

Neo-developmental Misery: FIESP in the 2016 Brazilian Coup d'État

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Abstract: This paper presents a critical analysis of Brazilian industrialisation since democratisation, focusing on the deepening of neoliberalism. It examines the historical trajectory of a sector of the Brazilian industrial bourgeoisie in the context of the world capitalist system, drawing upon Samir Amin's concept of social formations. Additionally, it explores the debates on industrial growth in 20th century Brazil, shedding light on the impact of neoliberal policies on the domestic economy, and evaluates the feasibility of the neodevelopmentalist approach for industry development in the contemporary scenario of real existing capitalism. The text also delves into the linkages between classes in world capitalism, such as the Triad's bourgeoisie and Brazil's neocolonial ruling class. It analyses Fiesp, the main representative of the Brazilian industrial sector, its history, political positioning, and the current state of Brazilian industrialisation. Furthermore, it addresses the motivations behind political decisions related to the industrial sector, including factors of class positioning and structural issues, aiming to construct an alternative understanding of class struggles in Brazil, linking them to the core- periphery dynamics.

Keywords: Brazilian industrialisation; Neoliberalism; Class struggle; Core; Periphery

Introduction

This paper presents a critical analysis of Brazilian industrialisation since democratisation, focusing on the deepening of neoliberalism. It examines the historical trajectory of a sector of Brazil's industrial bourgeoisie in the context of the world capitalist system, drawing upon Samir Amin's concept of social formations.

Through historical investigation, this work explores the country's debates on industrial growth in the twentieth century. It sheds light on the impact of neoliberal policies on the domestic economy, assessing the consequences of trade liberalisation, privatisation, and surplus appropriation in the Brazilian social formation classes. The research also delves into the linkages between classes in world capitalism, such as the Triad's¹ bourgeoisie and Brazil's neocolonial ruling class.

After that we examine our object, FIESP², the main representative of Brazilian industrial sector. We will analyse its history – starting in the end of the developmentalist period until the early 2000s – and political positioning through its main publications. Through this, the current state of Brazilian industrialisation is debated. It critically evaluates the feasibility of the neodevelopmentalist approach for industry development in the contemporary scenario of real existing capitalism.

¹ The imperialist Triad is composed of the United States, Western Europe and Japan (Amin, 2003).

² Federação das Indústrias do Estado de São Paulo. In English, Federation of the Industries of the State of São Paulo.

We believe that our object summarises better the effects that were brought to the country economy. Although part of the white settler bourgeoisie, most of its industries were, at best, medium to low tech intensive, strongly dependent on the technology brought by transnational corporations to exercise its activities. In the other part, the main Brazilian capitalist had the power and the know-how for adapting to the changes brought by the transition from monopoly capital to monopoly finance capital, and they also often had direct contact to the executive branch of power (Campos and Brandão, 2017; Perrin, 2020).

The federation was also a political factor in the reestablishment of a stronger neoliberal policy, as it has actively supported the coup which ousted President Dilma Rousseff from the Brazilian Workers' Party (PT) from power in 2016. Lula's and Dilma's terms were the ones where the industrial sector had the most attention, in special the democratic period, the PT filled most of the requests that the sector asked (Vaccari, 2016), nevertheless and the brink of the crisis they chose to end the so called "developmentist coalition" (Bresser, 2016). As we also believe and shall conclude, among its motivations there was a class positioning and will in face of a status quo menace also a material structural factor related to the Brazilian industrial class position at the capitalist system. PT's way of governing is what André Singer calls "Lulism" (Singer, 2012).

This work aims to build an alternative understanding of the country's class struggles, linking it to the core-periphery dynamic. We maintain that the Brazilian social formation had a white settler type of industrialisation that can be described as colonial, turning to neocolonial approach with the adoption of neoliberalism and the dynamics brought by the capitalism of generalised monopolies. We believe that, in this way, there can be a better appreciation of the bourgeoisie class in the context of a greater involvement of the working classes in the nation's political landscape since the late 1980s.

We have two hypotheses the first one is that neodevelopmentalism had its constraints due to structural characteristics of monopoly finance capital. The second one is that Fiesp adopted neoliberalism in order to preserve its class status quo. We will analyse this through the Brazilian experience. Such experience was ill-fated and it started to wear off around the year 2013, by that time the industrial sector, that supposedly, was not keen on neoliberalism, change its narrative and political action.

