German-Japanese anti-Communist pact.

In Washington, Senator Borah expressed his belief that the new Brazilian regime had every characteristic of fascism;⁸ and Senator Edward

⁵ Gilberto Freyre, interview, September 29, 1964.

⁶ Cable, Ambassador William Dodd, Berlin, to U.S. Secretary of State, November 12, 1937.

⁷ Ambassador Phillips' message from Rome to U.S. Secretary of State, November 18, 1937.

⁸ *Washington Post*, November 12, 1937.

Burke, recalling that Roosevelt had once praised Vargas as "one of the two people who invented the New Deal," hoped that F.D.R. would not follow the latest example set by his Brazilian friend. *The New York Times* editorially lamented Vargas' repeated suppression of political opposition and reported that in Washington there were "no cheers for the new regime."⁹ Getúlio, hoping to do away with some of the misconceptions, had a private talk with the new American ambassador, Jefferson Caffery. "It is laughable," Getúlio said, "to think that the Germans, Italians, or Japanese had any connection whatever with the recent movement; nor had the Integralistas in any way."¹⁰

Oswaldo Aranha had been promising Roosevelt and Hull that a normal election would be carried out in Brazil. In a conversation with Sumner Welles the Brazilian ambassador had forecast with pleasure the election of José Américo and had added that if Vargas tried to serve beyond his elected term, he would be obliged to oppose him.¹¹ The coup, accompanied by Getúlio's announcement that Brazil was suspending all servicing on foreign debts, was such a shock to Aranha that he resigned. He was soon getting cables from Catete Palace asking him not to be precipitous and presently he received the letter which Vargas, planning the coup for the fifteenth, had written to forewarn him.¹²

But Aranha returned to Brazil, and Getúlio's choice of him for Foreign Minister in March 1938 was the clearest sign that the *Estado Nôvo* was not out to abandon friendship with the United States or sign up with the Berlin-Rome-Tokyo Axis. At the same time this appointment built up a balance against the influence of Francisco Campos and helped keep Aranha from becoming, as Campos had feared, a "center of the opposition."

"Chico" Campos, regarded by many as a new power behind the throne, had first opposed Aranha's presence in the country during the "transition" period, and then he had tried to keep him out of the Cabinet. He busied himself promoting a totalitarian and nationalistic philosophy in Brazil. In his speeches and writings the former Khaki Shirt was fond of saying that the 1930 revolution had been thwarted by politicians. "Cen-

⁹ *The New York Times*, editorials, November 12, 14, and 22, 1937.

¹⁰ Cable, Ambassador Caffery, Rio, to U.S. Secretary of State, November 13, 1937.

¹¹ Memorandum by Sumner Welles on conversation with Aranha, October 18, 1937.

¹² Hélio Silva, Part 12 of "Lembra-vos de 1937," *Tribuna da Imprensa*, Rio, October 27, 1959.

turies of experience," he pointed out, "have demonstrated that the principle of liberty did not improve the lot of the average citizen or keep the strong from taking advantage of the weak. Only a strong state can guarantee to the individual the rights he ought to have."¹³

The old Partido Republicano Paulista (PRP) at last re-emerged after its seven-year eclipse. The new federal Agricultural Minister, Fernando Costa, had once worked with Washington Luís and Júlio Prestes. In São Paulo the Constitucionalista (Democratic) governor found his position untenable. His own party was furious with him for having supported Vargas in the events which preceded the coup of November 10, and the Republicans wanted a man of their own. Taking advantage of his shaky position, his own Secretary of Public Safety, with a good deal of backing in Rio, worked against him; and again the old cry went out for a "more legitimate" representative of the Paulista point of view.

Getúlio, listening to Rio Police Chief Müller and the São Paulo Public Safety Secretary, settled the matter in April 1938. The President was at São Lourenço in southern Minas on his fifty-fifth birthday when Müller brought the tall, dynamic Ademar de Barros of the PRP to call on him. Ademar, after completing his medical training in Germany, had participated in the Paulista rebellion of 1932, and in 1934 had shown his electioneering ability by trouncing a Democratic candidate in a race for a state assembly seat. Like Valadares in Minas, Ademar had not been a well-known figure, and his selection for the big job of São Paulo *inter-ventor* came as a disappointment to the hopeful José Carlos de Macedo Soares.¹⁴

¹³ See Francisco Campos, *O Estado Nacional e Suas Diretrizes* (Rio, 1937 edition).

¹⁴ Despatch from U.S. Embassy, Rio, to Secretary of State, April 29, 1938.

2. The Constitution of 1937

Those who read the Preamble to the 1937 Constitution found it similar to Vargas' nationwide broadcast of November 10. They learned that the President, with the backing of the Armed Forces, was putting the Constitution into effect to bring an end to disorder. Threats to peace included ideological conflicts, and "party dissensions, which a notoriously demagogic propaganda seeks to pervert into a class struggle"; also "the state of apprehension created . . . by Communist infiltration, daily becoming more

extensive and more profound, requiring radical and permanent remedies." Perhaps it was in consideration of this description that the Constitution in its next-to-last article declared Brazil to be in a state of emergency.

Although the Constitution's first article declared that political power emanated from the people, the question of whether the people were to have any voice at all depended on the President. It was up to him to arrange for a plebiscite to approve the Constitution; after such approval it was again up to the President to set a date for indirect elections for representatives to a National Parliament. The state of emergency, with or without a parliament, gave the President dictatorial powers which could not be touched by the judicial bodies.¹

As it turned out, Vargas showed no interest in holding a plebiscite, and so to look at the 1937 Constitution's provisions about elections and legislative bodies serves no purpose except to get an idea of what Vargas and Francisco Campos thought appropriate for the country in "normal" times. Presidential re-elections (the term was set at six years) were not ruled out. The contest for the Presidency was to be between only two candidates: one chosen by the President; the other chosen, twenty days before the expiration of the presidential term, by what political scientist Karl Loewenstein has called "an Electoral College of six hundred hand-picked men."²

In the Chamber of Deputies, made up of individuals chosen for four years by municipal leaders, no state was to have more than ten representatives or fewer than three. As Júlio de Castilhos might have wished, the chief function of the *deputados* was to initiate discussion of, and vote on, taxes and budget increases.

In addition, there was to be a Federal Council (made up of two representatives from each of the twenty states plus ten chosen by the President) to consider such matters as trade and international treaties. A National Economic Council (made up of representatives of the different occupations) was to push for the "corporative organization of the national economy."

The Constitution enumerated provisions about working hours, minimum wages, vacations, and other similar matters which had been drawn up by the Provisional Government. At the same time it prohibited strikes

¹ 1937 Constitution, Art. 170.

