



**STATE SUBSIDIZATION OF CATHOLIC INSTITUTIONS
IN BRAZIL, 1930-1964**

**A Contribution to the Economic
and Political History of the Church**

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ABSTRACT

This paper contributes to the economic and political history of the Brazilian Catholic Church by examining the system of federal subsidization organized under the first government of Getúlio Vargas. The political pact with the state gave the Church funds to increase the size of its patrimony and its participation in building the country's educational, cultural, and social-assistance infrastructure. Using examples from unpublished documents and other previously unstudied sources, this paper is a first attempt to determine the amount of that aid and to gauge its importance for both the state and the Church. The findings add another dimension to the debate on the relative strength of the Brazilian state during the first Vargas government. They also help us to understand the financial structure of the Church.

RESUMO

Este artigo contribui para a história econômica e política da Igreja Católica no Brasil no período de 1930 a 1964 através do exame do sistema de subvenções federais organizado durante o primeiro governo Vargas. O pacto político com o estado forneceu à Igreja verbas que ajudaram a ampliar seu patrimônio, estabelecendo-a como uma base importante da infra-estrutura educacional, cultural e assistencial do país. Valendo-se de exemplos de documentos não publicados e outras fontes até agora não estudadas, este trabalho é uma primeira tentativa de determinar o volume dessas subvenções e de avaliar sua importância tanto para o estado quanto para a Igreja. A evidência aqui apresentada adiciona uma nova dimensão ao debate sobre o papel do estado brasileiro no primeiro governo Vargas. Ajuda-nos também a compreender a evolução da estrutura financeira da Igreja.

Introduction

The recent and abundant bibliography on the Catholic Church in Brazil emphasizes that institution as a political actor but says little about its economic role.ⁱ The purpose of this paper is to sketch a part of the financial aspect of the Catholic Church from 1930 to 1964 as a contribution to the economic and political history of the Brazilian Church. This work shows that in Brazil the patrimony and a diverse range of activities of the Church grew with significant public financial help after the reestablishment of relations between Church and state following the Revolution of 1930. This aid was one of the most tangible points of a regime of Neo-Christendom enjoyed by the Church from 1916 to 1955.ⁱⁱ Starting with the first administration of President Getúlio Vargas in the 1930s, the Church assumed the role of sustaining the social policy of the state through its work in the areas of charity, education, union-organizing, culture and, of course, religion.

With this evidence this paper also adds another dimension to the debate on the character of the Brazilian state under Vargas. Revisionists have disputed the idea of a “strong state” that simply imposed social and labor policies in the face of other, weaker groups. These historians have stressed the importance of the industrial bourgeoisie and labor in determining state policies in the 1930s and beyond. In one interpretation, for example, industrialists have been portrayed as stepping in to address “the social question” by setting up worker training and social service programs.ⁱⁱⁱ The present paper shows that the social question, as well as more traditional cultural, educational, and religious concerns, was also well within the sphere of the Church, which offered solutions by employing its own human energy, institutions, and programs supplemented with state monies.

It is no secret that the Church was receiving public monies during this period; other authors have alluded to this fact and have spoken of a financial “dependence” on the state.^{iv} However, this paper is a first attempt to describe this aid quantitatively and qualitatively. To this end it uses examples based on unpublished, unstudied primary sources, principally from the Arquivo Gustavo Capanema of the Centro de Pesquisa e Documentação em História Contemporânea do Brasil of the Fundação Getúlio Vargas. Other important examples are extracted from the *Coleção das Leis do Brasil* (the Collection of Brazilian Laws). The analysis of these sources demonstrates the mechanism of determining and disbursing the financial aid of the state; the details of the policy that produced this aid; the concerns of the Brazilian state in providing this help; the capacity of the Church to demand funds; and how the Church utilized these monies.

Specifically, the paper traces the evolution of the funding policy during the first government of Vargas and culminates with a focus on a key innovation of the Estado Novo (1937-

1945)—the Conselho Nacional de Serviço Social (National Social Service Council, or CNSS), which channeled financial resources to Catholic institutions.^v It also explains the transfer of power over funding from the CNSS to the National Congress after the demise of the Estado Novo and the subsequent clientelistic bargaining between the Church and congressmen that existed well into the 1960s. Finally, it describes the kinds of Catholic institutions and activities subsidized in the period under study.

The paper's use of laws and other sources on subsidies is a sampling of the evidence available for the recent economic history of the Church. This study does not presume to have portrayed completely the financial situation of the Church nor to have drawn comprehensive conclusions about, for example, the total financial aid to the Church in the period in question.^{vi} Such facts still await discovery in an exhaustive investigation of these and other sources in this rather large and virgin field of research. The present work starts this line of inquiry by studying the origins of the CNSS, describing the policy of subsidies after the reduction in the organ's influence, and serving as a guide for future investigation. The evidence indicates that although the subsidies by themselves were small quantities and constituted only a small part of the federal budget, they were important sums for the recipients, among them many Catholic institutions. This research does not only point to sources but also helps to understand the financial structure of the Catholic Church and related entities which, in order to perform the functions of religion and social service, needed above all economic support. As a result of these observations our view of the relations between Church and state at the financial level is broadened and thus provides a better understanding of their political relations. In addition, the results of this research provide data for the history of Brazil's philanthropic institutions.

The Pact between Church and State and the Mechanism of Subsidization

The Revolution of 1930 put an end to the nominal separation of Church and state which had existed since the start of the Republic in 1889 and included the official prohibition of subsidies to any religion or church, although the Catholic Church was able to obtain funds for its charitable works during the First Republic.^{vii} Before the Republic the Church had withered institutionally because of strict political control by the empire, but once juridically free from the state, the Church rapidly expanded its organizational base with the creation of dozens of new bishoprics and the importation of thousands of foreign priests. Thus, by the 1920s the Church had become a political force to be reckoned with by those in power.^{viii}

With the rise of Getúlio Vargas to power, Church and state established a new pact of cooperation, largely informal but not without concessions on the part of the government. Historian Ralph Della Cava has described this pact as an "unwritten concordat" between Church

and state.^{ix} From the perspective of the leaders of the new regime the Church could offer them strong political support in the form of an ideology, moral content, and models of social discipline. The Church could also “respiritualize culture” and contribute to the cooperation among social classes in a society that was developing a corporatist political system.^x For its part the Church demanded the support of the state in the cultural and religious spheres. In the Constitution of 1934 the Church saw the fulfillment of almost all of the proposals made by the Catholic Electoral League (LEC—Liga Eleitoral Católica), the lobby set up by the hierarchy to guarantee the return of Catholic influence in the public arena.^{xi} Among the claims won by the Church were articles that once again permitted the subsidization of Catholic institutions, including schools.^{xii} But even before the formulation of the constitution Catholic financial demands were already being attended to by the provisional government of Vargas since 1931, when the regime created a “Caixa de Subvenções” (subsidy fund) aimed at granting official aid to charitable establishments and other private relief initiatives—areas with a strong presence of Catholic institutions. The cooperation between Church and state became even greater during the Estado Novo and remained strong during the Dutra administration (1946-1950) and the second Vargas government (1951-1954).^{xiii}

The policy of subsidies of the provisional government renewed and extended a long tradition of government help to the Church which stretched back to the royal patronage of the colonial and imperial periods and was at least partially interrupted during the First Republic because of the constitutional restriction. The start of the Vargas period brought important attempts at changing the vestiges of subsidization that had survived. In accordance with the moralizing and reformist impulse of the Revolution of 1930, the establishment of the Caixa represented a transformation in the system of granting public funds to private organizations, including Catholic entities.

Three points can be made about this transformation. First, the decree that instituted the Caixa recognized the “duty” of the state to subsidize and protect private organizations that provided assistance to the public.^{xiv} The position of the provisional government on subsidies was the immediate reason for the creation of the Caixa. In 1940 the secretary of the CNSS produced a report on the history of social assistance during the Vargas government. According to the report, the payment of subsidies “that had figured in the confusing budget of the Republic for 1931” having been suspended, the “lack, uncertainty, or delay of aid in that year had strong repercussions for the majority of the country’s institutions of assistance, whose own resources are not significant in their maintenance.”^{xv} The “duty” to pick up the slack would become even more significant for the Church with the constitutional articles of 1934 making possible the transfer of funds to religious organizations.

However, despite the government’s concern with institutions of assistance and its reaffirmation of that attitude in the 1940 report, this same account revealed without explanation

that there was in fact a sharp drop in the total of subsidies during the transition from the First Republic to the Vargas regime. For 1930 the Congress had approved a total of 10,000 *contos de réis* in subsidies. The following year, during the budgetary tumult, the total plummeted to a little better than 1,000 contos. Even with the establishment of the Caixa in 1932 the funding rose only to one third the total of 1930. Only in 1936 did the Vargas administration provide subsidies whose value was nominally higher than that of the last budget of the First Republic. A clear historical explanation of this reduction is made difficult because of the lack of information about the functioning of the Caixa and the lack of research on the nature of the system of subsidies during the First Republic. However, several factors, in particular the economic tribulations of Brazil at the time, indicate answers to this question.^{xvi} Notwithstanding the apparent initial reduction in subsidies, the data reveal a clear tendency of the Vargas government to increase progressively both the total amount spent and the number of institutions benefitted—from 458 in 1930 to 1,731 in 1943^{xvii}—a fact that the report of the CNSS did not fail to emphasize and that was consistent with the public “duty” to grant subsidies, given further legitimacy in the Constitution of 1934. Furthermore, during the Vargas administration the average value of individual subsidies fell by almost half in comparison with 1930, thus indicating a tendency to reduce the earlier concentration of funds among a small number of entities.^{xviii}

A second and more important point about the transformation of the system of subsidization was the substitution of legislative determination of funding in favor of decision-making by the executive branch—in this case, as we have seen, an executive quite sympathetic to Catholic interests. The requests for subsidies were to be submitted to the office of the Minister of Justice and Internal Affairs, at the time Oswaldo Aranha. Aranha in turn would send approved applications to the “Chief of the Provisional Government,” Vargas himself, for final consideration and the distribution of the funds.^{xix} According to the CNSS report of 1940, the creation of the Caixa was the first special legislation for the regulation of financial cooperation between the Union and private charitable and cultural entities. Before the Caixa, the report explained in a critical tone, the National Congress had awarded subsidies

in line with the same criterion that, as a rule, presided over the whole elaboration of the budget: the criterion of the political party; the criterion of region; the personal criterion, without the necessary integral view of the great and always serious problem...the aid of the Union to charitable institutions never redounded to those which most needed it, but, yes, to those that arranged the best sponsors for their designs.^{xx}

The decree that established the Caixa referred to itself as a “reform” that integrated subsidies “into the just end of its altruism, in such a way as to establish norms for the prevention of trickery and of mere personal or political favors...”^{xxi} Thus, in the view of the provisional government the Caixa was a centerpiece of the effort to moralize the concession of subsidies.

The third aspect of the change in the system of subsidies and the key concept of the new legislation was the attempt to rationalize the administration of the grants, which “must be distributed with efficiency.”^{xxii} According to the decree, the Minister of Justice and Internal Affairs, who was responsible for the Caixa, was to register all establishments receiving subsidies. These organizations would also be reviewed by the same ministry, which would inspect their facilities (checking, for example, the hygiene and efficiency of services), verify the correct use of the subsidy, and examine account books and client registration.^{xxiii} According to the report on public assistance, in the decree “all was minutely calculated and regulated.”^{xxiv} As we will see later, the decree of the Caixa was a precursor of other subsidy programs that had the same concern for rationalizing the distribution and correct use of funds, including the CNSS, which was created in 1938. In this manner the Caixa and later the CNSS were part of a wider transformation in Brazil denominated “conservative modernization,” a process that “permits the progressive inclusion of elements of rationality, modernity, and efficiency in the context of great centralization of power, and leads to the substitution of a more traditional political elite by another that is younger and whose cultural and technical education is more up-to-date.”^{xxv}

In March of 1932, less than a year after the decree of the Caixa, another important modification took place in the system of subsidies. The Caixa moved from the Ministry of Justice and Internal Affairs to the Ministry of Education and Health (MES), headed by Francisco Campos, a protagonist of the pact between the Church and the state and later the ideologue of the Estado Novo. This change prepared the way for the creation of the CNSS under Gustavo Capanema, who would assume the direction of MES in 1934. As part of this new ministry, created by Vargas, the law had created commissions of inspection responsible for the review of subsidized charitable institutions. According to the report of the CNSS, the commissions “traveled across the entire country in the performance of its functions.”^{xxvi}

During the research for this paper I found no direct evidence to show that the Caixa itself was part of a Catholic political agenda, but that subsidies should be continued, restarted, or instituted for the first time was certainly a concern of Catholic institutions of assistance to the public. The creation of the Caixa could not have failed to please these organizations, because it guaranteed money for their works. Their important actions in assisting the needy, along with the previous tradition of ecclesiastical dependence on public resources, brought the Church at an early stage to demand subsidies from the provisional government of Vargas. The point to be underscored here is that the Caixa satisfied that demand.^{xxvii} Also, the transfer of the Caixa to MES in 1932 gave the control of funds to Campos and then Capanema, both of whom were ministers who ardently supported Catholic interests. In addition, the article of the Constitution of 1934 allowing subsidies to religious organizations was identified as one of the conquests of the LEC. As other scholars have already demonstrated, the victory of the LEC simply confirmed goals

that had already been taken into consideration by the revolutionary leaders and in some instances already attained before the Revolution by the ecclesiastical hierarchy.^{xxviii}

Ironically, the great Catholic leader Alceu Amoroso Lima stated publicly that the Church did not desire subsidies.^{xxix} Alceu, as he was popularly referred to in Brazil, had brought to fruition many Catholic requests made to the government and carried great weight in public affairs, particularly in education. Not long after the promulgation of the Constitution of 1934, he restated his position against subsidies in a letter to his friend and political protégé Capanema, now in charge of MES. Alceu insisted that the faithful

do not want from the government either privileges or subsidies or posts of *political* responsibility. We do not have ambition for power, nor is it through politics that we hope to develop our projects. We are, therefore, perfectly free to collaborate with the state in all that is of interest to the national common good.^{xxx}