Brazilian bourgeoisie and the white settler industrialisation

If we consider the concept of social formations by Amin (1974), Brazil, as a peripheral social formation is also linked to the core of the capitalist system, by its trade, its dominant classes and the appropriation of its surplus. Its bourgeoisie held to the white settler dynamics that has long since permeated it from the times of colonial slavery until the democratisation in 1988. For the very essence of capitalism at the core was only possible because of the slavery and exploitation at the periphery.

Brazilian white-settler capitalism transition would start at the late slavery period (Moura, 2021) and transition into capitalism after the abolition, when the freed slaves formed a big proletariat. After that the State implemented laws in order to keep the black and the poor landless and without integration in Brazilian society³. In the industrialisation of the late 19th century the bourgeoisie would rely on the immigration of European work force in order to

³ There was the Lei de Terras (Land Law) that would turn the State owned land into private propriety, in this way the recently freed slaves wouldn't receive land as a donation by the State in any way and were virtually ousted from economical life. In urban areas the Lei de vadiagem would arrest any black that would not be working or be in a social gathering. (Moura, 2021).

"whiten" the population and keep the blacks and paupers at bay.

This newly established Brazilian capitalism was focused on exports of raw materials with a small degree of industrialisation (Prado, 2012). At same time there was a push by the State for immigration by European work force in an effort for whitening the population. However by the 1929 crisis there was a breakup in this logic, the black workforce was assimilated over the banner of an alleged “racial democracy” (Yeros, Schincariol and Silva, 2019). This was the beginning of a dependent cycle of industrialisation in what would be know as “developmentalism” which would last amid some variations until the late 1980s (Bielschowsky, 2016).

The change in the 1930s was accompanied by the good neighbourhood policy by the United States amid the 1930s in the brink of WW2, Brazil was able to bargain with the North Americans for funding for its own steel industry. After the war there was a brief moment of a problematic democracy with a dispute between nationalistic views and a pro imperialist approach that would culminate in the military dictatorship in 1964 that would last until 1985. (Skidmore, 1988; Dreifuss, 1986). Although with a considerable degree of SOEs (State Owned Enterprises) and national private capital companies, the dictatorship started a process of denationalisation, opening up the country to the foreign monopolies (Bandeira, 1975) and creating a great deal of debt and dependence (Frank, 1971) this was aligned with the aims of imperialistic powers of US (Magdoff, 1972).

The military dictatorship was put into place after a series of populist governments that would improve the bargaining of the urban working class and propose an timid agrarian reform. The bourgeoisie delegated the power to the military that was able to end the growing political power of the working class.⁴⁵ In the 60s the military dictatorship would extend those laws to the agrarian workers, but in a worker crushing dictatorship paired with the green revolution. This white-settler colonial industrialisation pattern in the 60s to the 80s would be known as the triple alliance (Evans, 1980), and would only come to fruition through super exploitation of the working class with no civil rights. The export of the fordist model is based on the higher rate of profit based on the low cost of reproduction of labor in the periphery. The indigenous capital is not centralised enough and it cannot compete with the ETNs. end of dictatorship in an international matter

After the debt crisis that there is a qualitative change in the structure of Brazilian bourgeoisie. Capitalism had also changed, the end of the Bretton Woods agreement marked a change in the system, the rules established after WW2 were no more. With it the expansion of the TNCs of the major monopolistic players in the core of the system also withered. The Brazilian state was not sustaining the authoritarian model of economy growth, and the relative autonomy of the state came across a ruling class filled with new liberal ideas. This would culminate in the end of the colonial domination structure in the Brazilian social formation, for less autonomous neocolonial structure, regarding the indigenous bourgeoisie that is. This current status requires an order between the control of international monopolies and the exploitation of the working case in the periphery, Brazilian industrial sector was an intermediate in this scheme. The treat of losing this position would be a reason to oust a progressive government. However, capitalism was facing some changes.

There was phase of centralisation of capital in the Triad countries that took place during the

⁴ There was no real minimum wage growth and no right to strike throughout the military dictatorship. For more see (Horie, 2019; Barbosa and Moreira, 2003).