² *Ibid.*, Arts 82-84; Karl Loewenstein, *Brazil under Vargas*, p. 54.

and lockouts, calling them "antisocial and harmful to labor and capital, and incompatible with the highest interests of national production."³

The nationalization of mines, sources of energy, banks, insurance companies, and basic and essential industries was to be regulated by law.⁴ Vargas, however, chose to be flexible. The president of the Canadian-owned "Light & Power"—the largest foreign company in Brazil—praised him for "statesmanlike vision" when he modified some of the provisions about waters and mines so as not to stifle foreign capital.⁵ Further "statesmanlike vision" was demonstrated with the repeal in October 1941 of a decree which provided that the capital of banks should by August 1946 be entirely in Brazilian hands.⁶

Under the new Constitution the oral as well as the written word became censorable during a state of emergency. The recent "state of war" had already added censorship to the functions of the Justice Ministry's Propaganda Department. Now, its activities enlarged by the Estado Nôvo, the Department moved into Tiradentes Palace, from which the lawmakers had been expelled. Propaganda included the *Hora do Brasil*, the nightly government broadcast which all radio stations had to carry and which Vargas critics called "the silent hour." Censorship and propaganda were directed by the intellectual-looking Lourival Fontes, an admirer of Italian fascism whose hair was usually in disarray.

Even if in some way a constitutional amendment were to end the national emergency, there still remained the Constitution's articles calling for a sweeping censorship law "to guarantee peace, order, and public safety."⁷ One of the many provisions of the December 1937 Press Code made it illegal to publish any remark which might provoke disrespect for the public authorities.

Photographs of Vargas, who liked to be known as the "President" and not "dictator," had to be displayed in all shops, restaurants and places of business. At the same time the great man liked to be known for benign, human qualities. He took up golf, playing often with financial adviser Valentim Bouças, and joined in jokes about his poor scores. After a good day on the links, Getúlio told a reporter: "My luck at golf . . . and other things . . . has been very good."

³ 1937 Constitution, Art. 139.

⁴ *Ibid.*, Art. 144.

⁵ Paul Frischauer, *Presidente Vargas*, p. 360.

⁶ Karl Loewenstein, *Brazil under Vargas*, pp. 208-209.

⁷ 1937 Constitution, Art. 122, Par. 15 a.

3. The Woes of Plínio

Getúlio's first public appearance after installing the Estado Nôvo was on November 15, 1937, at the inauguration of an ornate statue of Brazil's first President, Marshal Deodoro da Fonseca. At the ceremony the Green Shirts made another great show of force as they saluted Brazil's new strong man.

But all was far from cordial between Integralismo and Vargas. Plínio Salgado, hearing in Vargas' broadcast of November 10 no word of appreciation, felt that the Integralistas had been betrayed.¹

Vargas was in no mood to see many thousands—Plínio spoke of one and a half million—proclaiming their allegiance to the Sigma and its leader. As to Plínio's claims, Getúlio had the reports of his "counters" at the November 1 parade, and, as to Plínio's purposes, these seemed apparent from his past militant declarations about dominating Brazil. Having no intention of letting Plínio follow the example of party leader Hitler in shoving aside the official head of state, Getúlio remarked more than once that the Integralistas had in mind "Hindenburgizing" him.

In addition to that compelling consideration, there was Getúlio's resolution to build up a strong loyalty to a united Brazil; not to groups with their own slogans, and not to a Brazil as interpreted by the penmanship and oratory of Plínio Salgado. Broadcasting at midnight on December 31, 1937, Vargas said that "political intermediaries" between his office and the people had been eliminated with the suppression of "cliquish interests," and he likened a new law code, to "a single flag" which would protect all Brazilians and provide uniformity.²

The flags and songs devoted to the Sigma were not the only trappings to be outlawed. Article 2 of the new Constitution permitted only the national flag, anthem, and coat of arms. This meant abolishing the insignia and anthems of the twenty states, for which, in Getúlio's opinion, too much devotion had too long been shown, resulting in the neglect of Brazil as a whole. To help bring this message home to the people, an unusual Flag Day ceremony was held in Rio on November 27, 1937. The flags of all the states were publicly burned. Francisco Campos, in excellent form, glorified the Estado Nôvo.

Some disgusted Integralistas wanted to break with the Estado Nôvo, but Plínio prepared to abide by the new rules and turn Integralismo into a "cultural association." Asking Campos about the requirements for

¹ Plínio Salgado, *O Integralismo perante a Nação*, p. 125.

² Getúlio Vargas, *A Nova Política do Brasil*, V, 123.

registering, he was surprised to learn that Vargas had decided to make his appointment as Education Minister dependent on the complete suppression of Integralismo.

Through such Army friends as Newton Cavalcanti, Góis, and Dutra, Plínio arranged to see Vargas. The President was in a cheerful mood as he advised of a new decree which Campos was preparing. Besides proscribing political parties, it would outlaw distinctive uniforms and salutes such as characterized Integralismo, and would require the Integralistas, if they wanted to be a cultural, sporting, or educational society, to change everything, their name included. An appeal from the dejected Plínio brought the President's promise to speak once more with his Justice Minister.

With Integralista publications banned, and the censored press downgrading the Green Shirt chief and his movement, it was not an encouraging promise. Soon after it was made Góis brought Plínio bad news: it had been impossible to persuade Vargas and Campos to let Integralismo continue. This so upset General Newton Cavalcanti that he resigned early in December 1937 as commander at Vila Militar in a letter which accused the Government of breaking its agreement with Plínio.³

Plínio got more rebuffs. On his authorization some of his followers proposed that the Education Minister be the Integralista "military chieftain," a part-German, pro-Nazi history professor. The Government ignored the suggestion.⁴ Plínio could not even register Ação Brasileira de Cultura, the organization which he hoped would promote Christian virtues and the study of cultural problems. Campos refused to believe that it really included as many as the four thousand "technical schools" which Plínio claimed for it. When Vargas asked his Ministers of War, Navy, and Justice whether the new society should be allowed to register, Dutra alone voted in the affirmative. Campos, who liked to be finicky, abstained on the ground that Plínio had appealed to Vargas after he, Campos, had refused registration.⁵

Late in January 1938, after these many reversals, Integralismo's "Inner Council of 40" voted thirty-eight to two against collaborating with Vargas.⁶ Already there had been Integralista flare-ups, the seizure of Integralista literature, and the arrest of Integralista plotters.

³ Newton Cavalcanti, letter, December 2, 1937, quoted in Olbiano de Melo, *A Marcha da Revolução Social no Brasil*, pp. 119-123.

