

〈Summary〉

The Establishment Period of Statesman Leonel Brizola : Focusing on the expropriation of CTN in “the State of Gaúcho”

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This paper examines the nature and characteristics of the political leadership of Leonel Brizola (1922–2004), former Governor of “the State of Gaúcho” (which means the State of Rio Grande do Sul, one of the most powerful states in the Brazilian Federation), by analyzing the policy-making process of the expropriation of Companhia Telefônica Nacional (CTN), the subsidiary of International Telephone and Telegraph Company in 1962. The analysis in this paper depends on the minutes of the state council of communication (Conselho Estadual de Comunicações), a newly obtained historical document.

Brizola was a famous national figure and vital member of the Brazilian Labor Party (Partido Trabalhista Brasileiro) which was suppressed by military rule imposed in 1964. This paper proves that Brizola was essentially a leader with an ability to legally organize people toward impartial development. This paper focuses on his governorship (1959–63), because it seems that his leadership was fully demonstrated in this period.

In order to expand the communication service in his state, Brizola, as governor, designed to establish a new semi-governmental telephone com-

pany, Companhia Riograndense de Telecomunicações (CRT), combining all companies in the state. The state government asked the major company CTN to cooperate and both parties organized a working group to prepare for CRT legally in 1960. The working group was composed of four professionals; two representatives from CTN and two other representatives from the state council of communication appointed by Governor Brizola. The state government also held council meetings regularly with the representative of CTN as councilor.

The state council of communication was established in 1954, and councilors discussed the matter taking request from residents. The council consisted of representatives of various socioeconomic associations, such as groups of engineers, agricultural workers, and commercial and industrial businesspersons, and it also included a representative from the Brazilian military. The position for both chair and secretary was served by certain state government officials consistently. According to the minutes of the state council of communication, it becomes clear that councilors took a conciliatory approach toward CTN to realize the establishment of CRT.

In those days, increasing public utility charges without state government permission was prohibited by law. The parent company of CTN in the United States had an intention to eliminate unprofitable and troublesome areas in its business. The circuits which CTN laid before were totally worn and needed repairing, but the parent company refused new investment. Therefore, the council permitted CTN exclusively to use state financial resources for its business in the state to prevent CTN's withdrawal.

The working group introduced a bill to the state legislature, and the establishment of CRT was legally permitted in 1960. But the parent company of CTN suddenly declared seceding from CRT being discontent

about the amount of compensation which was determined by the working group. In order not to suffer a setback and to protect its employees, CTN had to be expropriated. In short, it was clear that the consensus-building in the council was thorough and the expropriation of CTN became desirable.

Previous historical works on this expropriation have focused solely on Leonel Brizola as a nationalist and agitator. However, this paper shows that there were various people, who joined the policy-making process. In conclusion, this paper shows the relationship based on sympathy was at the heart of the leadership of Brizola.