1980s and 1990s. This new stage of imperialism is characterised by the exertion of control over the productive systems of the periphery of global capitalism. In what Amin (2013) would call “capitalism of generalised monopolies” similar to what Foster (2010) would call monopoly finance capital. The crisis was a hit in some of the ambitions of the bourgeoisie in the country, they were to accept the hegemony of the Triad’s monopolies, on the other hand this could only come to fruition with political and economic guarantees. So there was a change in the state apparatus to better fit neoliberal reality and take away the political leverage, specifically of those historically oppressed groups that would difficult the class reproduction of local and imperial bourgeoisie from then on.

...the debt crisis that ravaged the economy imposed an unsavoury option on the hitherto recalcitrant settler bourgeoisie, namely to abandon its autonomous industrial ambitions and accept, unequivocally, the hegemony of monopoly finance capital. (Yeros, Schincariol and Silva, 2019, p. 102)

From the working class perspective, chiefly the non-white, there were no political rights until 1988. In spite of the end of this colonial pattern, the settlers political privileges and white dominance were kept, however, the main sector that struggle in this state of things was the medium and low industry, represented by Fiesp as it was well adapted to the “triple alliance”, the low tech and small industries had not a pleasant time. This pact would stand until the election of Lula governments, as PT would have plans to reform this pact, fuelling the internal market and aiming at a somewhat state led industrialisation (Yeros, Schincariol and Silva, 2019).

FIESP’s historical positioning

Now we shall understand what how does Fiesp fit in Brazilian peripheral capitalism. In our study we research their main publications to understand its official positioning over industrial policy. Although our period is centred around the early 2000s we took a broader time frame as it would help in illustrating a pattern of narrative of the Brazilian industry. We tried to get ahold of the magazines by getting in touch with the federation but we got no answer. So we had to rely on the collections available on the libraries so there were some titles missing but we believe they were enough for portraying a pattern of behaviour.

Table 1: FIESP publication analysis

Mentions	1970s	1980s	1990s	2000s
State (+)	4	3	4	3
State (-)	8	6	5	4
Foreign K (+)	8	1	3	0
National Tech	3	0	0	0
Neoliberalism (+)	3	20	14	0
Neoliberalism (-)	0	2	7	1
Taxes/interest rates (-)	2	0	4	3
Worker Rights (-)	0	0	3	1

Total	28	32	40	12
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Source: Revista Indústria e Desenvolvimento (1968-1982); Revista da Indústria (1987-2011)
Made by the author.

In our selection of pieces on the magazines we chose the stance of the federation concerning foreign capital because we believe is a good indication of true emergence aspirations or a dependent cormorant role to foreign productive control. The positioning towards the State, if the industrial class sees it as a means to an end or as adversary can also indicate it's long term aspirations. We also shed a light in the relation over taxes and workers' rights because it has consequences on the bourgeoisie reproduction as a whole, dependent on the exploitation of working class, most of the times it will be not fond of wage increasing or even the indirect funding of a social network through taxes.

We got ahold of 75 magazines from the 70s with 31 relevant stories; 47 magazines from the 80s with 26 stories; 60 magazines from the 90s with 38 stores and; 30 magazines from the 2000s with 12 stories. Is also important to know that the magazine was not published continuously, it stopped in the 80s and in 90s for sometime and it returned in 2004 and it seemingly stoped again around 2011.

The data (Table 1) shows that Fiesp has often been more sympathetic over the foreign capital, especially western in detriment to the Brazilian State. Throughout the decades, but more clearly in the 1970s, foreign capital was seen as a higher partner of sorts, a way for obtaining know-how and innovation. This was height of the economic miracle followed by the crisis of the oil shocks and then de debt crisis. Since the 50s the Brazilian companies were inserted in a productive division where they multinationals were responsible for the technology, the SOEs responsible for the basis of industry such as steel and oil, and the national industry would take the intermediate sector with moderate technology process. (Evans, 1980). In this case we can see a pattern that see the SOEs as competition (Evans, 2004) and praises the foreign capital as business opportunities, actually outlining the dependency of Brazilian industry.