⁴ Olbiano de Melo, *A Marcha da Revolução Social no Brasil*, p. 124.

⁵ Francisco Campos, interview, September 3, 1963.

⁶ U.S. Embassy, Rio, despatch to Secretary of State, January 28, 1938.

4. For Brazil and the Estado Nôvo

The decree which made Integralismo illegal, and the efforts of the President and his Justice Minister on behalf of nationalism, affected "colonies" of foreigners and their native-born descendants in Brazil. Of the three Axis communities, the Italian, strong in São Paulo, was by far the largest, numbering over 4,000,000. The 200,000 Japanese generally lived in agricultural communities. The Germans, numbering over 800,000 in the south, were proud of their schools and "superiority," and co-operated the least with the Vargas regime's drive to Brazilianize Brazil. Resistance was encouraged by the big German Embassy, which considered the drive a great inconvenience to German colonists and saw in it a wish to reduce the prestige of the Hitler-run Fatherland.

The inauguration of a bridge connecting Brazil with Argentina brought Getúlio to Rio Grande in January, 1938. There Colonel Osvaldo Cordeiro de Farias warned him of the extensive Nazi activities in the south. On his return to Rio, Vargas conferred with Góis and Campos, and the "big three" decided on energetic measures. Cordeiro de Farias, a Gaúcho, was named *interventor*; he closed all Nazi Party centers in the state and deported the chief Nazi agent. Editors of German-language newspapers in Rio Grande were told to stop inviting readers to support Hitler. Finding in Rio Grande over 2,800 private German schools, only twenty of which made use of Portuguese, Cordeiro put all private schools under state jurisdiction. In Santa Catarina, where 25 per cent of the inhabitants were German-speaking, laws specified that teaching in all primary schools had to be in Portuguese and that all schools had to bear Luso-Brazilian names.

The German and Italian ambassadors protested the Brazilianization of education, the closing down of foreign political parties, and the outlawing of insignia. But, as German Ambassador Karl Ritter pointed out, the Italians in Brazil retained "their language, culture, and racial consciousness" less than the Volksdeutsche in the three southern states.¹ Although Italian Foreign Minister Ciano advised Vargas that Italy would have liked to see more fascist courage in Brazil, the Italians obeyed Brazil's decrees. In April 1938 the Italian ambassador and his retinue appeared for the first time at a public function without black shirts and Fascist emblems.

On the other hand, the corpulent German ambassador was determined

¹ Department of State, *Documents on German Foreign Policy, 1918-1945*, Series D, Vol. V, p. 825.

to apply the "plain speaking" which Berlin recommended on behalf of "the prestige and preservation of the German community in Brazil."² Ritter, leaving the Justice Ministry without having obtained permission to register all sorts of pro-German cultural societies, was likened to a "mad lion" by Campos.³ In Washington, Undersecretary Sumner Welles was soon chiding Americans who passed judgment on the new Brazilian regime as fascist; and Lord Marley, opposition whip in the British House of Lords, declared that the Brazilian dictatorship had been established precisely to halt inroads by Nazis and Fascists.

² *Ibid.*, p. 840.

³ Francisco Campos, interview, September 3, 1963.

5. Early Plots against the Estado Nôvo

Although Armando de Sales continued in exile near Belo Horizonte, his backers were released from their "confinements at home" late in 1937. Pedro Ernesto received his back salary and quit politics and plotting to return to medical activities. But others, notably Otávio Mangabeira, Washington Luís' Foreign Minister, lost no time in conspiring against the Estado Nôvo. Plotting at Rio's Glória Hotel, Mangabeira was joined by Euclides Figueiredo, of the Paulista 1932 uprising. Offers of support came from São Paulo, where Júlio de Mesquita Filho was arrested in January 1938 for hatching subversive plans.

An agent of the conspiracy visited exiles in Argentina and Uruguay. Although the Communist exiles were unco-operative,¹ Rio Grande's Ex-Governor Flôres da Cunha gave him money. Flôres also visited the American Embassy in Montevideo to explain that the Estado Nôvo was bad for the continent and for foreign investors.

Even before Integralismo was officially dissolved by the Government decree of December 3 forbidding political parties, numerous Green Shirts spoke of using force. More optimistic than they might have been had they seen Vargas' intelligence reports, they counted on "70 per cent of the Navy and 2,000 Army officers."² Early in January 1938 a naval commander told the secretary of Integralismo's "Council of 40" that Navy men would march on Guanabara Palace whether or not Integralista ci-

¹ Carlos da Costa Leite and Meireles family, interview, September 6, 1963.

² Hélio Silva, "Rapsódia Verde" (MS), Ato II, 47, and Ato I, 31.

vilian chieftains supported them.³ After this, Plínio picked Belmiro Valverde, fifty-four-year-old physician from Bahia, to lead the Green Shirts in Rio. Plínio would maintain relations with Mangabeira's non-Integralista group at the Glória Hotel. It had found a military chief in General José Maria Castro Júnior, the meticulous head of the Army's War Material Division.

The authorities had been seizing ammunition in raids on Integralista centers in Santa Catarina, Paraná, and Paraíba. In the Rio area they were so alert that the conspiring Navy lieutenants decided to suspend their revolt, originally planned for March 10, 1938. Confusion among the rebels began because some of the conspirators received the postponement orders only after they had started making prisoners of loyal sailors, and it became complete during the following days when messages for starting and stopping the "rebellion" were issued in rapid succession. The Rio police found a large supply of machine guns and arms at the home of Integralista Belmiro Valverde; also a list of Government officials to be "eliminated."

The plot was given wide publicity. German and Italian subversives were rounded up, and there were dismissals from the Integralismo-infused Bank of Brazil. Otávio Mangabeira and Euclides Figueiredo were arrested while Plínio Salgado was on his way from Rio to a hiding place in São Paulo. Vargas and Campos told Góis and the others who wanted a plebiscite on the Estado Nôvo that the moment was inopportune.

Mangabeira and Figueiredo remained under arrest, but few others were held long. Police Chief Müller said that Plínio Salgado bore no responsibility and would not be disturbed. Castro Júnior, chief of the rebellion, was quickly released and returned to his Army post. He became careful to limit his contacts with conspirators to whispered words in church.⁴

Integralista Belmiro Valverde was much more active. He attracted so many bomb-fabricating followers that the conspirators' two Rio houses became inadequate, and Flôres da Cunha money had to be used to rent a third on isolated Niemeyer Avenue. This became the headquarters where Belmiro and his cohorts, cheered by the German-Austrian *Anschluss*, prepared a plot which had similarities to the *Putsch* which eliminated Dollfuss in Austria in 1934.⁵ General Newton Cavalcanti and Colonel Eduardo Gomes disappointed the conspirators, but Integralismo was

³ Olbiano de Melo, *A Marcha da Revolução*, p. 125.