Like Alceu, Capanema was from Minas Gerais. But Capanema established contact with the Catholic leader for political, not religious reasons. In 1930 Capanema had become part of the Aliança Liberal, the opposition coalition that Vargas used to launch his candidacy to the presidency before the Revolution. In the years following the Revolution Capanema was an ally of Campos. After the election of Vargas to the presidency by the Constituent Assembly of 1934 he was named minister, an office that he reached with the important support of Alceu and in which he remained until the fall of Vargas in 1945. Capanema then won election as a deputy to the Constituent Assembly of 1946 on the ticket of the Partido Social Democrático (PSD), and in 1951, chosen by Vargas, he became the majority leader in the Câmara dos Deputados.^{xxxi} Capanema, another important architect of the informal pact between Church and state, viewed the great Catholic thinker Alceu as “his principal adviser, who would indicate names, veto others, propose laws, and try to give content to the principal initiatives of the minister.”^{xxxii}

In retrospect Alceu’s statement to Capanema denying the desire for subsidies appears to have been very ingenuous or perhaps very misleading. The Vargas government was expanding the subsidization of a large spectrum of Catholic works and organizations that included *asilos* (asylums), schools, hospitals and *santas casas* (Catholic charity hospitals), fraternities, women’s groups, St. Vincent de Paul Societies, orphanages, seminaries for the training of priests, and universities.^{xxxiii} From the 1,000 contos distributed to private organizations in 1931 the quantity of public money rose to 21,000 contos in 1942 and 30,000 contos in 1947. An examination of the official statistics demonstrates without doubt that the largest group—if not the majority—of subsidized organizations had some link to the institutional Church.^{xxxiv}

The coup that ushered in the authoritarianism of the Estado Novo in 1937 changed the political environment of Brazil and laid the foundation for yet another transformation of the system of subsidization by reinforcing the process of rationalization and buttressing the executive’s

control over funds. The novelties came in Decree-Laws 525 and 527 of July 1, 1938. These new pieces of legislation established respectively the CNSS and a set of new rules for the concession of subsidies. The second decree gave the CNSS a central role in the administration of the monies. Both decrees were based on Article 180 of the new Constitution of 1937, which had given carte blanche to Vargas to “promulgate decree-laws with regard to all subjects within the legislative competence of the Union” as long as there were no sessions of the parliament (closed during the coup and only reopened after the end of the Estado Novo in 1945). Decree-Laws 527 and 528 were part of the Estado Novo’s intense efforts to rationalize government. They also resonated with the rationale of the new regime which, according to historian Robert M. Levine, “shared elements of the fascist’s reliance on national planning and state authority, the positivist’s faith in a disinterested, bureaucratic elite, and the Brazilian conservative’s distrust of open expression and fear of potential subversion.” This attitude reached into the MES, where the actions of Capanema were “marked by the strongly centralizing and authoritarian character of the new regime.”^{xxxv}

The two measures were announced one day after the creation of the Departamento Administrativo do Serviço Público (Department for the Administration of Public Services, or DASP) which, among other responsibilities, was to study the organization and functioning of the national bureaucracy. It was also to elaborate and act as a watch-dog over the federal budget and thus had financial control over all public agencies.^{xxxvi} These two major duties of the DASP would on various occasions involve it in the affairs of the CNSS, including a controversy affecting the many subsidies going to Catholic institutions.

With a decisive voice in the granting of funds, and subordination to the pro-Church Capanema, who was one of its intellectual authors,^{xxxvii} the CNSS was pivotal for those charitable entities in search of federal aid. The Conselho’s cooperation with Catholic institutions was the result of the pact between the Church and the state. Such collaboration was consistent with the policy of Vargas during the Estado Novo to continue courting the ecclesiastical hierarchy as he embraced, “in the place of an ideology, a mentality based on Catholicism” as one of the underpinnings of the authoritarian regime.^{xxxviii}

The CNSS had several responsibilities. It was in charge of conducting studies on the poor; elaborating a national plan for organizing social services; suggesting measures for increasing and improving works of public assistance; and determining which private institutions could receive subsidies and studying these entities in order to offer an opinion on the eligibility of each one. Investigation of the documentation on the CNSS demonstrates that this last task was the most important. After reviewing applications for aid, the CNSS made a recommendation to Capanema, who had the final decision on the granting of funds. Capanema then sent the approved applications to the president, who decreed the value of each subsidy. The CNSS was

also entrusted with examining the statutes of each institution, which were then approved by Capanema and Getúlio. In addition, the Conselho was responsible for determining the nature and extension of free services that such institutions had to provide to the needy population. Such services were a condition for receiving subsidies. According to the law, subsidies were only for institutions already in existence and could not be used to start new organizations. These agencies had to have an endowment or regular income but at the same time had to be lacking sufficient resources for the maintenance and expansion of their services. This definition left ample room for Catholic institutions to qualify for federal help.^{xxxix}

The seven members of the CNSS, designated by the president of the republic, were experienced in the organization of social assistance. The first president of the CNSS, Ataulfo Nápoles de Paiva, headed the Conselho until his death in 1955. Paiva was a lawyer and early on in his long and varied public career became interested in the question of public assistance. Paiva participated in international congresses on the matter at the start of the century. He became a member of the Liga Brasileira Contra a Tuberculose (Brazilian League Against Tuberculosis) in 1900, the first year of the organization, and later was its president. During the government of President Artur Bernardes (1922-1926) Paiva established the guidelines that would become the origins of the Ministério do Trabalho (Ministry of Work) created by Vargas in 1930. Because of Paiva's contribution to the war on tuberculosis in introducing a vaccine in Brazil, in 1936 the League changed its name to Fundação Ataulfo de Paiva (Ataulfo de Paiva Foundation). One year later Paiva was elected president of the highly prestigious Academia Brasileira de Letras (Brazilian Academy of Letters), in which he had taken part since 1916.^{xl}

The other members of the Conselho during its inaugural year had similar experience in social welfare or in public life. Decree-Law of 525 determined that the CNSS would be made up of the *juiz de menores* (juvenile court judge) of the Federal District—at the time Augusto Saboia Lima—and at least two directors of divisions of the MES, in this case Olinto de Oliveira, the general director of the Departamento Nacional da Criança (National Department for Children), and Ernani Agrícola, the director of the Serviço de Saúde Pública (Public Health Service) of the Federal District. Another member, Rafael Leví Miranda, had worked on various philanthropic projects, including the Abrigo Cristo Redentor (Shelter of Christ the Redeemer). Eugênia Hamann, another member of the CNSS, headed the Serviço de Obras Sociais (Service for Social Works), and Stella de Faro directed the Associação de Senhoras Brasileiras (Brazilian Ladies Association) and the Associação de Educação Familiar e Social (Association for Family and Social Education) of the Federal District.^{xli}

Although it is difficult to know the exact technical abilities of each of the members of the Conselho, their experience prior to sitting on the CNSS suggests that they were persons sufficiently familiar with social problems and not mere political nominations.^{xlii} Paiva, on whom the

most information is available, is the best example. As we will see, the members of the Conselho were scrupulous in discharging their duty of directing funds to institutions with proven need and with goals of assisting the needy. In this sense the membership of the CNSS followed the general policy of the Vargas administration to rationalize the governmental process.

At the same time the biographical data gathered does not show any particular religious militancy on the part of the members of the CNSS nor any involvement with the Church. However, Paiva and the others probably were at least sympathetic to Vargas's policy with regard to Catholicism. In 1927, for example, Paiva gave a welcoming speech for Bishop Francisco de Aquino Correia on the occasion of the prelate's entrance into the Brazilian Academy. Paiva praised both the bishop and the Brazilian clergy in general.^{xliii} The links of Capanema and Getúlio to the Church, as well as the influence of Alceu Amoroso Lima in the naming of persons to government posts, indicate that Paiva and the other members of the CNSS were likely chosen to see to it that the all-important Catholic welfare organizations would receive subsidies.

Despite the variety of functions given to the CNSS by Decree-Law 525, the task of reporting on requests for subsidies almost immediately became its most important. This responsibility of the Conselho would dominate its agenda and prevent it from carrying out its other activities. The available minutes of its meetings show that the members of the Conselho toiled individually to prepare recommendations on the granting or refusal of the requests for aid. The majority of the applications were approved. But there were also several reasons for denial, generally involving organizations that did not provide enough information about themselves or that could not demonstrate that they were attending to a sufficient number of persons free of charge. From time to time Capanema himself took part in the meetings. The minister commanded deliberations and also introduced specific topics to be studied by the Conselho, for example, state protection of families with large numbers of children or the elaboration of a preliminary sketch for a social service center in the Federal District.^{xliv}

But these kinds of activities took up a relatively small parcel of time, whereas the subsidies were a heavy burden that demanded the evaluation of thousands of requests, causing the Conselho to convene more than a hundred times annually. One CNSS document complained that organizations were providing unclear information and submitting it in disparate formats. "All of this obliges the members of this body to lose an enormous amount of time, as they are forced into bothersome investigations, lengthy diligence, and patient deductions in order to be able to issue their respective reports." To solve this problem the CNSS designed a form that, when filled out, gave the Conselho intimate knowledge of the financial life of the organizations and, consequently, of the Church, too. Paiva registered his complaints with Carlos Drummond de Andrade, Capanema's chief of staff, and with the minister himself. He expressed his concerns

about the Conselho's overload of work, the small remuneration of its members, and the need to increase the number of members and the size of the auxiliary staff.^{xlv}

The gratuity of the services offered by charitable entities, stipulated by Decree-Law 527, and their not-for-profit status were two key criteria for the CNSS, Capanema, and Vargas in weighing requests. A study of this theme provides interesting and clear examples of how the Conselho worked. Immediately after its inauguration, for example, the Conselho denied the application for aid from the Colégio São Francisco de Assis of Manaus, in the state of Amazonas, "ordering that the institution increase the number of its free students if it wishes to compete for aid."^{xlvi} Weeks later appeared the case of the Instituto Carioca, a private school in Rio de Janeiro which had been refused federal help in 1937 and was making a new request before the CNSS in 1938. Hamann, a member of the CNSS, noted that 50 students attended the school free of charge and that it had a deficit equivalent to almost half of its annual receipts of 26 contos. But Hamann reported:

Despite my sympathy for those who administer instruction to our fellow citizens, I am nevertheless of the opinion that in the case of private establishments...with objectives of profit for their owners, there is not reason for a subsidy.

Paiva and the CNSS seconded the decision of their colleague Hamann as did Capanema. Vargas accepted the decision of the Conselho and thought the refusal of help to for-profit schools to be "correct." He wrote:

I recommend, however, that this criterion be more comprehensive, as other establishments with more or less similar purposes have obtained favorable reports. This is not a censure of the Conselho. On the contrary, it is approval of that criterion..."^{xlvii}

Although it did not receive aid from the government, the case of the Carioca was an example of the economic importance that subsidies could have for institutions of public welfare. According to Hamann's report, the Instituto had stated that it had gross receipts of 26:802\$000, total expenses of 37:209\$200, and therefore a deficit of 10:406\$700. For 1938 the average subsidy was approximately 11:400\$000, a quantity sufficient to cover the deficit. In other words, the average subsidy was almost one third the total budget of the Carioca. It is not possible to draw definitive conclusions with this example because the available documentation contains few cases with institutions' financial statistics. Until more research is carried out in this area, it will not be possible to compare the situations of different institutions. But the case of the Instituto Carioca indicates that subsidies could be highly important for public-service entities. Such aid represented a small part of the total federal budget but for the operation of individual charitable and educational organizations it could be crucial.

Not very long after Vargas made his suggestions on the criteria for subsidies, the theme was commented on again in detail by another member of the CNSS. Oliveira asked his colleagues to take the same care that the president had demanded in the evaluation of the qualifications of the institutions. Oliveira noted in Decree-Law 527 a certain omission, which had caused an “excess” in the number of applications from private *colégios* alleging various justifications for subsidies, including financial losses, “to the almost exclusive advantage of the proprietors.” Oliveira outlined the “special characteristics of assistance” necessary for obtaining a subsidy. Institutions to be subsidized were to offer free tuition or reductions in charges and were to target specific groups for instruction (industrial and other workers, Indians, and indigents).^{xlviii}

Oliveira’s report did not reveal how many abusive requests were being received—if indeed any at all—from Catholic *colégios*, but his explanations of criteria in some instances clearly favored Catholic institutions. “Gratuity must constitute a motive for subsidization on the part of the government when it is a fundamental condition of the establishment, as occurs in the *santas casas* or *asilos*,” Oliveira stated. He added:

A very special case is that of the missions among the savages, which are full of risks and which seek, it appears, results only in the moral and spiritual order. There are also those that establish themselves in zones of foreign colonization, where they enter into the struggle for nationalization [of the populace].^{xlix}

Oliveira’s criteria illuminate the convenient meshing of the goals of the state and the Church.

Many assistance organizations receiving subsidies, including Catholic agencies, became entangled in another problem of the CNSS that ultimately harmed the institutions and spurred an investigation of the Council’s procedures. At the center of this predicament stood a group of financial representatives who took the responsibility of seeing through the subsidy applications and their payment to the grantee. The representatives, however, charged a commission of as much as 20 percent, which one high government official considered to be “robbery.” According to a 1943 MES investigation, these *procuradores*, or proxy agents, who represented hundreds of organizations, acted illegally, because Decree-Law 527 prohibited the “interference of intermediaries.” A poll of charitable entities by the MES showed that almost half of the 1,134 that responded were employing *procuradores* and in just one year had paid 348,104 *cruzeiros* for the service. These figures were probably low. The report affirmed that institutions tended to omit the fact of having used intermediaries. One *procurador* of the 136 who were identified (out of a total of 579) alone had earned 69,000 *cruzeiros*. The *procuradores* were especially active in Minas Gerais, one of the most Catholic states of Brazil which received a large parcel of the public funds. In one year the 195 organizations in Minas that used representatives received 1,779,999 *cruzeiros* in subsidies and paid 102,478 *cruzeiros* in commission. The Minas intermediaries were also very well informed about the decisions of the federal government with respect to subsidies.