⁴ Hélio Silva, "Rapsódia Verde," Ato II, 54.

⁵ Alzira Vargas do Amaral Peixoto, Ch. 7 of "A Vida de Getúlio . . .," *Fatos & Fotos*, July 27, 1963.

known to be strong in the local Military Police, the Navy, and some Army barracks.⁶

Valverde's advisers believed that 600 well-disciplined men could overthrow the regime, and they had a carefully developed plan. At night communication centers would be seized, phones cut, and fires started to produce general panic. While assault groups were capturing the top men of the Estado Nôvo, sailors, assisted by Integralistas dressed as Marines (in uniforms supplied by Plínio's son-in-law),⁷ would seize Vargas at Guanabara Palace and put him aboard the cruiser *Bahia*. "The man must not escape," prisoner Figueiredo wrote on a copy of the detailed plan when it was submitted to him at the military hospital.

One of the conspirators, Júlio Nascimento, belonged to the group of Marines which had the responsibility of guarding Guanabara Palace. Learning on May 8 that he would take his turn as head of the Guard on the night of the tenth, he argued that Vargas should be overthrown at 1:00 A.M. on the eleventh.⁸ There were some objections because the next arms shipment, to be provided by Flôres da Cunha or São Paulo friends of Armando de Sales, was due in a week, but Nascimento countered that sufficient arms would be commandeered from the Guanabara Palace Guard. General Castro Júnior finally acquiesced and sent word to Mangabeira and Figueiredo that they would be freed on the night of the tenth.

⁶ David Nasser, *A Revolução dos Covardes*, pp. 45-46.

⁷ Manoel Pereira Lima in Hélio Silva, "Rapsódia Verde," Ato V, 4.

⁸ Manoel Pereira Lima in Hélio Silva, "Rapsódia Verde," Ato IV, 82; Júlio Nascimento in Hélio Silva, "Rapsódia Verde," Ato III, 57.

6. Fournier's Attack on Guanabara Palace

On the evening of May 10, with the Estado Nôvo six months old, Cabinet ministers and other dignitaries of the dictatorship went to the former Senate building to hear Francisco Campos broadcast the merits of the new regime and speak of the tranquillity the nation could expect. Then a few of them joined Campos at his residence to sip champagne.

While groups of conspirators gathered outside the homes of the regime's top figures, a non-Integralista plotter, Lieutenant Severo Fournier, waited in vain at the Niemeyer Avenue headquarters for the officers and sergeants who had enthusiastically agreed to be present for their appointment with destiny. Although in 1932, fighting under Euclides Figueire-

do, he had become acquainted with the "failings" of volunteer "patriots,"¹ Fournier vowed to "fulfill his mission" with the forty-five inexperienced Green Shirts who showed up. Many had marched for God, Country, and Family at Niterói but were untrained at using rifles and had to be given a last-minute lesson while donning Navy uniforms. Then by truck they were despatched to Guanabara Palace, followed closely by a car bearing Fournier and several other conspirators.

Júlio Nascimento visualized his job at Guanabara Palace as limited to immobilizing the thirty guards. He told them that "reinforcements" would arrive (as the Communists might attack), but he was almost as surprised as the other guards when the truck brought men whose mannerisms, and civilian shoes and socks, marked them as impostors. After some arguing and scuffling four guards were killed. The other loyal Marines were then put in a room with one Integralista sentry, and Fournier set out to direct the attack on the Palace.

Inside the Palace, which had been awakened by the shooting, two defective machine guns were found. One was beyond repair and the other jammed hopelessly after being used to fire a few shots from a window.

Fournier fired back at the Palace. But he discovered that hatchets, bombs, and two machine guns, brought for the occasion from Niemeyer Avenue, had been left behind in the truck, and it had been driven away against his orders. Integralistas seemed either unwilling or unable to fire the large machine gun taken from the guard house.² Those who showed willingness soon put it out of order and it had to be abandoned in the nearby wooded grounds to which some of the more frightened Integralistas were repairing. The only machine gun which functioned was a light one Fournier used while he directed operations; no one else would fire it.

After a presidential car drove up to the Palace, bringing Benjamim Vargas, Fournier irately commanded his men not to let anyone escape; but the car soon drove off with two men sent by Benjamim to get help. It was hit by two bullets but no one was injured.³

Benjamim, who had been dining out, found the Palace practically defenseless. Getúlio was pacing his study floor with a revolver in hand. A few other revolvers had been distributed, but there was little ammunition.

The official presidential telephone line had not been cut and was used by Alzira Vargas and others to send out pleas to Filinto Müller, Dutra,

¹ David Nasser, *A Revolução dos Covardes*, pp. 120-123.

² *Ibid.*, p. 128; Júlio Nascimento in Hélio Silva, "Rapsódia Verde" (MS), *Ato III*, 60.

³ Alzira Vargas do Amaral Peixoto, *Getúlio Vargas, Meu Pai*, p. 124.

Góis, Francisco Campos, Copacabana Fort, and the Special Police. Müller said that policemen were on their way, and, after these failed to show up, he promised a troop led by Rio Grande *interventor* Osvaldo Cordeiro de Farias. There were more phone calls, more promises, and hours of waiting. Those who had been reached by phone were having their own adventures.

7. More about the Integralista *Putsch*

One of Rio's radio stations had been seized by Integralistas and was broadcasting messages which brought Plínio Salgado to his feet in São Paulo. Surrounded by supporters, he cavorted and danced with joy at the news that Vargas and his ministers were about to become prisoners and that the Navy Ministry building was already in Integralista hands.¹

In Rio a submarine commander waited in a hotel bar for word which never came from General Castro Júnior that sailors should go ashore to assist Fournier in getting Vargas aboard the *Babia*. More disposed to act, Navy Lieutenant Arnoldo Hasselmann Fairbairn and thirty poorly armed sailors took control of the Navy Ministry on the downtown waterfront and spent the hours before daybreak defending themselves against loyalist gunfire.²

Police Chief Müller, who had once celebrated his birthday by marching between the saluting arms of Green Shirts, was surprised by news of the Integralista outbreak. He rushed to the police headquarters but, as he had let most of the men off duty "in honor of the commemoration of the Estado Nôvo," he found only four policemen.³ One of them was a conspirator, vainly awaiting the arrival of the Integralista group assigned to attack the police headquarters.

Fifteen pillars of the regime, among them men who returned to their homes at midnight after drinking champagne with Campos, were on the list to be captured.⁴ A member of the War Minister's staff was taken on a wild ride which ended when his captors, fearing pursuit, abandoned the pajama-clad colonel and the car. Góis was held for several hours in his apartment by twenty noisy men, directed by "Nathan," the revolt's "General Organizer of Assaults." But the leaders of most of the assault groups were not much inspired by the motto *Avante* (Forward) written in green

¹ Hélio Silva, "Rapsódia Verde" (MS), Ato V, 5.

² Ambassador Caffery, Rio, despatch, to Secretary of State, May 12, 1938.

³ Hélio Silva, "Rapsódia Verde," Ato V, 8.

⁴ National Security Tribunal testimony in National Archives, Rio.

letters on the white neckerchiefs distributed to conspirators. Those in charge of bringing Campos and Dutra to the Niemeyer Avenue headquarters decided at the last minute to do nothing. Dutra, who received urgent calls at his home at 1:00 A.M., made his way on foot to nearby Leme Fort, passing a bar where a dozen leaderless members of an assault group had gathered.

Finding twelve soldiers and one truck at Leme Fort, Dutra drove off to defend the Estado Nôvo. When he announced his presence at the principal gate of Guanabara Palace bullets wounded two of his soldiers and Dutra was nicked on the ear. He rode away in a motorcycle sidecar to get reinforcements, but the presence of his men in front of the Palace was enough to send most of the Integralistas fleeing into the wooded Palace grounds.⁵

When Dutra reached the police headquarters he found Cordeiro de Farias helping to organize a truckload of police in civilian attire. Dutra told Cordeiro to take command of available men and proceed to Guanabara Palace.

The center of attention became a locked underground door connecting Guanabara Palace with the grounds of the Fluminense Football Club. As 5:00 A.M. approached, the rescuers on the Club side of the door were trying to get it open and even considering breaking it down. But inside the Palace the President's secretary at length located a porter with the key.⁶ In came Cordeiro de Farias and the head of the Special Police and their men. For the besieged the ordeal was over.

Dutra arrived with Góis after a painfully wounded Hasselmann, four of whose men had been killed, surrendered in the Navy Ministry building. By that time the unrest stirred up downtown had subsided, and hundreds of conspirators—most of whom had done more conspiring than fighting—deserted their various headquarters.

Guanabara Palace was now filled with officials, politicians, and friends of the dictator, all with stories to tell. Vargas, however, spoke little, and several hours later he took his usual walk with one aide to Catete Palace.

Góis' nap in a Palace armchair was broken by the shooting with which Government men went after Integralistas caught in the Palace grounds. Fournier and Nascimento had long ago fled, but most of Fournier's followers, having abandoned their *avante* neckerchiefs and the "uniforms" which had covered their ordinary clothing, were captured and seven

⁵ Dutra quoted in Hélio Silva, "Rapsódia Verde," Ato IV, 87.

⁶ Alzira Vargas do Amaral Peixoto, interview, July 11, 1963.

killed. Plínio, still close to his radio in São Paulo, was no longer jubilant.

The Italian Embassy, recommended by Fournier to a companion fleeing from Guanabara Palace,⁷ became a popular haven, and among its new occupants was "Nathan," the "General Organizer of Assaults." Finally Filinto Müller's men surrounded the Embassy building, and a price of 100,000 milreis was put on Fournier's head.

⁷ David Nasser, *A Revolução dos Covardes*, p. 142.

8. Fournier Reaches the Italian Embassy

Fournier was hidden by nervous friends until June 25. Then some Army officers drove past Müller's guards outside the Italian Embassy, unloaded him from the car trunk, and drove away.

Ambassador Lojacono let out a wail and hurriedly cabled Rome, where Mussolini, concerned about Italian funds frozen in Brazil, decided that "the man should be exchanged for money."¹ The Brazilian Government brought all sorts of pressure to bear on the distraught ambassador, who was determined not to violate the principle of political asylum. Dutra's Army officers found Lojacono "arrogant and unco-operative,"² and a special Vargas troubleshooter heard the Ambassador declare in Italian that it was not his fault that Brazil had an "army infested with gangrene."³

Italian Foreign Minister Ciano, after cabling Lojacono to settle the matter at once, explained privately to the Brazilian ambassador in Rome that if Lojacono resigned, his successor would turn Fournier over to the Brazilian authorities. But Ciano asked that this new demonstration of Italian friendship for Brazil be kept secret.⁴

Lojacono yielded. Fournier was persuaded to sign a flowery letter thanking the Ambassador for his kind hospitality and declaring that he was leaving voluntarily. Lojacono wrote an equally fine letter thanking Dutra for all the understanding he had shown for the Ambassador's "moral position." Fournier was given a ten-year jail sentence but he died of tuberculosis before completing it.

For Vargas the main repercussion of the affair at the Italian Embassy

¹ David Nasser quoted in Hélio Silva, "Rapsódia Verde," Ato V, 13.

² Report of Angelo Mendes de Moraes (then a lieutenant colonel) to Dutra, given in Hélio Silva, "Rapsódia Verde," Ato V, 14-21.

³ Lourival Coutinho, *O General Góes Depõe*, p. 354.

⁴ Hélio Silva, "Rapsódia Verde," Ato V, 14.

stemmed from the participation of Foreign Minister Aranha's brother, an Army captain, in smuggling Fournier into the Embassy. Relations between Aranha and Dutra, already poor,⁵ became worse when the furious War Minister demanded that all the officers involved in the Embassy incident be fired. Vargas hesitated to act but Dutra resigned "irrevocably," and only withdrew his resignation when he got his way. Then Aranha resigned, remarking that Vargas had acted against his brother without enough study and without consulting him.⁶ On the side he complained that Brazil ought to have the plebiscite mentioned in the Constitution, and that Vargas had denied him any voice in political affairs.⁷

Again there was the possibility that Aranha might become a focus of opposition to the dictatorship. Vargas' wife called on Aranha's mother, who had much influence over Osvaldo and who presided over the councils of the large, united family.⁸ The pressure put on her, and Getúlio's appeal that the Gaúchos stick together, finally prevailed in July 1938.

⁵ Lourival Coutinho, *O General Góes Depõe*, p. 353.

⁶ Cable, Ambassador Caffery, Rio, to U.S. Secretary of State, June 29, 1938.

⁷ Cable, Ambassador Caffery, Rio, to U.S. Secretary of State, July 7 and 14, 1938.

⁸ Messages, Ambassador Caffery, Rio, to U.S. Secretary of State, July 4 and 15, 1938.