For example, they helped their clients prepare answers to a questionnaire before it had been officially released to the public by the ministry. Even Church institutions conducted their business using *procuradores*. The investigation of the MES listed the offices of the archbishop of Salvador as the residence of two *procuradores*, who were probably priests representing their diocese. One organization of Catholic workers in Rio de Janeiro also was listed as having a financial representative. Father Agenor V. Pontes, also a resident of Rio, had earned 3,000 *cruzeiros* as a *procurador*. The greatest irony of all in the MES report was the revelation that the Fundação Aatualfo de Paiva, headed by the president of the CNSS, also employed a proxy agent, to whom it paid two percent of its subsidy. DASP considered it unjust to make payments to *procuradores*. Interestingly, it was the staff of Getúlio that submitted requests for aid to the CNSS, thus obviating the need for third-party interference.^l

Why were the *procuradores* necessary? According to the MES report, institutions used middlemen because of the difficulty of communication with the capital in making applications or with federal fiscal offices in the states, which disbursed the funds. The payments were usually late because of the complicated path that they followed through the bureaucracy. In responding to the questionnaire of the MES poll, Catholic institutions affirmed that they had faced such situations. For example, the reply of the Prelacy of Alto Juruá, located in Cruzeiro do Sul in the isolated Amazonian Territory of Acre, was probably written by the local bishop, who stated the following:

I was notified to receive the first subsidy (1942) of 10,000 *cruzeiros* at the fiscal station in Manaus, a trip of one month from here. However, it was the closest. I put one of our priests, who lives in Manaus, in charge of receiving the money. Two months have gone by and I still have no response due to the difficulties in communications. Therefore, I still cannot say whether I have gotten the funds. The priest earns nothing for this work. My *procurador* in Rio has worked with the greatest promptness and still has not received recompense because I have still not received anything. If the Banco do Brasil were to make payments in the future, it would be a big relief and savings for us.

The Hospital of São Francisco de Assis in Crato, Ceará, revealed that it was receiving its subsidies in the state capital of Fortaleza with the help of a proxy. It paid him a percentage, “a smaller expense than going there to receive the subsidy.” The MES report added that

many institutions in the interior do not know of the possibility of being subsidized, and the *procuradores* take the initiative in orienting them about the way in which they must request a subsidy. That initial contact is important in establishing the *procurador*, from whom the institution will not disassociate itself without great difficulty.”^{li}

Putting the problem of the proxy agents in a larger context that reflected the government's concern with rationalization, the report criticized the existence of the *procuradores* and charged the CNSS with negligence. It was

an eloquent testament if not of incompetence, at least of administrative tolerance, for which no justification can be found... The federal administration has done much in the way of transforming into reality the expression: "there are no more intermediaries between the government and the people." But in the land of subsidies, a fertile field for the development of administrative advocacy, we must recognize that we are moving ahead with extraordinary and unjustifiable slowness.^{lii}

Both the MES investigation and a study done by DASP *in loco* at the request of the CNSS itself raised other problems in the performance of the Conselho. Both also proposed reforms. One of the criticisms was directed at the manner of determining the value of each subsidy. The law reserved this right for the president of the republic. In this situation Vargas had no idea of the total annual expense because he consigned the grants one by one. MES and DASP suggested that a change be made in the law to authorize the CNSS to fix the total value of the subsidies. Repeating an observation that the CNSS had made about itself in the aforementioned report by member Olinto de Oliveira, DASP asserted that the Conselho did not have general criteria for the concession of funds. The Conselho, said DASP, did not function with a collegial character and its judgments were individual and subjective. In addition, DASP maintained that the CNSS by law had responsibilities that were too broad. On one hand, it was necessary to delimit more precisely the activities of the agency and, on the other hand, to increase the number of its personnel. After their investigations DASP and MES prepared bills to reform the CNSS, and Vargas decreed them into law in 1944.^{liii}

There were other reforms that complemented those contained in the 1944 decree. At practically the same time that MES and DASP were still carrying out their probes of the CNSS, the government handed down two decrees with measures to combat the problems pointed out in the investigations. For example, the suggestion of the Prelacy of Alto Juruá, which was shared by other institutions, was converted into law, and the payments of subsidies were now to be made at branches of the country's national bank, the Banco do Brasil, instead of at the fiscal stations. It was also stipulated that the Conselho set up an information service in order to establish more direct communication between the agency and public service organizations. The requirement that institutions register with the CNSS was also repeated, and those entities that did not do so were subject to intervention by the Conselho, which could substitute boards of directors with people appointed by the president of the CNSS. CNSS was also given the task of promoting the standardization of institutions' statutes. In addition, the prohibition against the use of intermediaries was reinforced. Any institution that used a *procurador* would have its subsidy suspended and would be ineligible for new aid during a period determined by the CNSS. The evidence points to the involvement of DASP in the formulation of these measures, which were the expression of the government's desire for rationalization and better control of subsidies.^{liv}

With the start of the 1944 session of applications the CNSS made huge efforts to comply with the new demands of the law and to end the problems pointed out by DASP and MES. In a February report the secretary of the Conselho noted that in three weeks the agency had sent out a large number of *ofícios* (official government letters), letters, and approximately 4,000 telegrams in the attempt to bring some 2,000 institutions of public assistance up to date on the subject of the new law on subsidies. The Conselho also staged a publicity campaign in the press and asked the federal Departamento de Imprensa e Propaganda (Department of Press and Propaganda) to broadcast news on the law over the radio. "It is no longer enough to admire the facts. The Conselho...wants to participate in them... It wants to eliminate hindrances which are at times purposely conceived by petty interests; to jettison the intermediaries; to lend direct assistance," the report affirmed.^{lv} Paiva, the CNSS president, assured Capanema that "the disgraceful regime of the *procuradores*" had been abolished under the new law, but he added immediately that necessary, specific measures had not been taken and that institutions had been impeded in requesting or transferring their funds. Repeating an old complaint, Paiva maintained that the CNSS needed a larger budget and more than its current seven members and five staff assistants to be able to comply with the new law.^{lvi}

This panorama of the activities of the CNSS and its problems covered the whole of Brazil—in any place where there was a charitable organization, a school with free tuition, or any other category of institution approved by the law and by the CNSS as a recipient of federal subsidization. The Catholic Church and other Catholic entities were included. The Conselho sanctioned the large majority of requests and denied aid only to institutions that did not fulfill the bureaucratic requirements or the criteria for obtaining funds.

The *getulista* system was, on one hand, interested in rationalizing policy on subsidies but, on the other hand, wanted to satisfy legitimately the largest number of requests possible. There was a definite clientelistic coloring to this system. The government gave funds in return for support for the regime. This was the case of the Catholic Church which, among the more than one thousand institutions given aid, participated with hundreds. For an institution with national reach which served to undergird the getulista regime, this massive share in the resources made the Church—specifically, the ecclesiastical hierarchy and the directors of charitable and educational works—a principal player in the circumstances surrounding the CNSS. Also affected were the thousands of people who benefitted from the work of the institutions: the sons and daughters of the elite in the *colégios*, the sick in the hospitals and *santas casas*, old people and abandoned children in the *asilos* and orphanages, and the workers and the poor in programs aimed at these groups. Through the CNSS Getúlio strengthened the ties between the state and these sectors of the population, with the Church serving as an intermediary.

A result of the Church-state pact of the 1930s, the policy of sustaining the Church with public monies continued during the second Vargas government and also throughout the administrations of Juscelino Kubitschek, Jânio Quadros, João Goulart, and even into the years of the military regime—a fact that is evident in some secondary sources and also upon examining Brazilian law and the *Diário Oficial* (the federal government's official public register of laws and edicts). However, starting with the redemocratization of the country in 1946, the mechanism of subsidization was once again subjected to alterations, and the balance of power in the decision-making process over funds began to swing in the direction of the Congress for the first time since the Revolution of 1930. With new legislation in 1951 the CNSS lost to the Congress the central position in determining requests for subsidies. The concession of aid was again becoming the open exchange of favors that the *getulistas* had criticized and tried to rationalize with the creation of the Caixa de Subvenções and the CNSS. The changes of 1946 and 1951 signaled a transformation in the system of subsidization. The modifications also had an impact on the Church, which would now face the threat of other groups and priorities in the competition for funds. Nevertheless, Catholic entities maintained a large share of the subsidies, and the institution was becoming ever more financially dependent on the state.^{lvii} Although the agency's power was weakened, important elements of the CNSS also endured, for example, the requirement of financial disclosure and other data on institutions' internal life.^{lviii} The Conselho also carried on with its responsibility of registering charitable entities.^{lix} With the advent of the military regime the policy on subsidization appeared to change once more. Because the executive regained control of the budget, the CNSS theoretically saw its importance in the process renewed. But to what degree the CNSS actually resumed the role that it held under the dictatorship of Vargas must still undergo the test of future historical research on military policy on subsidization.^{lx}

Funding, Politics, and Clientelism after the Redemocratization of 1946

Until now this paper has traced the general outline of the policy of subsidization of institutions of public assistance during the first administration of Vargas. This section of the investigation has three objectives. First, it explains briefly the aforementioned shift in the balance of power over funding from the CNSS to the Congress in the period from 1946 to 1951 and the consequent increase in competition faced by Catholic organizations in the quest for subsidies. Secondly, this section portrays the political ties between Church and state on the microeconomic level in the interval from 1946 to 1951. Finally, in order to provide a comprehensive view of the varied targets of funding in the overall period under study, from 1930 to 1954, this part of the paper gives a general description of the kinds of Catholic activities subsidized.

The structure of the CNSS remained in place during the administration of President Eurico Dutra (1946-1950), when Clemente Mariani took the place of Capanema as Minister of Education and Health. I found no evidence of Mariani's involvement with the Conselho, but legally he was in the same position as Capanema: as minister he could intervene in the deliberations of the CNSS, and he was the bridge between the decisions of the agency and the final approval of funding by the president.^{lxi}

Mariani not only stuck to the trail opened by the Vargas administration but announced "a new era" in Church-state relations. Mariani was enthusiastically in favor of financial help for the Church and its social and educational works. In analyzing the historical link between Church and state, the Minister of Education noted the importance of the former in the interpretation of religious feeling in Brazil and in attending to the material needs of the people. Mariani reaffirmed the getulista commitment to the Church existent in the new Constitution of 1946 and the establishment of religious instruction in the schools in a yet broader form. He approved of the Church's performance in adult education and in the combat against malaria. Mariani also recognized the role of the Church in the struggle against communism, in which it had participated during the Vargas administration, opposing the communists as a threat to religion and to cooperation between Church and state. As in the Vargas years, the price of alliance with the Church was paid in subsidies. Mariani, who as a child had studied under the Marist Brothers in Salvador, was in favor of a subsidy of 500,000 dollars for the restoration of orphanages in his home state of Bahia. He also proposed the same quantity of aid for the work of Irmã Dulce, a nun famous for her social assistance institutions in Salvador in which she remained active until her death in 1992. Mariani also intended to subsidize the construction of seminaries for the training of priests in several states.^{lxii}

But in contrast with the situation of the CNSS during the Estado Novo, the intentions of the Conselho, the Minister of Education and Health, and the president were no longer the final word in the concession of subsidies. The Constitution of 1946 lent important support to the Church.^{lxiii} But it also obligated the executive to send its budget proposals to the Chamber of Deputies of the National Congress, where Catholic requests were more likely to encounter opposition or competition. This change subjected subsidization to approval by the legislative branch and opened it to possible congressional interference. Such prospects were evident in a 1947 law determining the distribution of aid and also in the papers of Capanema, who at this point was a federal deputy.^{lxiv} In short, the redemocratization of the country brought about a decentralization in the process of earmarking funds.

Thus, with the constitutional change in the budget-making procedure the Church began to face threats to its once comfortable position as the largest single recipient of subsidies. Other organizations—including Protestant religions that opposed subsidization for Catholics—were

winning funds with greater frequency in the late 1940s and early 1950s.^{lxv} Incentive for the diversification of recipients of state help got a major boost in 1951, when the Congress passed a law giving itself the right to distribute subsidies directly. The new legislation left only four percent of the subsidies in the hands of the CNSS, thus practically eliminating the executive's control over the monies. It also opened the floodgates of competition for subsidies.

However, although the Church worried about the growing number of non-Catholic organizations receiving assistance, it also saw this key change in the law as an opportunity to secure even larger sums.^{lxvi} These hopes were fulfilled in at least some sectors of the Church, for example, the seminaries and the Catholic universities, as is evident from a perusal of the federal budgets for the 1950s. Brazilian society was becoming more pluralistic and new groups were beginning to enjoy the financial benefits of the state. However, the Church, still closely allied with the government, struggled to maintain its position, and if it was losing ground spiritually because of the growth of Protestantism and other religions, it at least was garnering more cash for its projects.

The role of the Congress in the redemocratization of the country and the decentralization of the subsidization mechanism fostered the reappearance of legislative-branch clientelism in the distribution of aid. The Church would continue to act as an intermediary between the state—in this case, the elected representatives—and society. Some examples will serve to describe the interests and motives of individuals involved in this system and the political process of the transfer of funds.

One very clear case was that of a priest who in 1950 requested a subsidy of 50,000 *cruzeiros* for a *posto de puericultura* (child assistance station) in his parish in the small town of Vespasiano, Minas Gerais. The brother of Capanema (who at this time was a federal deputy) sent him a note recommending the approval of the subsidy because the priest was politically valuable to the Partido Social Democrático (Social Democratic Party), of which Capanema was a member. José Capanema wrote:

I would very much like to see this request attended to not only because of the humanitarian aspect, but also because of the admiration that I express for Father Sanroman, a foreign priest who has dedicated himself completely in service to the workers and the poor of Vespasiano, having been able to realize social works with an extraordinary coverage.

On the political side this is also a zone of interest, as the vicar is very respected there. Add to this the fact that he came to an agreement with elements of the other party without benefitting, which in a way makes it interesting for us to arrange for the favor.^{lxvii}

This correspondence suggests the obvious conclusion that funds to the Church were useful in obtaining votes in electoral campaigns. It also shows the importance of the priest as a central

figure in local politics, his alternatives in playing off different sides in the search for funds, and the dependence of politicians and the state on the Church in retaining power.

The political game of funding was also important in the activities of the *Santas Casas de Misericórdia*, which were Catholic hospitals, many of them subsidized throughout the period covered in this paper. The *santas casas* not only contributed to public health but were also sources of employment for priests, nuns, and others in cities and towns across Brazil. As part of the local patrimony the *santas casas* attracted much public attention,^{lxviii} thus according the Church with additional prestige. The *santas casas* frequently dealt with large sums of money. Generally a politician or some other person highly esteemed in the community would act as the superintendent of a *santa casa*, taking charge of the financial responsibilities. Such was the case of former president Wenceslau Brás Pereira Gomes (1910-1914), who headed the *santa casa* at Itajubá, Minas Gerais. The *santas casas* were heavily dependent on federal subsidies for their operation,^{lxix} and people like Brás could offer the highly valuable service of obtaining the money.^{lxx} As in the case of the priest at Vespasiano, the funds for the *santas casas* could generate political support at election time.^{lxxi}

Often the politics of funding for the Church was carried out on the personal level, with politicians intervening to try to influence decisions on subsidies in their states or hometowns. The archives hold dozens of letters and notes to Capanema from citizens in his native Pitangui, Minas Gerais, and other towns of that state, including people representing the Church. The missives asked for help in obtaining federal monies. These examples are from just one politician. If we were to consult the documentation of all the politicians of the time, undoubtedly we would count the number of applications for strictly Catholic projects in the thousands.^{lxxii} For every subsidy approved, there were many requests denied because of a lack of funds or the veto of a politician. In other instances politicians introduced their clients to other politicians with the power to decide funding. This kind of gesture was even made by politicians of one party or region to another. In 1952 João Goulart, the president of the Partido Trabalhista Brasileiro (Brazilian Labor Party, or PTB), passed on to Capanema a letter from a friar in his home state of Rio Grande do Sul. Addressed to Capanema, the letter also appears to contain written suggestions from Goulart or one of his PTB advisers. The friar was head of a Catholic *colégio* in Lagoa Vermelha, a small town in the interior, and needed a subsidy from the government because “we find ourselves crushed by the weight of more than a million *cruzeiros* in debts.”^{lxxiii} On other occasions the bonds of *compadrio* (the godparent-godchild relationship) were recalled in the attempt to attain subsidies. In 1961 the “goddaughter” Irmã Dulce wrote a personal letter to “my kind godfather” Jânio Quadros, at that moment president of the republic, and asked for a loan of 5,000,000 *cruzeiros*

to cover the costs of caring for the sick, Northeasterners, and children... My godfather, you could subtract these 5,000,000 from the 45 that you gave me for

the building, a subsidy that is going to be of great value to me but which, however, I will not receive immediately.”^{lxxiv}

The examples of Vespasiano, the *santas casas*, and the personal involvement of politicians at the highest levels in the allocation of subsidies elucidate the clientelistic nature of the Brazilian state. In examining the federal budgets for this period it is not difficult to formulate the hypothesis that hundreds, if not thousands, of priests, nuns, and directors of Catholic works found themselves in situations like that of Father Sanroman or of the administrators of the *santas casas*: in need of funds, which they could use to alleviate the difficult conditions of the local population, and at the same time being able to influence in local politics and elections.

Subsidization's Broad Sweep

Health facilities such as the *santas casas* were only one type of Catholic organization that enjoyed federal funding in the period from 1930 to 1954. This section will list and briefly analyze other examples previously only referred to or left unmentioned. The discussion will be limited to the principal activities of the Church subsidized by the state in the period from 1930 to the mid-1950s by the Caixa de Subvenções, the CNSS, and the Congress. In addition to subsidies, other kinds of governmental assistance are studied.

Catholic Colégios

The Catholic *colégios*, such as that of the friar from Rio Grande do Sul, received large amounts of money from the state. In 1954 the government created the National Fund for Secondary Education, which regularized and increased public subsidies to secondary schools in the form of scholarships and direct aid. In this way the Church was able to help sustain its large educational system, which during this period was beginning to perceive competition from public and Protestant schools. Nevertheless, the Catholic *colégios* maintained their position as centers of instruction and social and political networking for the Brazilian elite. As late as the mid-1960s approximately sixty percent of the country's 4,600 secondary schools were Catholic.^{lxxv}

Prelacies, Bishoprics, Dioceses, Amazonian Missions

In some instances the government directly subsidized the institutional and evangelical works of the Church. This form of aid went for the construction of churches and jubilee celebrations of dioceses, or was simply granted as a general subsidy to dioceses, *mitras* (the bishopric as a juridical person), or prelacies. In 1945, for example, Dom Pedro Massa, a bishop who was the apostolic administrator of the prelacy of Porto Velho, wrote to Capanema thanking the minister for a subsidy allotted by Vargas, “thus facilitating the payment of my banking

commitments.” In 1954 the Congress voted 5,000,000 *cruzeiros* “for the construction of the future National Basílica of Aparecida,” a major attraction for Catholic pilgrims and a symbol of the devotion of Brazil’s faithful to Our Lady of Aparecida. Two years later another law was passed giving 500,000 *cruzeiros* to the Diocese of Petrolina, Pernambuco, “on the occasion of the commemorative festivities of its silver jubilee.”^{lxxvi}

The Amazonian missions of some religious orders also received large quantities of money. The Servite Fathers, for example, requested Capanema’s help in seeking funds for their work in the states of Acre and Amazonas. The priests, who had been in the region for more than three decades, started several institutes, including a boarding school for the children of rubber-tappers in Rio Branco. “...these projects are of great patriotic significance and of much utility for resolving the many problems of Acre, where our priests have already sacrificed their existence as victims of the climate, malaria, etc.,” Friar Romeu Ribeiro Donato wrote to Capanema. The order also petitioned for funds for a professional agricultural school in São José dos Campos, São Paulo, that trained missionaries who afterwards went to Acre.^{lxxvii} In another instance, in 1958 the missions of the Salesian Fathers in the prelacy of Rio Negro were granted 35,000,000 *cruzeiros* by Congress.

The aid to missions was a good example of the convenient meeting of the interests of the state and the Church: with the help of the missionaries the state was able to occupy relatively unexploited regions of the country—inhabited by Indians and other groups not yet fully integrated into plans for national development—with people of a European mentality. Meanwhile, the priests were able to fulfill their religious obligations of bringing Christianity to the people. This relationship represented a continuation of the colonial-era pact sealed between the Portuguese state and religious personnel. This historical alliance only recently experienced a permanent rupture with the Church’s new policy of defending the Amazonian Indians and helping them secure reserves of land.^{lxxviii}

Exemptions from Customs Fees and Donations of Land

Both the legislative and the executive branches of the Brazilian government recognized the necessity of helping religious orders and other institutions of the Church save money by way of exempting them from customs fees charged on the importation of foreign products. Generally such privileges were granted in the purchase of construction materials but also for other necessities of the institutional Church. These acquisitions can be classified as religious capital goods.

In 1951 federal deputy Ostojo Roguski, of the União Democrática Nacional (National Democratic Union, a major political party) in the state of Paraná, introduced a bill that would permit the Capuchin fathers of Curitiba to import four church bells and other accessories duty-free. The

Ministry of Finance was in also favor of the bill “because it benefits the Catholic faith, which constitutes the religion of the majority of Brazilians and has contributed so much to our moral education, and also keeping in mind the kind of merchandise and its purpose.”^{lxxix} A 1948 law granted an exemption from an import tax and customs duties for one hundred metric tons of Italian marble destined to become part of the main altar of the Church of Saint Sebastian in Rio de Janeiro.^{lxxx}

Another bill of 1951, introduced by PTB federal deputy José Romero of Rio de Janeiro, was intended to lift fees from the importation of clerical vestments by the Our Lady of Salette Apostolic Seminary in Marcelino Ramos, Rio Grande do Sul. The Ministry of Finance approved of the bill, “considering that it concerns a [religious] congregation that does not have its own revenues, [and which is] maintained at the cost of the majority of the population, which is Catholic, and keeping in mind the benefits that it has distributed in the area of education, social assistance, etc.” In 1949 the same seminary had earned a waiver of taxes on four bronze bells from France and fifty stained-glass windows imported through a São Paulo firm. These materials went to the construction of a sanctuary. In 1953 the seminary once again received an exemption, this time for vestments, the frontispiece of an altar, and other objects.^{lxxxi} In that same year the Congress voted an exemption for imported material, including donations from North American Catholic families, destined for the Amazonian missions of the Redemptorist fathers.^{lxxxii}

In addition to helping the Church obtain its capital goods the Brazilian state made direct donations of land. A 1948 law, for example, transferred the property of an agricultural-technical school to the Salesian fathers of Barbacena, Minas Gerais. The fathers then put up their own agricultural school on the site.^{lxxxiii} With Capanema’s help, a few years earlier the Society of Jesus in Belo Horizonte negotiated for the acquisition of public property for the founding of its Colégio Loyola. The matter was handled by President Vargas himself, who authorized Capanema to send telegrams expressing his support for the land donation to Minas Governor Benedito Valadares and to Belo Horizonte Mayor Juscelino Kubitschek.^{lxxxiv}

Another sphere in which the Church attempted to act for the financial benefit of its religious projects was raffles, but in this case the government refused to lend its support. Around the year 1953 Senator Atilio Vivacqua asked for authorization from the executive branch for Father Caio Alvim to “realize a lottery or raffle of five automobiles and numerous other pieces of merchandise in name of the Congregation of the Divine Word and in benefit of missionary vocations.” The proposal was taken to Vargas, who solicited a legal opinion from the Ministry of Finance. The ministry recommended the denial of the request, and Vargas accepted the decision. The assistant who prepared the opinion noted that in some cases the ministry had approved charity bingos to aid social works and religious organizations.

...But, the requests having become too frequent, an orientation was adopted more than a year ago that tended to put an end to such initiatives... Without legal support, although exceptionally authorized, the operations in question slip from the control of official inspection, leaving the delivery of the promised prizes without guarantee and, thus, the private patrimonies exposed to harm.

The assistant added that the other 32 pending petitions for lotteries should be rejected.^{lxxxv}

Workers' Circles and the Catholic Youth Workers

The Catholic Workers' Circles, organizations that administered social services to laborers and promoted their cultural development, first appeared at the end of the nineteenth century. They experienced significant growth and became transformed into a national movement during the first administration of Vargas, when Jesuit Father Leopoldo Brentano began to systematize the circles in 1932. A National Catholic Worker Congress took place in Rio de Janeiro in 1937, and that same year Brentano moved from his base in Rio Grande do Sul to the federal capital, where at the invitation of Cardinal Sebastião Leme he took up the direction of the National Confederation of Catholic Workers. The circles flourished during the Estado Novo, their number climbing to 145 in 1942. During the second Vargas government they reached 311. The circles were a type of labor union but always within the framework of a hierarchical Catholicism that kept them under clerical control while preaching harmony between proletarians and management. The circles were a response to the "social question" in Brazil and came to be seen as a dike against communist infiltration. For this reason they had the support of the state and the elite.^{lxxxvi} As a consequence, the Workers' Circles received subsidies from the federal government.^{lxxxvii}

Another labor group, the Catholic Youth Workers (JOC), whose political stance differed from the circles in that it emphasized a more important role for employees, also received support from the state in the form of funds. These monies helped sustain a movement preoccupied with expansion: by 1956 it had 8,500 militants and several of its own newspapers. In 1950, for example, the government approved a special credit of 200,000 for the São Paulo branch of JOC for the holding of the "Grand National Congress of the JOC" and the "First JOC National Study Week."^{lxxxviii} Such encounters meshed well with the interests of the state because JOC at that moment had little political involvement and concentrated most of its efforts on the religious conversion of youths within the traditional guidelines of the faith. But the possibility of state financial aid disappeared when JOC changed its politics. In the 1960s the organization became radicalized after a decade of gradually shifting to the left. JOC became one of the chief targets of military repression after the 1964 coup and practically died out after being forced to close its publications and seeing more than a hundred of its activists jailed.^{lxxxix}

St. Vincent de Paul Societies and Other Works

Among the most frequently subsidized of Catholic Institutions were the St. Vincent de Paul Societies and Conferences, introduced into Brazil by the Vincentian Fathers who arrived in the first half of the nineteenth century.^{XC} These organizations were made up of local groups of the faithful who maintained charitable works for the poor. In the federal budget of 1941, for example, more than fifty of these Vincentian groups in Minas Gerais received federal funds, generally between three and ten contos each.^{XCi} In 1948, for instance, the lay president and secretary of the St. Vincent de Paul Society of Passo Quatro, Minas Gerais, wrote to Capanema asking for an increase in his group's subsidy of 3,000 *cruzeiros* and also for additional aid to complete the construction of a "Vincentian Village." The Society in Passo Quatro had more than a hundred needy families under its care.^{XCii} In 1951 the Congress voted 1,000,000 *cruzeiros* for the St. Vincent de Paul Association. The money was budgeted for educational and other social assistance projects of the Sisters of Charity, affiliated with the Vincentian Fathers, in São Paulo.^{XCiii}

Among other Catholic assistance works that received state monies were the *asilos*, often administered by nuns; *associações de damas de caridade* (charitable ladies' associations), which ran relief efforts for the poor; shelters for the handicapped; and orphanages. One study done by the Church in the 1970s calculated that approximately ten percent of the Brazilian population was receiving some benefit from the Church's social action, and the majority of these works—61.6 percent—included among their financial sources state funds, either from national, state, or municipal governments.^{XCiv} Although the study was carried out after the years under consideration in this paper, its results reflect the Church's accumulation of social service functions and state funding in that period. In another examples, in 1968 1,100 of Brazil's 2,854 private hospitals (including the *santas casas*) were run by the Church, compared with 416 hospitals operated by the government on all levels in 1963. Religious orders were responsible for 150,000 of the country's total of 285,000 hospital beds.^{XCv} The funnelling of state monies to Catholic works helped give the impoverished the basics of life, thus obviating the necessity of public action in questions of health and helping to maintain the social peace.