9. Dealing with the Troublemakers

At a Cabinet meeting held on May 16, the Constitution received two amendments after Francisco Campos disclosed that the President's legislative power allowed him to change it whenever he saw fit. One of these listed offenses, including an attack against the President's life or liberty, for which punishment could be the death penalty. Prevailing sentiment was strongly against the death penalty, and it was generally felt that the amendment was promulgated in the hope of deterring future attempts to overthrow the Government.¹ Vargas declared that the new amendment would not be retroactive.² The second amendment, which came to be used against the Foreign Minister's brother, extended for an indefinite period the constitutional article allowing the Government to fire civilian or military personnel "in the interest of public service or as felt desirable for the regime."³

¹ Despatch, Ambassador Caffery, Rio, to U.S. Secretary of State, May 19, 1938.

² Severo Fournier in David Nasser, *A Revolução dos Covardes*, p. 147.

³ 1937 Constitution, Art. 177.

To the members of the Vargas family it seemed inconceivable that troops and police should have taken so long to end the siege on the Palace. More than one "defender" of the regime attributed a dubious attitude to fellow "defenders," and implied that the truth had been stretched in justifying delays. Filinto Müller explained that the authorities had hesitated to order out troops without knowing on which side they stood, and felt safe in doing so only after a reasonable period had passed without their joining the rebellion.

Reflecting on the performance of the police and the presidential guard, Benjamim Vargas decided that his brother needed a "personal" guard, one on which the Vargas family could always rely and which would report directly to Benjamim. The Gaúchos from the São Borja district with whom he had served in 1932, Benjamim told Getúlio, were "real men." "They will be loyal to you, guard the Palace while you sleep or work, and accompany you wherever you go."⁴ Alzira has described them, "trusting no one and armed to the teeth, the custom of their birthplace." Some time was spent trying to civilize them a little for their new role.

In Rio, Müller's men made up for their somewhat sorry showing on the night of May 10. Assisted by a detailed plan of attack found by the Traffic Department in the car used by Fournier, the Rio police arrested 1,167 civilians and 437 military men (mostly sailors).⁵ With trials still pending for many suspected of involvement in the 1935 rebellion, Vargas and his Cabinet at their May 16 meeting signed a decree-law which allowed the National Security Tribunal to deal with the new prisoners by limiting each testimony to five minutes and pronouncing sentences within thirty minutes. By early June about 600 Cariocas, mostly civilians, had been released. Among them was the Bank of Brazil exchange director, who had been held merely because he had belonged to the Council of 40; also an industrialist who indignantly explained that he had joined the Integralista Party some years earlier at the request of Vargas.⁶

The slow-moving wheels of justice of the 1934 Constitution had not impressed Vargas well, and he had no desire to have the Estado Nôvo associated with cells full of innocent persons awaiting trial. In August 1938, over three hundred still being held in connection with the Natal rebellion of 1935 were judged, and most of them were found innocent.

⁴ Alzira Vargas do Amaral Peixoto, Ch. 7 of "A Vida de Getúlio . . .," in *Fatos & Fotos*, July 27, 1963.

⁵ Despatch, Ambassador Caffery, Rio, to U.S. Secretary of State, June 10, 1938.

⁶ *Ibid.*

By September 1938, the Security Council and the Rio police had gathered up reams of testimony about the Integralista rebellion, put the pieces together, and concluded the trials of everyone involved.

Hundreds were convicted and sentenced to a few years in jail. Like Fournier, Palace Guard Nascimento got the ten-year maximum for a political crime. (One of the other traitors in the Palace Guard, a man who had killed two companions, got the stiffest sentence: ten years plus thirty more for murder.) General Castro Júnior, who had spent the night at home although he nominally headed the uprising, was retired from the Army. Flôres da Cunha was absolved. Ex-Labor Minister Lindolfo Colôr, scheduled to get a Cabinet post in Castro Júnior's junta if the revolt had succeeded, was released from a Rio jail, and so was Otávio Mangabeira, but they were instructed to get back to their home states.

At his São Paulo residence of hiding (known to the government) Plínio Salgado advised that he had first learned about the rebellion on the evening of May 10. Plínio could also point to a "directive" he had issued in April, 1938, advising his followers against violence.⁷ He remained in half hiding.

Bernardes' son concluded that although everything possible had been done to overthrow Vargas the dictator's position was secure, and that there was "no use in our continuing to play a losing game."⁸ But after one important prisoner escaped and was recaptured, the papers on him confirmed the government's belief that a few prominent individuals would continue plotting.

For Vargas the most troublesome group was made up of Armando de Sales supporters who called Júlio de Mesquita Filho "the Captain" because of his role in 1932. As editor of *O Estado de S. Paulo*, Mesquita enjoyed being rude to the dictatorship's censors, and his feelings were shared by equally strong-minded followers. Friendly to Otávio Mangabeira, Euclides Figueiredo, and Fournier, these Paulistas had a low opinion of Integralismo. When Mesquita prepared to support the May 11 Rio uprising with a Paulista revolt (which never materialized because Castro Júnior told Mesquita to wait⁹), it was with the understanding that the movement was inspired not by Integralistas but by the whole antidictatorship current.

The *Estado Nôvo* tried to induce these "unreconstructible" democrats

⁷ Plínio Salgado, *O Integralismo perante a Nação*, p. 141 n.

⁸ Despatch, U.S. Embassy, Rio, to U.S. Secretary of State, September 16, 1938.

⁹ Júlio de Mesquita Filho, interview, August 7, 1963.

to leave Brazil. Armando de Sales, who had been released from Minas just before May 11 and had no connection with the *Putsch*, was put under house arrest again, in Rio and São Paulo. On one complaint after another, and at inconvenient hours, Mesquita and his followers were hauled off for short stays in jail. The São Paulo Secretary of Public Safety admitted that the purpose of it all was so to "upset their lives" that they would decide to go abroad.¹⁰

Finally the federal government bluntly told these foes, condemned by the National Security Council, to leave the country. In October 1938 a wire from Filinto Müller advised Otávio Mangabeira in Bahia that a shipload of Integralistas was on its way to Fernando de Noronha and that he would be put aboard if, by the time the ship reached Salvador, he were not on his way to exile.¹¹ Mesquita was in the famous "Chapel" jailroom of Rio's Casa de Correção when he got his shipping instructions, and he left in November for France with Armando de Sales, who was told to get out of the entire continent.¹² Artur Bernardes and Lindolfo Collor were also sent abroad.

Plínio Salgado, a frail "religious mystic" writing a life of Christ at a ranch in the interior of São Paulo,¹³ was less troublesome. But, in May 1939, he received the suggestion that he, too, leave Brazil. Thereupon he released a manifesto to the Integralistas, reminding them that he had taught them "faith in God, love of country, the ideal of national unity, the practice of Christian virtues," and the merit of personal sacrifice. After referring to the serious international situation, he urged his followers to respect the constituted authorities.