Cultural Works and Activities

From time to time the federal government also subsidized cultural works and activities of the Church and Catholic groups. In 1944, for example, the "Sedes Sapientiae" School of Philosophy in São Paulo requested that Capanema obtain funds for the institution to translate and publish the *Summa Theologica* of St. Thomas Aquinas. The project would take three years and would print 1,200 copies of each of the forty-five volumes. The cost was estimated at 1,050,000 *cruzeiros* and the school wanted 495,000 from the federal government. Capanema promised 150,000 for the job. He also wrote to the *interventor* (federally appointed governor) of the state of São Paulo

and suggested that he arrange for a donation of the same amount.^{xcvi} In 1948 the federal government awarded a special credit of 500,000 *cruzeiros* to the Association of Former Students of the Vincentian Fathers and Friends of Caraça. Caraça, located in Minas Gerais, was the site of the famous *colégio* that educated the Minas elite of the nineteenth century and also served as a seminary. Considered an historical monument, the installations at Caraça were maintained with the funds requested by the association.^{xcvii} Yet another cultural activity subsidized by the state was the lay brotherhoods and tertiary religious orders, which have existed in Brazil since the colonial period. No longer significant, in the past these organizations underwrote works such as the *santas casas* and served as political meeting places for Catholics on several different social planes. During the twentieth century their role in public assistance was reduced, but in some cases they have continued as social organizations.

Seminaries, Universities, and Eucharistic Congresses

These three categories of Catholic activity were important in the propagation of the Church's influence. The seminaries trained thousands of priests and educated tens of thousands of other Brazilian youths. The Pontifical Catholic Universities instructed the children of the elite. The eucharistic congresses were festivals for the religious animation of the faithful and were politically significant because they exhibited the hierarchy's ability to mobilize the masses. All three of these categories were aided with subsidies and supported with other forms of state help, particularly in the 1940s and 1950s. The expansion of the seminaries and the universities are two of the most important examples of the growth of the Church's endowment in this period.^{xcviii}

Conclusions

The objective of this paper has been to contribute to the economic and political history of the Catholic Church in Brazil in the period from 1930 to 1964. It has concentrated on public financial aid to Catholic public assistance works, schools, and other organizations and has cast new light on the relation between Church and state. The Church's activities constituted a major part of the country's social infrastructure and was thus an important response to "the social question" in Brazil.

By looking at how Catholic institutions survived financially, we have a better picture of the Church's economic structure. At the same time this paper has described the attempts to rationalize the concession of subsidies, which were a long tradition in the Church-state relationship. Receiving government aid, the Church served as an intermediary between the state and society in the exchange of funds for political support. Another outcome of this research is its

tracing of the evolution of the system of subsidization that was a key part of the Church-state alliance.

A curious paradox existed during the first Vargas period: the state aimed to rationalize and thus depoliticize subsidization, but because of its political pact with the Church and its reliance on this institution for social services the state in effect showed favoritism to Catholic interests. After the end of the Estado Novo the system of subsidization underwent democratization and decentralization, with the Church continuing as an intermediary but also facing the reality of an increasingly plural society in which other groups and religions could also compete for state funds. The alliance between the Church and state survived, but its nature was transformed—from ecclesiastical support for an authoritarian regime to a clientelistic exchange of money for votes. This relationship between politicians and priests flourished at least into the mid-1960s when the alliance ruptured because of the military regime's violent repression of Church activists who had shunned traditional politics and ultimately because ecclesiastics themselves came under attack.

Appendix

TABLE 1

Value of Subsidies Granted by Federal Government¹

Year	Value (Cr\$: 1942)	No. of entities	Average	Value \$US m. offic.	MES budget (Cr\$ mi) ²	Subsidies as % of total MES budget ²
1930	10,102,205 ³	485	20,800	1.098	—	
1931	1,054,250	—	—	0.073	70.4	1%
1932	3,000,000	—	—	0.213	74.1	4%
1933	3,000,000	—	—	0.236	—	
1934	4,500,000	—	—	0.371	—	
1935	9,100,000	—	—	0.765	—	
1936	12,051,522	—	—	1.021	—	
1937	13,346,000	—	—	1.171	—	
1938	15,727,000	1,374	11,400	0.894	—	
1939	16,145,000	—	—	0.974	—	
1940	18,258,000	1,327	13,800	1.100	—	
1941	19,905,025	1,528	13,000	1.199	—	
1942	22,000,000	1,640	13,400	1.326	—	
1943	23,986,000	1,731	13,900	1.445	—	
1944	27,000,000	—	—	1.620	428.5	6%
1945	34,319,000	—	—	2.080	595.7	6%
1946	—	—	—	—	638.0	—
1947	30,000,000	—	—	1.604	—	
1948	40,000,000	1,500(4)	26,667	2.139	1,328.5	2%
1949	40,000,000	2,000	20,000	2.139	—	
1950	44,000,000	2,512	17,516	2.352	1,943.4	2%
1951	50,219,000	2,500	20,088	2.674	2,531.3	2%
1952	76,430,000	2,375	32,181	4.087	2,799.7	3%
1953	350,300,000	7,625	45,941	7.344	3,714.0	9%
1954	336,685,490	8,000	42,086	4.219	3,064.6	11%
1955	346,716,500	8,000	43,340	3.814	3,133.3	11%
1956	414,535,400	6,875	60,300	4.803	4,245.1	10%
1957	416,195,300	8,875	46,895	4.823	6,287.4	7%
1958	622,498,874	10,000	62,249	2.970	9,420.2	7%
1959	759,526,346	9,625	78,912	3.632	13,224.1	6%
1960	764,573,550	10,750	71,123	3.340	16,794.6	5%

Sources: Arquivo Gustavo Capanema, FGV-CPDOC; *Diário Oficial*; CNSS publications; *Coleção das Leis do Brasil*; and other government documents.

TABLE 1 (CONT.)

- ¹ This table shows the value of subsidies granted by the government to different institutions, Catholic and non-Catholic. As I commented in the body of this paper, Catholic institutions received the largest number of subsidies, if not the majority, during at least the first Vargas period. Note 2 of this table explains that here only one category of subsidies is being accounted for.
- ² These columns show the annual budget of the Ministry of Education and Health (MES—1931 to 1953) and of the Ministry of Culture and Education (MEC—1954 to 1960) and the percentage share of subsidies in that budget. The subsidies indicated here for the period from 1931 to 1937 were from the Caixa de Subvenções. From 1938 to 1945 they were from the CNSS. Starting in 1946 the concession of aid by the CNSS was approved by the National Congress. From 1951 on the figures are for subsidies granted by the Congress. However, in the national budget they were still listed under the category of the CNSS for the entire period from 1946 to 1960. Four key considerations sustain the hypothesis that this table, as an indicator of federal subsidies, is a radical underestimation of the aid that went to the Church: all of these considerations concern sources of subsidies not included in the table's figures. First, beginning in 1954, thousands of institutions, including Catholic entities (such as hundreds of *santas casas*), received subsidies from the Ministry of Health, which was separated from the old MES. Secondly, during the 1950s seminaries and other institutions received funds from the Ministry of Justice and Internal Affairs. Third, as of 1958 two other categories not accounted for here—the National Fund for Secondary Education and federal aid to primary education—significantly increased total governmental aid, including help to seminaries and other Catholic activities. In 1958 alone, for example, when the CNSS had a budget of Cr\$622,498,874, these two new categories augmented the subsidy total by Cr\$379,000,000. Finally, the MES and MEC had other categories of expenditure that included subsidies for the Church. In fact, in some years the percentage share of subsidies in the total MEC budget approximated 50 percent.
- ³ This figure includes subsidies from the Ministry of Justice and Internal Affairs (7,288,205), the Ministry of Agriculture, Industry, and Commerce (2,764,000), and the Ministry of Transport and Public Works (50,000). The subsidies were approved by the last Congress before the 1930 Revolution. In reality, only part was actually disbursed. Note that the MES did not exist in 1930.
- ⁴ From this year on, the figure representing the number of organizations benefitted is an estimate, except for 1950.

TABLE 2

For approximating the real worth of the figures cited in this paper in contos of *mil-réis* and *cruzeiros*, this table gives the value of Brazilian currency in terms of the official and free-market or black-market quotations of the U.S. dollar for each year.

Year	Official	'Free' or 'Black'	% Diff.
1930	9.2-	—	—
1931	14.3	—	—
1932	14.1	—	—
1933	12.7	—	—
1934	12.1	14.7	21.5
1935	11.9	17.4	46.3
1936	11.8	17.2	45.8
1937	11.4	16.0	40.4
1938	17.6	—	—
1939	16.6	19.2	15.7
1940	16.6	19.8	19.3
1941	16.6	19.7	18.7
1942	16.6	19.6	18.1
1943	16.6	19.6	18.1
1944	16.6	19.6	18.1
1945	16.5	19.5	18.2
1946	16.5	19.4	17.6
1947	18.7	23.3	24.2
1948	18.7	26.6	41.8
1949	18.7	30.8	64.3
1950	18.7	32.0	70.9
1951	18.7	30.0	60.3
1952	18.7	36.5	95.0
1953	47.7	56.5	18.4
1954	79.8	76.5	-4.1
1955	90.9	67.5	-25.8
1956	86.3	66.5	-22.9
1957	86.3	91.0	5.4
1958	209.6	141.5	-32.5
1959	209.1	203.0	-2.9
1960	228.9	205.5	-10.2

Note: Data are from Marcelo de Paiva Abreu, ed., *A ordem do progresso: cem anos de política econômica republicana, 1889-1989* (Rio de Janeiro: Campus, 1989), pp. 388-414, and Clarice Pechman, *O Dólar Paralelo no Brasil*, second edition (Rio de Janeiro: Paz e Terra, 1984), pp. 128-32. Values are in *mil-réis* until 1941 and in (old) *cruzeiros* from 1942 on. The figures from 1930 to 1947 are annual averages. From 1947 to 1960 the December quotations were used. From 1953 to 1960 there were various exchange systems with multiple quotations. Between 1937 and 1945 prices in Brazil increased twice as much as in the United States, thus overvaluing the quotation of the *cruzeiro*. See Abreu, *A ordem do progresso*, pp. 108, 140, 160, 172, 198, 388-414.

TABLE 3

General List of CNSS Subsidies for 1940

Organizational Function	Number Aided
<i>Assistance Organizations</i>	
1. For assistance to mothers and for children's health	71
2. For common hospital assistance	284
3. For various general categories of assistance (missions, prelacies, beneficent associations, medical dispensaries, domestic services, ambulatory clinics, leagues, <i>uniões</i> (associations), shelters for beggars, workers' centers, spiritist associations)	433
4. For assistance to the indigent elderly	12
5. For assistance to the blind and to deaf-mutes	10
6. For assistance to minors (including asylums and orphanages)	171
7. For assistance to lepers	21
8. For assistance to tuberculosis patients	16
9. For assistance to promote women's rehabilitation	8
TOTAL	1,026
<i>Educational Institutions</i>	
1. For primary education	71
2. For secondary education	24
3. For normal school education	11
4. For commercial education	12
5. For religious education	7
6. For professional education	43
7. For the education of the abnormal	3
8. For higher education	28
9. For artistic education	15
10. For physical education	14
TOTAL	228
<i>Cultural Institutions</i>	
1. Libraries	3
2. Academies, scientific institutions, and cultural organizations	65
3. Museums	1
4. Magazines.	1
5. Recreational Associations	3
TOTAL	73
GRAND TOTAL	1,327

Note: translated from AGC GC 35.00.00, pasta V, document 14, series h.

TABLE 4

Subsidies to Catholic Entities in Minas Gerais, 1941

Category	Number
Shelters	1
Asylums	15
Assistance organizations	2
Association-Asylum-Hospitals	1
Charitable Ladies Associations	13
Charitable Associations	1
St. Vincent de Paul Societies, Associations, Conferences, and Councils	56
Santa Luiza de Marillac Associations	1
Children's Homes	1
Charity Homes	21
Homes for the Poor	1
<i>Colégios</i>	6
Conferences	7
Day-care centers	1
Dispensaries	2
Apostolic schools	1
Domestic, technical, professional, and normal schools	6
Day-schools	1
Hospitals	31
Religious brotherhoods	3
Maternity centers	1
Museums	1
Orphanages	9
Children's asylums	1
Boarding schools	1
Sanitariums	1
<i>Santas casas</i>	39
Beneficent societies	3
Infant protection societies	2
Tertiary religious orders	2
TOTAL of Catholic entities	231
GENERAL TOTAL of organizations in Minas Gerais	305
PERCENTAGE of participation by Catholic entities	76

Note: The source for this table is a list of subsidies for 1941 in *Coleção das Leis de 1941*, Vol. I (Rio de Janeiro: Imprensa Nacional, 1941), pp. 451-60. Organizations with Catholic names were counted as being Catholic, for example, the St. Vincent de Paul Societies, which had direct links to the institutional Church. In other instances some ambiguity is involved. For instance, the Charitable Ladies Association of Araxá is counted as Catholic, following such examples as the Charitable Ladies Association of St. Joseph's Parish. Removing the few possible errors from the accounting would still leave a high percentage of Catholic organizations.

Endnotes

- ⁱ One partial exception is the recent book by Ralph Della Cava and Paula Montero, *...E o verbo se faz imagem: Igreja católica e os meios de comunicação no Brasil, 1962-1989* (Petrópolis: Vozes, 1991). Another recent example of a focus on the economic role of religion is found in the work of Brian H. Smith, who discusses the assistance work and developmental aid to the Third World from First World religious organizations, including entities linked to the Catholic Church. See his *More than Altruism: The Politics of Private and Foreign Aid* (Princeton: Princeton University Press, 1990). It is important to note that the economic role of the Brazilian Church has been researched in greater depth by historians concerned with the colonial and imperial periods. See, for example, Oscar de Figueiredo Lustosa, "Igreja católica no Brasil. Notas historiográficas," *Boletim do CEPEHIB*, Year X, May 1989, No. 34 (1), pp. 3-15. This author makes an appeal for more studies of the financial and economic history of the Church. Also see Alexander Marchant, *Do escambo à escravidão*, translated by Carlos Lacerda, second edition (São Paulo: Ed. Nacional; [Brasília:] INL, 1980); Kátia M. de Queirós Mattoso, "Párocos e vigários em Salvador no século XIX: As múltiplas riquezas do clero secular da capital baiana," *Tempo e Sociedade*, Vol. 1, No. 1, January/June 1982, pp. 13-48; Magnus Mörner, *The Political and Economic Activity of the Jesuits in the La Plata Region*, translated by Albert Read (Stockholm: Library and Institute of Ibero-American Studies, 1953); Guillermo Palacios, "Campesinato e escravidão: Uma proposta de periodização para a história dos cultivadores pobres livres no Nordeste Oriental do Brasil. C. 1700-1875," *Dados*, Vol. 30, No. 3, 1987, pp. 325-56, especially pp. 344-45; A.J.R. Russell-Wood, "Prestige, Power, and Piety in Colonial Brazil: The Third Orders of Salvador," *Hispanic American Historical Review*, 69:1, February 1989, pp. 61-89. By the same author, see *The Black Man in Slavery and Freedom in Colonial Brazil* (London, 1982); see also Stuart B. Schwartz, *Sugar Plantations in the Formation of Brazilian Society* (Cambridge: Cambridge University Press, 1985).
- ⁱⁱ One recent exception that focuses on the finances of the Brazilian Church in the context of the Church Universal is the article by Ralph Della Cava, "As finanças da fé: O caso do catolicismo romano," *Novos Estudos CEBRAP*, No. 32, March 1992, pp. 19-30. Also see Della Cava and Montero, *...E o verbo se faz imagem*. For a description of the political aspects of this Neo-Christendom, see Scott Mainwaring, *The Catholic Church and Politics in Brazil* (Stanford: Stanford University Press, 1986), Chapter 2.
- ⁱⁱⁱ Barbara Weinstein, "The Industrialists, the State, and the Issues of Worker Training and Social Services in Brazil, 1930-50," *Hispanic American Historical Review*, Vol. 70, No. 3, August 1990, pp. 379-404; John D. French, "The Origin of Corporatist State Intervention in Brazilian Industrial Relations, 1930-1934: A Critique of the Literature," *Luso-Brazilian Review*, 28:2, Winter 1991, pp. 13-26.
- ^{iv} Several authors refer to state subsidies, but there is no comprehensive analysis of the economic role of the Church. In 1955 Thales de Azevedo wrote in *O Catolicismo no Brasil* (Rio de Janeiro: Ministério da Educação e Cultura, 1955): "There is no denying, however, that in the face of the subsidies received and continually requested from the government for the establishment and maintenance of its relief projects, for the construction of seminaries, and for the reconstruction of churches, the Church is becoming financially very dependent on the state, and the faithful are rapidly losing the habit of contributing directly for the necessities of their religious community." More than 20 years later another observer of the Church, former congressman Márcio Moreira Alves, described the results in the 1960s of the policy of subsidies noted by Azevedo: "...the majority of the relief projects is subsidized by the public sector, either by the federal government or by the states and municipalities. During the period in which the Parliament still had a certain leeway in the attribution of the resources of the state, the voting of the budget was annually preceded by a kind of siege. Hundreds of priests and nuns from the four corners of the country would grab the parliamentarians in the corridors in the hope of obtaining more money

for their projects.” Alves, *A Igreja e a política no Brasil* (São Paulo: Editora Brasiliense, 1979), p. 61. Also see Thomas C. Bruneau, “The Church and Politics in Transition: Commitment and Analysis,” in Julian M. Chacel, Pamela S. Falk, and David V. Fleischer, *Brazil's Economic and Political Future* (Boulder, Colorado, and London: Westview Press, 1988), p. 224; Bruneau, *O Catolicismo brasileiro em época de transição* (São Paulo: Edições Loyola, 1974), pp. 85-86, 96; Luiz Eduardo Wanderley, “Igreja e sociedade no Brasil: 1950-64/1964-75,” *Religião e Sociedade*, No. 3. October 1978, pp. 93-107; Mainwaring, *The Catholic Church and Politics*, p. 34; Howard J. Wiarda, *The Brazilian Catholic Labor Movement* (Amherst, Massachusetts: University of Massachusetts, 1969), Chapter V. For a journalistic treatment of the economic power of the Church on the international level during this century, see David Yallop, *Em Nome de Deus* (Rio de Janeiro: Editora Record, [1984?]). By the same author also see *The Brazilian Workers' ABC* (Chapel Hill, North Carolina: University of North Carolina Press, 1992).

v It is interesting to note that the CNSS was still in existence at the close of this research in early 1991. It was of recent importance for the Church when, during the first weeks of the economic austerity plan of the administration of President Fernando Collor de Mello in March of 1990, many Catholic institutions could not avoid the government-decreed eighteen-month freezing of bank accounts. These institutions, including the all-important dioceses, had not been registered with the CNSS—one of the prerequisites established by the government for the opening of the blocked accounts of philanthropic entities. The CNSS determines an organization's philanthropic status. By early 1991 many Catholic entities still had not freed up their accounts. Some entered the courts in an attempt to win access to their funds. At the annual assembly of the National Conference of the Bishops of Brazil (CNBB) in 1990 the blocking of Church monies generated discussion over the unclear juridical status of the Church vis-à-vis the state. During the assembly the government issued an order granting an exception to the freeze for the dioceses, allowing them to withdraw their funds, but the order was revoked the next day. These details and others regarding the CNSS await a more complete historical investigation. I was present during some of the bishops' discussions at the 1990 assembly. I later confirmed the importance of the CNSS for the Church in a telephone conversation with Father Virgílio Leite Uchôa, a top CNBB assistant, on December 20, 1990.

vi Alves comments on the difficulty of researching this topic: “Any information on the financing of the Church in Brazil has to be conjectural or based on pieces of information dispersed in religious publications or in interviews with prelates. No systematic information is published. Dioceses and parishes do not have the habit of making periodic financial balances or of giving out information about their expenses and receipts. The religious orders are just as discreet as the dioceses. Hypotheses about their financial situation can be formulated based only on the opulent or miserable appearance of their services and buildings.” Alves, *A Igreja e a política no Brasil*, p. 61.

vii The advent of the republican regime of 1889 abolished the royal patronage, which had determined relations between Church and state since the colonial period. The state had practically assimilated the ecclesiastical apparatus during the Empire. Among the measures of the new government of the Republic was the “prohibition of official subsidies to any religion.” However, due to a political accommodation between Church leaders and the government, even after the approval of the Constitution of 1891 the Church was still able to receive official resources “in the quality of aid to beneficent works.” See Sérgio Lobo de Moura and José Maria Gouvêa de Almeida, “A Igreja na Primeira República,” in Boris Fausto, ed., *História geral da civilização brasileira. III. O Brasil republicano. 2. Sociedade e instituições (1889-1930)* (São Paulo: DIFEL, 1985), pp. 325-27. No study exists on the subject of the Church's reception of public monies during the First Republic. For a brief consideration of the amount of subsidies in that period, see Table 1 in the Appendix of this study. Examples of federal aid to Catholic institutions can be found in “Decreto No. 5.651” and “Decreto No. 5.658,” respectively of January 9 and 10, 1929, *Coleção das Leis da República dos Estados Unidos do Brasil* (Rio de Janeiro: Imprensa Nacional, 1930), Vol. I.

viii Sergio Miceli, *A elite eclesiástica brasileira* (Rio de Janeiro: Editora Bertrand Brasil, 1988); [Fr.] José Oscar Beozzo, "Decadência e morte, restauração e multiplicação das ordens e congregações religiosas no Brasil, 1870-1930," in Riolando Azzi, ed., *A vida religiosa no Brasil: enfoques históricos* (São Paulo: Edições Paulinas, 1983), pp. 85-129; Tânia Salem, "Do Centro F. Vital à Universidade Católica," in Simon Schwartzman, ed., *Universidades e instituições científicas no Rio de Janeiro* (Brasília: CNPQ, 1982), pp. 97-134.

ix Della Cava is cited in Pedro A. Ribeiro de Oliveira, "Estruturas de Igreja e conflitos religiosos," in Pierre Sanchis, ed., *Catolicismo no Brasil atual*, forthcoming.

x Simon Schwartzman, Helena Maria Bousquet Bomeny, and Vanda Maria Ribeiro Costa, *Tempos de Capanema* (Rio de Janeiro: Paz e Terra; São Paulo: Editora da Universidade de São Paulo, 1984), pp. 44-45, 56, 60-61. On this point also see Alcir Lenharo, *Sacralização da política*, second edition (Campinas, Brazil: Editora da UNICAMP/Papirus, 1989).

xi Alceu Amoroso Lima, "O que alcançamos na Constituição de 16 de julho," in *Indicações políticas* (Rio de Janeiro: Civilização Brasileira, 1936), pp. 135-55. Comparing the new constitution with that of 1889, Lima pointed out, among others, the following conquests of the Catholic Electoral League in 1934: promulgation of the constitution in the name of God (preamble); the indissolubility of marriage (Article 144); civil recognition of the legal validity of religious marriage (Article 146); labor legislation inspired by the precepts of social justice and the principles of a Christian order (Articles 115, 117, 119, 121, 122, 126, 128); rights for Catholic unions (Article 120); and other Catholic demands, for example, female suffrage and freedom of education. These measures are also the subject of study of numerous secondary sources.

xii Lima presented section No. III of Article 17 of the Constitution of 1934 in a way that allows it to be interpreted as permitting subsidies, while paragraph 7 of Article 72 of the Constitutions of 1891 and 1926 did not. Lima, "O que alcançamos na Constituição de 16 de julho." However, on several occasions Lima denied that the Church was seeking subsidies and insisted instead on the notion of "reciprocal collaboration," a phrase contained in Article 17. In fact, as Lima explained, there was maneuvering by the enemies of the Church in the Constituent Assembly that resulted in a reformulation of Article 17 literally to prohibit subsidies, but section No. III left open the possibility of subsidies, in my opinion, because of "reciprocal collaboration." Before that reformulation there was a parliamentary battle over this phrase, which was finally included because of the pressure applied by pro-Catholic forces in the commission charged with preparing a draft of the constitution. These ambiguities of language aside, the concrete historical fact is that the Vargas government openly subsidized Catholic institutions. See Lima (here using the pseudonym of Tristão de Ataíde), "Primeiras vitórias," *A Ordem*, Year XIV, No. 51, May 1934, pp. 333-39, and "O sentido da nossa vitória," *A Ordem*, Year XIV, No. 52, June 1934, pp. 417-23. In the interpretation of Bruneau, Article 153 permitted the subsidization of Catholic schools. Although the article is ambiguous in this respect, the government in fact did subsidize such institutions. See Bruneau, *O Catolicismo brasileiro em época de transição*, p. 83.

xiii Bruneau, *O Catolicismo brasileiro em época de transição*, pp. 84-85.

xiv Decree No. 20,351, August 31, 1931, *Coleção das Leis da República dos Estados Unidos do Brasil*, Vol. II, p. 708.

xv Centro de Pesquisa e Documentação em História Contemporânea do Brasil da Fundação Getúlio Vargas (CPDOC), Arquivo Gustavo Capanema (AGC), GC 35.00.00, pasta IV, document 8, series h, J.P. Ferreira da Costa, "A assistência social no Brasil no governo do Presidente Getúlio Vargas," pp. 2-3. Ferreira da Costa, who was secretary of the CNSS, completed his report in

October of 1940, ten years after the start of the Revolution. Further citations of material from this archive will be designated with the abbreviation “AGC.”

xvi Certain facts suggest ways of arriving at a resolution of this question. First, it is important to emphasize that, according to one government document, there were no “elements referred to the liquidation of those commitments” that had been approved by the Congress in 1930. I take this cryptic phrase to mean that these budgetary commitments were not in fact discharged. The figure of 10,000 *contos* was the intention of the Congress, but the dissolution of the government by the Revolution and/or other factors resulting from the change in regime in reality caused less than 10,000 *contos* to be spent. Unfortunately, the document does not reveal by how much the expenditures fell below the level voted by the Congress. It should also be noted that the document has an apparent error of arithmetic; a total of 12,000 *contos* is given when the data provided permit a total of approximately 10,000 *contos*. See AGC GC 35.00.00, pasta VI, document 2, Appendix 1, series h, “Demonstração das Subvenções Federais Concedidas às Instituições do País, no Período de 1931 a 1942.” It is also important to observe that the figure of 10,000 *contos* in subsidies for 1930 included funds for three ministries. This situation perhaps represented a kind of salad of different subsidies whose recipients could have varied very widely in comparison with the kinds of organizations that received subsidies during the period of the Vargas regime and the Caixa de Subvenções. And, as the report criticizing the system of subsidies of the First Republic indicated, it is possible that the National Congress had criteria rather different from those of the Vargas administration for the determination and distribution of subsidies. In the attempt to rationalize and moralize the concession of subsidies, it is possible that the Vargas administration had at first intentionally reduced the list of recipients and/or the value of each subsidy. These considerations make it difficult to compare the quantity of subsidies between the period before and after the ascension of Vargas. But the report also allows the opposite conclusion—that the beneficiaries of the Caixa were practically the same as those under the three subsidy-granting ministries of the First Republic. Another possible explanation for the drop in the value of subsidies is perhaps to be found by studying the problematic budgetary situation of the early years of the first Vargas government, which coincide with the worst years of the Great Depression. The data show that federal income fell by almost 25 percent from 1929 to 1930 and only passed the level of 1929 in 1934. Expenditures also fell between 1930 and 1931. These budgetary changes perhaps were a cause of the reduction of the budget for subsidies. See “Anexos Estatísticos,” 1-8, in *A economia brasileira e suas perspectivas* (Rio de Janeiro: APEC Editora, S.A., 1976). Other effects of the Great Depression should also be taken into account. From 1930 to 1932, for example, the GNP diminished 2.3 percent annually per capita. These years also were a time of crisis for the sale of coffee, the most important support of Brazil’s internal market. See Mircea Buescu, *Brasil: Problemas econômicos e experiência histórica* (Rio de Janeiro: Forense-Universitária, 1985), p. 24, and by the same author, *Evolução econômica do Brasil* (Rio de Janeiro: APEC Editora, S.A., 1974), pp. 151-56. Two questions can also be posed that might help clarify the fact of the reduction in subsidies. Was the reorganization of ministries during the provisional government a factor? Did the provisional government purposely reduce the value of subsidies for some other reason? The answers to these questions await further research. Aside from the report of the CNSS about public assistance and the text of the decree creating the Caixa, I was able to find little documentation on the Caixa—for example, a newspaper clipping whose content was simply the following headline: “Official aid to private establishments of charity and of technical training. For this purpose, the ‘Caixa de Subvenções’ created, and initial credits of 3.000:000\$000 available.” CPDOC, Arquivo Oswaldo Aranha (AOA), OA 31.09.15/3. See Table 1 in the Appendix of this article for annual levels of spending on subsidies. Also see Table 2, which provides the quotation of the US dollar in Brazilian currency as a measure of the approximate real value of the figures cited in *contos de mil-réis* and *cruzeiros* for the period from 1930 to 1960.

xvii See Table 1 in the Appendix.

xviii See Table 1 in the Appendix.