The Green Shirt also addressed a farewell note to Dutra. "In this hour," Plínio wrote, "I turn over to the Army's vigilant watchfulness, intelligence, and defense the work which I spent six years constructing."¹⁴ Offered a professorship at Coimbra University, he left for Salazar's Portugal in June 1939. Plínio considered himself a democrat who opposed the suppression of liberties. But he was not a loud critic of the Estado Nôvo and received much better treatment in Portugal than non-Integralista exiles who condemned the Estado Nôvo whenever possible.

As long as they could, Armando de Sales and his supporters stayed in

¹⁰ Paulo Duarte, *Prisão, Exílio, Luta*, p. 8.

¹¹ Biographical sketch of Otávio Mangabeira in files of *O Estado de S. Paulo*.

¹² Biographical sketch of Armando de Sales Oliveira in files of *O Estado de S. Paulo*; Affonso Henriques, *Vargas, o Maquiavélico*, p. 434.

¹³ Despatch, U.S. Embassy, Rio, to U.S. Secretary of State, February 16, 1939.

¹⁴ Plínio Salgado, *O Integralismo perante a Nação*, p. 147.

France. From Paris they wired President Roosevelt their congratulations for the reference to freedom in his January 1, 1939, message to Congress, and they went on to denounce Vargas.¹⁵ Telegrams from Mesquita to Hull and Welles called Aranha's speech before the Washington Press Club an "insult." At a time when Brazil "is under a tyranny which has abolished all public liberties and is exiling or arresting all who fight for liberty, including one of the most illustrious statesmen of Brazil for the sole reason that he was a candidate for the Presidency," Aranha, they said, had no right to extol American democracy or denounce Nazi and fascist dictatorships.¹⁶

Paulo Duarte, a Paulista exile who went with Mangabeira to the United States after France fell to Hitler, blamed the State Department when the New York daily *PM* failed to publish Mangabeira's story on the Brazilian situation. Duarte has written that he himself encountered "all the ill-will of the State Department, for which the dictators of Latin America and the rest of the world are the raw material most suitable to its reactionary policy."¹⁷

Armando de Sales and Mesquita went to Argentina. But even in Buenos Aires there were frustrations which Mesquita attributed to the Vargas-Roosevelt alliance. "In Buenos Aires, Americans kept people away from me. Roosevelt upheld Vargas, finding it more convenient to deal with one dictator than three hundred *deputados*."¹⁸

In Brazil, Mesquita's newspaper, *O Estado de S. Paulo*, tried under censorship to continue the policy of its lost "Captain" (and managed to print *interventor federal* without using capital letters.) The result was that in March 1940 the newspaper was seized and made a mouthpiece of the Vargas regime.

Duarte was not alone in complaining that the State Department was trying to influence press reports about Brazil. Thus Carleton Beals wrote in 1938:

Sumner Welles of our State Department has taken American journalists to task for calling Brazil Fascist and thus endangering American friendship in that quarter. It is a sad day when a high member of the State Department converts himself into a voluntary propagandist for a regime as brutal, as anti-American, as that of Vargas in Brazil.¹⁹

¹⁵ Paulo Duarte, *Prisão, Exílio, Luta*, p. 9.

¹⁶ Letters dated February 19, 1939, in National Archives, Washington.

¹⁷ Paulo Duarte, *Prisão, Exílio, Luta*, p. 9.

¹⁸ Júlio de Mesquita Filho, interview, August 7, 1963.

¹⁹ Carleton Beals, *The Coming Struggle for Latin America*, p. 169.

Beals spoke of the "thousands" who had been murdered in Brazil, and he attacked Roosevelt and Hull for professing friendship for Vargas.²⁰ He felt that Vargas, although "for the moment" more powerful than Mussolini or Stalin, was in a really "shaky" and "unstable" position, with the masses all against him.

²⁰ *Ibid.*, p. 249.

10. A Short Break in Relations with Germany

Thousands were not being murdered in Brazil; the regime was not anti-American; nor did Vargas have the masses against him. Never forgetful of labor, Vargas signed a decree on May Day 1938 calling for studies which would bring about minimum wages, and he exempted from taxes property purchased by members of the working classes through the Pension and Retirement Institutes.

After Fournier fired on Getúlio and his family at night in an act contrary to Brazilian ways, indignation was almost universal and the reaction in Getúlio's favor was strong. Getúlio was well received in July 1938 when he extolled the Estado Nôvo in three speeches in Minas. Then he visited São Paulo for the first time since 1930 and was given a surprisingly enthusiastic reception. Throughout Brazil the controlled press made the most of the Integralista fiasco. Rio's *Correio da Manhã* reproduced a letter to show that Plínio wanted "all the Fascists of the world to close ranks against Jewish influence."¹

Ambassador Ritter felt that the May 11 *Putsch* confirmed the unpopularity of a regime whose chief had broken his word with the Integralistas, and in his despatches to Berlin he predicted new revolts. Concluding on May 12, 1938, that the regime had become "even more unpopular" than before, he recommended that the "insurrection" be handled sensationally by the press in Germany, and if possible elsewhere in Europe. "This would bring home to the present Government that it might become impractical for them to continue to show so little understanding for German interests."² In Germany, Vargas was pictured as causing the Brazilian press to spread slanders against Germany and much was written about "our duty to protect our German citizens against the anti-German course on

¹ *Correio da Manhã*, Rio, May 17, 1938.

² Department of State, *Documents on German Foreign Policy*, Series D, Vol. V, p. 838.

which Brazil, with the support of the United States, has embarked."³ "No longer will great Germany tolerate further annoyances and chicanery in connection with Germans, German business, and the German press in Brazil."⁴

Getúlio, in thanking President Roosevelt for congratulating him on his "fortunate escape," expressed the view that "advocates of foreign doctrine attempted a coup against Brazilian democracy."⁵ When he addressed a huge crowd outside Catete Palace on May 13 ("I expected a demonstration from the working class and I have received a demonstration from the whole of the Brazilian people"), Getúlio blamed the assault on a group of fanatics "with help received from abroad."⁶ This remark, upsetting to Ritter, was considered by the Brazilian press to be applicable to Germany; and Aranha observed that, while he had no proof, he felt there had been some German connection with the *Putsch*.⁷

The stepped-up attacks on Vargas in the German newspapers lasted about a week, at the end of which the Brazilian ambassador in Berlin gave the German Foreign Ministry his personal view that Vargas had not meant Germany in his reference to "help received from abroad," but probably had in mind Brazilian political opponents in Argentina and Uruguay.⁸ A few days later the Brazilian government asserted that it had no evidence sustaining Brazilian press reports that "German firms and German nationals participated in or lent support to the events of May 11 in Rio de Janeiro."⁹ The German press then made an about-face and spoke of Vargas' "farsightedness."¹⁰

Diplomatic relations, nevertheless, deteriorated. One cause was Ritter. Late in May 1938 he refused Aranha's invitation to a diplomatic ball and shocked him by stating that as long as the Nazi Party was outlawed in Brazil the Brazilian ambassador in Berlin would receive no more social invitations from the German government (a threat which the German Foreign Office refused to back). Particularly damaging to relations was the

³ *The New York Times*, May 15, 1938.