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- xix Decree No. 20,351, pp. 710, 712.
- xx Ferreira da Costa, "A assistência social no Brasil no governo do Presidente Getúlio Vargas," pp. 2-3.
- xxi Decree No. 20,351, p. 708.
- xxii Decree No. 20,351, p. 708.
- xxiii Decree No. 20,351, p. 711.
- xxiv Ferreira da Costa, "A assistência social no Brasil no governo do Presidente Getúlio Vargas," p. 4.
- xxv Schwartzman, Bomeny, and Costa, *Tempos de Capanema* pp. 18-19.
- xxvi Decree No. 21,220, of March 30, 1932, *Coleção das Leis da República dos Estados Unidos do Brasil de 1932*, Vol. I, pp. 539-40. Ferreira da Costa, "A assistência social no Brasil no governo do Presidente Getúlio Vargas," pp. 4-5.
- xxvii See, for example, Decree No. 20,916, of January 6, 1932, which awarded funds to various Catholic organizations. *Coleção das Leis da República dos Estados Unidos do Brasil*, Vol. I, pp. 16-17.
- xxviii Schwartzman, Bomeny, and Costa, *Tempos de Capanema*, pp. 54-61.
- xxix See Note 12.
- xxx Letter to Capanema cited in Schwartzman, Bomeny, and Costa, *Tempos de Capanema*, pp. 174-75.
- xxxi In the intervals between his service in other public jobs Capanema was reelected deputy several times. In 1964 he supported the military coup. He was senator from Minas Gerais from 1971 to 1979, when he closed his political career as a member of the Aliança Renovadora Nacional (ARENA). For biographical information on Capanema, see Schwartzman, Bomeny, and Costa, *Tempos de Capanema*. Also see "Capanema, Gustavo," *Dicionário Histórico-Biográfico Brasileiro, 1930-1983* (Rio de Janeiro: Forense-Universitária: FGV/CPDOC: FINEP, 1984), pp. 607-13.
- xxxii Schwartzman, Bomeny, and Costa, *Tempos de Capanema*, pp. 44-50, 173-75.
- xxxiii It is interesting to note that a similar process of subsidization was taking place in Italy and Germany during the 1930s. See Yallop, *Em Nome de Deus*, pp. 115-23. Also see Table 3 and Table 4 in the Appendix of this article.
- xxxiv See Table 1 of the Appendix for the annual totals of subsidies. Sources of these figures are, for example, AGC GC 35.00.00, pasta II, document 11, series h, "Subvenções," September 10, 1938. Also see Ferreira da Costa, "A assistência social no Brasil no governo do Presidente Getúlio Vargas," p. 13. AGC GC 35.00.00, pasta VI, document 2, Appendix 1, series h, "Demonstração das subvenções federais concedidas às instituições do país, no período de 1931

a 1942.” Conselho Nacional de Serviço Social, *Quadro demonstrativo do movimento de subvenções requeridas para 1941* (Rio de Janeiro: Imprensa Nacional, 1944), p. 6. *Coleção das Leis de 1941*, Vol. I, pp. 450-60. AGC 35.00.00, pasta VI, document 6, series h, “As subvenções concedidas por intermédio do Ministério da Educação e Saúde. Relatório apresentado ao Diretor Geral do Departamento de Administração pelo Diretor da Divisão de Orçamento,” Rio de Janeiro, September 16, 1943. Law No. 188, of December 17, 1947, *Coleção das Leis de 1947*, p. 47. For other figures on subsidies that diverge slightly from those cited here and in Table 1 of the Appendix, see AGC 35.00.00, pasta VII, document 4, series h, Ministério da Educação e Saúde, Departamento de Administração, “Subvenções.” For an example of the kinds of entities subsidized, see Table 3 in the Appendix. For an example of the kinds of Catholic organizations that received funds, see Table 4.

xxxv Robert M. Levine, *The Vargas Regime* (New York: Columbia University Press, 1970), p. 151. “Capanema, Gustavo,” *Dicionário Histórico-Biográfico Brasileiro, 1930-1983*, p. 610.

xxxvi On DASP see “Lopes, Luís Simões,” *Dicionário Histórico-Biográfico Brasileiro*, Vol. III, pp. 1926-28. Also see Barbara Geddes, “Economic Development as a Collective Action Problem: Individual Interests and Innovation in Brazil,” Ph.D. thesis, University of California, Berkeley, 1986. The creation of DASP was stipulated in Article 67 of the Constitution of 1937 and put into effect with Decree-Law No. 579, of June 30, 1938, one day before the issuance of the decree establishing the CNSS.

xxxvii Documents in AGC show that several people contributed to the formulation of Decree-Law 525, which instituted the CNSS. A study of the documentation also shows that Capanema himself closely accompanied the process of preparation of the law and even worked on rough drafts of the decree. The first secretary of the CNSS, Phocion Serpa, also made suggestions during the formulation of the bill. In 1939 Augusto Saboia Lima, the Juiz de Menores (judge of the juvenile court) of the Federal District and a member of the CNSS, resigned from the Conselho because he had been promoted to a higher judicial position. In his letter of resignation he referred to the creation of the CNSS as an initiative of Capanema. AGC GC 35.00.00, pasta II, document 2, Appendices 1 and 2, series h. AGC GC 35.00.00, pasta II, document 3, Appendix 3, series h. AGC GC 35.00.00, pasta III, document 7, series h, letter from Saboia Lima to Capanema, Rio de Janeiro, April 7, 1939.

xxxviii Bruneau, *O Catolicismo brasileiro em época de transição*, p. 80. Also refer to the discussion on pages 2-3 of the Church-state pact and the sources cited in Note 8.

xxxix Decree-Law 525 and Decree-Law 527, of July 1, 1938, *Coleção das Leis da República dos Estados Unidos do Brasil de 1938*, Vol. III, pp. 3-4, 6-11. It is interesting to note that in addition to the Caixa de Subvenções established by the Vargas government, there were at least two other possible forerunners to the CNSS. In 1934 the São Paulo block in the Constituent Assembly presented an amendment proposing the formation of an Instituto de Amparo Social (Institute for Social Assistance), which would be run by the federal government, the states, and private organizations. The proposal for this institute had some similarities with the future CNSS: it would be charged with guarding public health, the study of the problems of public relief, and vigilance over public and private charitable agencies. See Hélio Silva, *1934—A Constituinte* (Rio de Janeiro: Civilização Brasileira, 1969), pp. 421-22. In 1935 the Congress passed Law No. 119, which stipulated the formation of a council nominated by the president to examine requests for subsidies and to issue opinions thereon, including the value of each award—this last power, as we have seen, being reserved for the president himself under the system of the CNSS. Like the São Paulo amendment of 1934, Law 119 established official cooperation between the federal and state governments. According to the law, each state capital would have a special commission nominated by the president to carry out a preliminary examination of the applications for funds. The national council would have a representative in each of the federal ministries. The executive branch would ultimately determine the distribution of funds but only with the approval of the

Chamber of Deputies. However, Article 18 of the law stated that for 1936 subsidies would be distributed according to the rules of the decree creating the Caixa de Subvenções. In 1937 a new law repeated this same determination. In other words, Law 119, which was quite different from both the Caixa and the later CNSS, in practice did not go into effect. Three points should be highlighted here: first, that Law 119 perhaps grew out of the São Paulo amendment of 1934; secondly, that Law 119, the São Paulo bill, and the Caixa had elements later incorporated into the CNSS and other legislation on subsidies in the 1950s; and third, that Law 119 provided for far wider political participation in the decision over subsidies than did the Vargas team, which consistently restricted the process to a small group within the executive branch. See Law 119, *Coleção das Leis da República dos Estados Unidos do Brasil de 1935*, pp. 255-57. Also see AGC GC 35.00.00, pasta I, document 6, series h, note to Capanema with illegible signature, November 18, 1937. It is possible that if he was not the author of Law 119, Capanema had at least a voice in its composition, which perhaps explains the similarities between Law 119 and Decree-Law 525 (the CNSS bill). See AGC GC 35.00.00, pasta I, document 2, Appendix 2, series h.

xi "Paiva, Ataulfo de," *Dicionário Histórico-Biográfico Brasileiro, 1930-1983*, Vol. 3, pp. 2476-77.

xli Ferreira da Costa, "A assistência social no Brasil no governo do Presidente Getúlio Vargas," pp. 7-9.

xlii For example, yet another member of the CNSS, João de Barros Barreto, who joined the Conselho shortly after its founding, had published articles on the work of women in industries, child labor, and the conditions of food in the Federal District. AGC GC 35.00.00, pasta IX, document 3, series h, "O Trabalho e a Previdência através da Revista."

xliii Ataulfo de Paiva, *Discursos na academia* (São Paulo: Editora Anchieta Limitada, 1944), pp. 133-68.

xliv AGC GC 35.00.00, pasta IV, document 7, series h, Appendices 1, 2, and 3, minutes of meetings of the CNSS for August 5, 1938, August 26, 1938, January 5, 1939, March 3, 1939, February 2, 1940, and August 14, 1940.

xlv The CNSS form asked whether the institution had an endowment, of what it was composed, and whether it produced income. The form also asked whether the organization had buildings, stock, or rental income; whether its board of directors was paid; and whether it sent or received money from outside the country. Institutions had to provide information on the number of employees, the remuneration of their personnel, the number of persons attended to, and their balance-sheets. AGC GC 35.00.00, pasta III, document 3, series h, "Formulário," CNSS (Rio de Janeiro: Imprensa Nacional, 1939); AGC GC 35.00.00, pasta IV, document 2, series h, letter from Carlos Drummond de Andrade to Capanema, February 20, 1940. In 1942 the "growing number of the decisions made by this organ" caused Paiva to request an increase in the membership of the CNSS. In 1942, for example, the Conselho reviewed 1,956 requests, approving 1,640, in comparison with 1,878 requests in 1941, 1,528 of those being approved. In order to review the applications for 1942 the Conselho met more than 120 times. Conselho Nacional de Serviço Social, *Quadro demonstrativo de subvenções arbitradas para 1942* (Rio de Janeiro: Imprensa Nacional, 1944); *Quadro demonstrativo do movimento de subvenções requeridas para 1941* (Rio de Janeiro: Imprensa Nacional, 1944); AGC GC 35.00.00, pasta VII, document 8, series h, letter from Ataulfo de Paiva to Capanema, undated, probably from 1944. The discovery and analysis of the forms filled out by Catholic entities would be a large contribution to the economic history of the Church.

xlvi AGC GC 35.00.00, pasta IV, document 7, Appendix 2, series h, "Ata da sessão do dia 26 de agosto de 1938," p. 1.

xlvii AGC 35.00.00, pasta II, document 13, series h, copy of “Processo 21/38—Instituto Carioca—Distrito Federal.”

xlviii AGC GC 35.00.00, pasta III, document 6, series h, Olinto de Oliveira, “A subvenção federal aos *colégios* e outros estabelecimentos de ensino,” March 23, 1939.

xlix Oliveira, “A subvenção federal aos *colégios* e outros estabelecimentos de ensino.”