⁴ *Ibid.*, May 17, 1938.

⁵ Cables of Franklin Delano Roosevelt (May 12) and of Vargas (May 16) in National Archives, Washington.

⁶ Getúlio Vargas, *A Nova Política do Brasil*, V, 211-213.

⁷ Cable, Ambassador Caffery, Rio, to U.S. Secretary of State, May 13, 1963.

⁸ Department of State, *Documents on German Foreign Policy*, Series D, Vol. V, p. 845.

⁹ *Ibid.*

¹⁰ Cable from Ambassador Wilson, Berlin, to U.S. Secretary of State, May 27, 1938.

Brazilian government's discovery in June of plans for a revolt in the south, drawn up by German-Brazilians and German nationals. Without Ritter's knowledge, the plans mentioned his name. After it was reported that one arrested plotter had committed suicide, two others, German nationals, received asylum in the German Embassy.¹¹ Getúlio, in a speech in July, fortified nationalistic feeling by referring to foreign elements who incited green or red extremisms and who, through qualified emissaries, were in touch with those who greedily sought to grab Brazil.¹²

As far as Aranha and the United States were concerned, the growing Brazilian-German trade, based on "compensation" or "barter" marks and stimulated by the Bank of Brazil exchange director,¹³ was in conflict with the spirit of the United States-Brazilian Reciprocal Trade Agreement. Between 1933 and 1938 Germany doubled her share of Brazilian exports, becoming the largest buyer of Brazilian cotton and the second largest of Brazilian coffee and cacao. Although Brazil had been placing orders in Germany for coal and for military and railway equipment, Rio's surplus of blocked "compensation" marks grew. In June, 1938, when this surplus reached 40 or 50 million marks, Brazil refused to accept any more. Germany was accused of purchasing Brazilian goods on credit merely to resell them at lower prices and for stronger currencies on the world market. Retaliating, early in July the German government suspended all trade with Brazil and announced a large coffee purchase from Colombia.

Both countries had been finding the trade useful and they kept this matter apart from the squabble which centered on Ritter's attitude about German colonists and organizations. With the "trade war" of June and July 1938, Brazilian exporters, particularly of cotton, were hard hit. Neither their pleas nor the Vargas policy of increasing trade allowed Brazil to maintain its position long. Rio submitted, agreeing on July 20 to accept "barter" marks again, and trade was resumed.

Late in July, Ritter met in Montevideo with the chief German representatives to Argentina, Chile, and Uruguay to discuss steps to be taken against the anti-German attitude found in "most of the South American countries."¹⁴ But he was already so unwelcome in Brazil that it was too late for him to put into effect the recommendations reached in Monte-

¹¹ Department of State, *Documents on German Foreign Policy*, Series D, Vol. V, pp. 860-863.

¹² Getúlio Vargas, *A Nova Política do Brasil*, V, 243.

¹³ Despatch, Ambassador Caffery, Rio, to U.S. Secretary of State, May 27, 1938.

¹⁴ Department of State, *Documents on German Foreign Policy*, Series D, Vol. V, p. 863.

video. There was dismay in the Brazilian Foreign Office in September 1938, when it was learned that he planned to return to his Rio post after attending a Nazi Party rally in Nuremberg. Finally, on September 30, the day of the Munich Pact, the Brazilian government declared Ritter *persona non grata*, since he "had not complied with the usual formalities of courtesy."¹⁵ Germany therefore asked for the recall of the Brazilian ambassador in Berlin.

The stationing of a Brazilian artillery unit in the heart of a German area in Santa Catarina did not mean that Vargas wished to have poor relations with an expanding Germany. Neither did the campaign against the Nazi Party in Brazil. Nor, for that matter, did the step taken against Ritter, and relations vastly improved after it was taken. Brazilian Air Force officers left in January 1939 for a visit to German aircraft factories and were feted by Goering. Hitler gratified the admiring Brazilian military by inviting Chief of Staff Góis to visit Germany and to command a German division in maneuvers.

In March 1939, after Hitler violated the Munich Pact by invading Czechoslovakia, Vargas went to the Arsenal to inspect some artillery just received from Germany and to comment on the world situation. Observing that the old foundations of social and political organization were proving to be bankrupt, he noted that great peoples were trying new forms and were getting rid of forces which contributed to disunity and negativism. Brazil, he said, would not partake of foreign ideologies, but neither should it isolate itself from other peoples. "We are not concerned with the internal structures of other countries, just as we do not accept any foreign interference with our organization. We shall be united by the spirit of defending the American continent, without being hostile to any who recognize our sovereignty and respect our laws."¹⁶

The American Embassy interpreted these sentiments as meaning that Brazil should not place her eggs in one basket until definitely obliged to commit herself in the event of a world war, and in the meantime should squeeze the maximum out of the United States on the one hand and the fascist powers on the other.¹⁷ Aranha, under a veritable barrage from his foes because of agreements he had reached in Washington, kept silent. By early June 1939 Germany and Brazil had agreed to exchange ambassadors.

¹⁵ Woermann in *Documents on German Foreign Policy*, Series D, Vol. V, p. 873.

¹⁶ Getúlio Vargas, *A Nova Política do Brasil*, VI, 192.

¹⁷ Despatch, U.S. Embassy, Rio, to U.S. Secretary of State, April 22, 1939.

Internally the situation was so favorable to the Vargas regime that in February 1939 Góis said he would be able to take his first vacation in years.¹⁸ The Deputy Minister of Justice noted that Vargas was enjoying a period of tranquillity unmatched since he had taken over the government in 1930. Such was the attention given to what Vargas called "the spectacle of a world tormented by uncertainty"¹⁹ that Brazilian interest in a plebiscite diminished.

¹⁸ Despatch, U.S. Embassy, Rio, to U.S. Secretary of State, February 16, 1939.

¹⁹ Getúlio Vargas, *A Nova Política do Brasil*, VI, 192.