I According to the MES report, the law determined that only the institution desiring aid could forward a request to the government, thus making illegal the interference of proxy agents who had been making visits to the MES seeking information on the progress of the applications. AGC GC 35.00.00, pasta VI, document 6, series h, “As subvenções concedidas por intermédio do Ministério da Educação e Saúde. Relatório apresentado ao Diretor Geral do Departamento de Administração pelo Diretor da Divisão de Orçamento,” pp. 4, 11-13, 18, and Appendix 9. Joaquim Bittencourt Fernandes de Sá, the general director of the Department of Administration of the MES, wrote to Luiz Simões Lopes that “the action of the *procuradores* in the guiding of the process outside the confines of the Department of Administration, and in the payment of the subsidies in the states, has been damaging to the institutions themselves, robbing them of an appreciable part of the sum that the government grants for the maintenance of services of public assistance.” AGC 35.00.00, pasta VI, document 7, series h. CNSS, *Quadro demonstrativo de subvenções arbitradas para 1942* (Rio de Janeiro: Imprensa Nacional, 1944).

li “As subvenções concedidas por intermédio do Ministério da Educação e Saúde. Relatório apresentado ao Diretor Geral do Departamento de Administração pelo Diretor da Divisão de Orçamento,” pp. 13, 15.

lii “As subvenções concedidas por intermédio do Ministério da Educação e Saúde. Relatório apresentado ao Diretor Geral do Departamento de Administração pelo Diretor da Divisão de Orçamento,” p. 19.

liii “As subvenções concedidas por intermédio do Ministério da Educação e Saúde. Relatório apresentado ao Diretor Geral do Departamento de Administração pelo Diretor da Divisão de Orçamento,” pp. 29-32. AGC 35.00.00, pasta VI, document 7, series h, “D.C.—Proc.—17.444/43,” letter from DASP to Vargas, no date, probably the second half of 1943; AGC 35.00.00, pasta VIII, document 11, series h, DASP, “Conselho Nacional de Serviço Social,” no date, probably August of 1944; AGC 35.00.00, pasta VIII, series h, documents 7, 37, and 39. Decree-Law No. 6.889, of September 21, 1944, *Coleção das Leis de 1944*, Vol. V, pp. 207-8.

liv Decree-Law No. 5,697, of July 22, 1943, *Coleção das Leis de 1943*, Vol. V, pp. 45-47; Decree-Law No. 5,698, of July 22, 1943, *Coleção das Leis de 1943*, Vol. V, pp. 47-52. Capanema wrote to Luís Simões Lopes, the director of DASP, in January of 1943 with regard to the legislation on the CNSS and subsidies. AGC GC 35.00.00, pasta VI, document 1, Appendix 2, series h.

lv AGC 35.00.00, pasta VIII, document 4, series h, “Breve exposição das atividades do Conselho Nacional de Serviço Social durante o ano de 1943...” February 18, 1944.

lvi AGC 35.00.00, pasta VII, document 8, series h, letter from Paiva to Capanema, no date, probably from the first part of 1944.

lvii See Note 4.

lviii Law No. 1,493 of 1951, which transferred control of subsidies from the CNSS to the Congress, included almost the same requirements of financial disclosure as the form designed by the CNSS in the 1930s. See Note 45. Also see Associação de Educação Católica (Catholic Education Association, or A.E.C.), *Lei No. 1.493 de Auxílios e Subvenções (de 13 de dezembro de 1951)* (Rio de Janeiro: Edições A.E.C. do Brasil, no date).

lix This role of the CNSS was of the utmost importance during the first weeks of the administration of President Fernando Collor de Mello. See Note 4.

lx Article 67 of the Constitution of 1967 states the following: “It is within the scope of the Executive Power to initiate budgetary laws and those that extend credits, fix salaries and benefits of public servants, concede subsidies or aid, or in any other way authorize, create, or increase public expenditures.” The federal budgets of 1976, 1981, and 1985, for example, assigned funds under the category of “Assistência Financeira a Entidades Através do Conselho Nacional de Serviço Social.”

lxi During the research for this paper I found no legislation modifying the structure of the CNSS during the Dutra administration.

lxii FGV, Arquivo Clemente Mariani (ACMa), CMa/Mariani, C., pi, [46/50].00.00/6, handwritten document, no date. Mariani wrote: “...c’est une nouvelle époque que...maintenant au Brésil, une époque de fructueuse collaboration entre de gouvernement et les prioris [sic] ecclésiastiques, pour realisar tant que possible, le justice sociale.” It should be noted that among the various subsidies mentioned by Mariani in this document, at least one was quoted in U.S. dollars—which leads me to believe that the other references to funds, which do not include the sign of the *cruzeiro*, were also stated in terms of U.S. currency. The document does not furnish evidence as to whether the subsidies were actually granted. The important fact is that the document shows the intentions of Mariani with respect to funding for the Church.

lxiii Bruneau, *O Catolicismo brasileiro em época de transição*, pp. 84-85. For example, the preamble of the 1946 Constitution declared the issuance of the magna carta “under the protection of God.” Articles 141, 163, 168, and 181 repeated important conquests of the Church during the first Vargas regime.

lxiv Article 87, clause XVI, Constitution of 1946. Law No. 188, of December 17, 1947, *Coleção das Leis de 1947*, Vol. VII, p. 47. Some examples of the subsidization process are available in AGC GC 46.02.18, pasta I, documents 10, 14, and 31, series j. These documents show the director of a Catholic *colégio* in Juiz de Fora, Minas Gerais, asking for the assistance of Capanema to obtain approval of a subsidy which was already affirmed by the CNSS but still awaiting the decision of Congress.

lxv Azevedo, *O Catolicismo no Brasil*, p. 24. The A.E.C. complained about “the large subsidies distributed in recent years to so many entities of a purely recreational and even profane nature, and what is even worse, to innumerable spiritist pavilions and centers, which perturb the religious and political peace of our Fatherland...” A.E.C. do Brasil, *Lei No. 1.493 de Auxílios e Subvenções (de 13 de dezembro de 1951)*.

lxvi “...we must not throw away this opportunity, which the law itself offers us, for financing new Catholic institutions and introducing improvements in social and cultural assistance in our Catholic educational establishments.” A.E.C. do Brasil, *Lei No. 1.493 de Auxílios e Subvenções (de 13 de dezembro de 1951)*.

lxvii AGC GC 46.02.18, pasta I, document 77, series j, note from José Capanema to Gustavo Capanema, April 17, 1950.

lxviii One pamphlet from 1946 stated the following: "TO THE PEOPLE OF PITANGUI. Cr\$50,000 (FIFTY THOUSAND *CRUZEIROS*) FOR OUR *SANTA CASA*. The people of Pitangui are informed that the amendment presented by Deputy Dr. José Maria Lopes Cançado, an illustrious son of this town, singling out our *Santa Casa* for Cr\$50,000...was unanimously approved by the Federal Chamber... Congratulations to our *Santa Casa* and to all the people of Pitangui." AGC GC 46.02.18, pasta I, document 9, Appendix 2.

lxix Among the many examples is the *santa casa* of Pitangui, Capanema's hometown, mentioned above. AGC 46.02.18, pasta I, document 1, series j, letter from Father Guerino V. Pontello to Capanema, February 18, 1946. Pontello wrote that the *santa casa* was "in extreme poverty and the subsidy would alleviate our financial distress."

lxx On July 15, 1947, Brás sent a telegram to Capanema requesting a subsidy of 300,000 *cruzeiros* for the *santa casa* and its maternity ward in Itajubá. The *santa casa* was completing new facilities. AGC 46.02.18, pasta I, document 15, series j. The newspaper *O Sul de Minas* described the activities of the *santa casa* in 1946, noting that there had been 21,184 dressings of injuries performed, 29,845 injections applied, 15,886 prescriptions dispensed, 591 operations, 3,511 laboratory exams, and 13,780 consultations with doctors. The newspaper also highlighted the installation of the laboratory, the maternity ward, a radiology department, and the renovation of the laundry and the water system. "All of these projects and acquisitions have been financed by the charitable people of this area and, recently, aided by subsidies of a municipal and federal nature." AGC GC 46.02.18, pasta I, document 15, Appendix, series j.

lxxi AGC 46.02.18, pasta I, document 79, series j, letter from Gustavo Drumond Tostes to Capanema, May 3, 1950. Tostes, who lent Capanema electoral support in Dores de Indaiá, Minas Gerais, reminded the federal deputy of a request of 100,000 *cruzeiros* for a *santa casa* that was to be included in the 1951 budget. He also reminded Capanema of another subsidy of 150,000 destined for the installation of a laboratory at another *santa casa*.

lxxii For an idea of the kind of requests made to a congressman such as Capanema, see AGC 46.02.18, pasta I, series j. Among the requests made between 1946 and 1951 were those of: the Casa do Estudante do Brasil (the House of the Brazilian Student); the Red Cross of Minas Gerais; the School of Dentistry and Pharmacology of the University of Minas Gerais; the Institute of Gynecology of the University of Brazil; the mayoralty of Santa Rita Sapucaí, Minas Gerais (for road construction); the mayoralty of Itajubá (for a memorial to President Dutra); the mayoralty of Divinópolis (for 200,000 *cruzeiros* for an association aiding needy children and the elderly); the Instituto Radium of Belo Horizonte (for cancer research); the Dispensário dos Pobres (Dispensary for the Poor) of Dores de Indaiá, Minas Gerais (for expenditures on goods, medicines, relief, firewood, and employees); the St. Vincent de Paul Society of Itabira, Minas Gerais (for the construction of a shelter for the poor); Esmeraldas, Minas Gerais (for the construction of a sewer system); the Ginásio Nossa Senhora do Sagrado Coração (the Our Lady of the Sacred Heart School, for construction); and the Curso Normal Regional "Nossa Senhora de Fátima" ("Our Lady of Fatima" Regional Teacher Preparation Course), run by the Franciscan Sisters of the Sacred Heart of Jesus in Abaeté, Minas Gerais.

lxxiii AGC GC 51.01.18, pasta II, document 73, series k; AGC GC 51.01.18, pasta II, document 73, Appendix, series k.

lxxiv ACMa CMa 60.12.17, pasta III, document 47, series c, letter from Irmã Dulce to Quadros, Brasília, August 4, 1961.

lxxv Bruneau, *O Catolicismo brasileiro em época de transição*, pp. 122-30. Examples of aid to the *colégios* are found in *Coleção das Leis do Brasil de 1956*, Vol. VII, pp. 46, 211, 212. Also see AGC GC 46.02.18, pasta I, documents 10, 14, 31, 80, and 81, series j; AGC GC 51.01.18, pasta II, documents 17 and 41, series k; AGC GC 51.01.18, pasta III, document 17, Appendices 1 and 2, series k; AGC GC 51.01.18, pasta IV, documents 30 and 88, series k. On the *colégios* as centers of elite networking, see the example of the Colégio Anchieta as described in “Ernani do Amaral Peixoto (depoimento, 1977-84),” FGV, CPDOC-História Oral, 1985, pp. 8-9.

lxxvi AGC GC 39.05.25 36, series i; *Coleção das Leis de 1954*, Vol. III, p. 26; *Coleção das Leis do Brasil de 1956*, Vol. VII, p. 46. Also see *Coleção das Leis de 1959*, Vol. I, p. 16; *Coleção das Leis de 1953*, Vol. III, p. 14; *Coleção das Leis de 1948*, Vol. II, p. 63; AGC GC 51.00.00/2, pasta III, document 159, series k.

lxxvii AGC GC 51.01.18, pasta VI, document 2, series k, letter from Friar Romeu Ribeiro Donato to Capanema, no date, probably 1951.

lxxviii *Coleção das Leis de 1958*, Vol. II, p. 6. Also see *Coleção das Leis de 1948*, Vol. V, p. 10; *Coleção das Leis de 1955*, Vol. V, p. 22. On the Brazilian Church's new posture towards indigenous peoples, see Mainwaring, *The Catholic Church and Politics in Brazil*.

lxxix AGC GC 51.00.00/2, pasta II, document 43, series k.

lxxx *Coleção das Leis de 1948*, Vol. III, p. 125.

lxxxi AGC GC 51.00.00/2, pasta III, document 155, series k; *Coleção das Leis de 1949*, Vol. III, pp. 45, 60; *Coleção das Leis de 1953*, Vol. III, pp. 31-32.

lxxxii *Coleção das Leis de 1948*, Vol. V, p. 10. Also see *Coleção das Leis de 1948*, Vol. VII, p. 147; *Coleção das Leis de 1953*, Vol. III, pp. 25-26; *Coleção das Leis de 1954*, Vol. III, p. 27.

lxxxiii *Coleção das Leis de 1948*, Vol. VII, p. 28.

lxxxiv AGC GC 39.05.25 10, Appendix, series i, telegram from Capanema to Benedito Valadares, September 27, 1943; AGC GC 39.05.25 11, series i, telegram from Capanema to Juscelino Kubitschek, October 21, 1943; AGC GC 39.05.25 18, series i, telegram from Father M. Moutinho to Capanema, November 11, 1943; AGC GC 39.05.25 19, series i, telegram from Father Rocha to Capanema, August 30, 1944.

lxxxv AOA, OA 53,07.15/4. The documents do not indicate if there were requests from the Church among the 32 remaining petitions mentioned by the assistant.

lxxxvi Oscar de Figueiredo Lustosa, “Ação Social Católica no Brasil (Elementos históricos—1894/1964),” *Boletim do CEPEHIB*, Year VII, No. 2 (25), April-May-June 1985, pp. 2-24. Mainwaring, *The Catholic Church and Politics in Brazil*, pp. 31, 51. FGV, CPDOC-História Oral, interview with Severino Sombra de Albuquerque, July 10, 1982. For a general overview of the circles, see Wiarda, *The Brazilian Catholic Labor Movement*.

lxxxvii In 1949, for example, one bill proposed funding of 100,000 *cruzeiros* for the circles of the cities of Maceió and Fernão Velho in the state of Alagoas. AGC GC 46.05.00, pasta II, document 12, series j. It is interesting to add that Father Sanroman, who was recommended by Capanema's brother when the priest asked for money for a social project in Vespasiano, was also involved with

the Workers' Circle in that city, a fact that helps explain the political value of the cleric to Capanema's political party. On federal funding of the circles, also see Wiarda, *The Brazilian Catholic Labor Movement*, Chapter V.

lxxxviii Decree No. 28.568, August 29, 1950, *Coleção das Leis de 1950*, Vol. VI.

lxxxix For a history of JOC, see Mainwaring, *The Catholic Church and Politics in Brazil*, Chapter 6. For an interpretation of JOC by one of its early radical priest participants, see Francisco Lage Pessoa, *O padre do diabo* (São Paulo: EMW Editores, 1988), pp. 76-78.

xc My doctoral dissertation, currently in preparation, discusses at length the importance of the Vincentian Fathers in modern Brazilian history.

xcI *Coleção das Leis de 1941*, Vol. I, pp. 451-60. See Table 4 in the Appendix.

xcii AGC GC 46.02.18, pasta I, document 28, series j.

xciii *Coleção das Leis de 1951*, Vol. VII, p. 46.

xciv *Recursos sociais da Igreja no Brasil* (Rio de Janeiro: Centro de Estatística Religiosa e Investigações Sociais, 1975), pp. 13-14, 27-28.

xcv Bruneau, *The Political Transformation of the Brazilian Catholic Church* (London: Cambridge University Press, 1974), p. 50.

xcvi AGC GC 39.05.25 27, 28, and 34, series i.

xcvii *Coleção das Leis de 1948*, Vol. II, p. 47. Also see the various uncataloged documents on this subject in the archive of the Província Brasileira da Congregação da Missão in Rio de Janeiro. For a history of Caraça, see [Fr.] José Tobias Zico, *Caraça, peregrinação, cultura, turismo* (Belo Horizonte, Brazil: Ed. Littera Maciel, 1988).

xcviii The subject of the subsidization of these activities is treated in detail in Ken Serbin, "Igreja, estado e a ajuda financeira pública no Brasil, 1930-1964: Estudos de três casos chaves," *Textos CPDOC* (Rio de Janeiro: Fundação Getúlio Vargas, 1991).