In the 80s it was the debt crisis period, and neoliberal solutions started to be mainstream. There was a higher offensive against the State, at same tame Brazil is suffering a massive inflation problem, the rule of the decade was to push the State – that was entering democratisation – to neoliberalism as we contextualised earlier this could be also a symptom of the neocolonial transition. The year of 1985 (the same year the dictatorship ended) was the year when the main Brazilian non-financial corporations started to dive into the financial market in order to make up for their losses during the debt crisis of the 1980s. In the main Brazilian companies by 1985 financial participations were accountable for 12,5% of the total assets of the companies, by 1989 the revenue on participation was over 10% of the total net revenue (Belluzzo and Almeida, 2002). In this decade its positioning against the State is even clearer. In the midst of the crisis and the transition to democracy, the entity has blamed the dictatorship (even though it supported it) and the State for the economic problems. The ultimate solution was neoliberalism, that's why there so many pieces defending it.

Compared to 1980s the 1990s were a bit more parsimonious, mainly regarding the sectors the suffered with the competition by imported products, such as toys and cheap electronics. In the 90s there is still a push for neoliberalisation but amid complaints of the smaller industries for the fast pace and disregard for the opening, but mostly the publications we got ahold of were asking for more liberalisation of the economy. It is important to point out that we did not get magazines from 1998 onwards when a more combative presidency of the federation rose to power, it was more vocal about the harms of neoliberalism to indigenous industry.

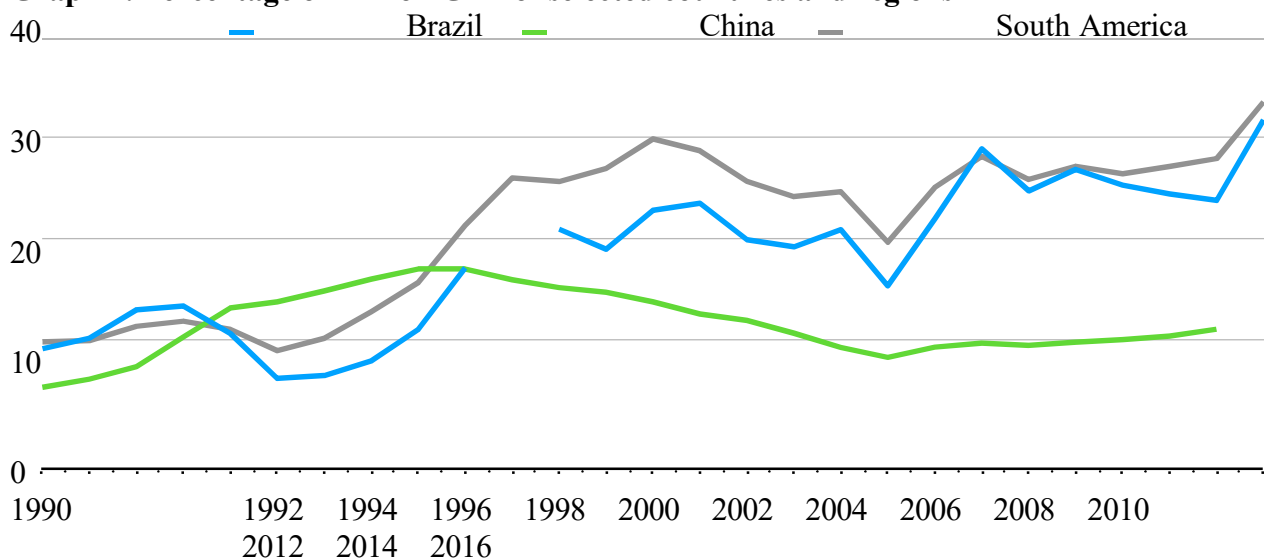
(Toledo, 2005). Another sign about this is the IEDI⁵ document advocating for a less neoliberal policy in 1998 (IEDI, 1998; Diniz, 2010). Concurrently, Fiesp would advocate denationalisation measures and microeconomic adjustments. Until the end of the 1990s the entity would be a strong supporter of neoliberalism. During PT's government, Fiesp seems to adhere in a conciliation between the interest of the industry, the worker's unions and the State. The PT governments, started to bring again industrial projects which would question the neoliberal hegemony. The industrialists were supportive, but at the same time it had its fights over expenditures and fiscal and taxes matters. It's important to remember that by the half of the next decade the Fiesp was one of the linchpins of the 2016 coup d'état paving the way for a fiercer neoliberal policy. This was possible thanks to the current conjuncture linked to the commodity boom and the progressive politics that PT was able to implement. The rest of the decade will be disclosed along the remainder of this work.

Overall, the federation, at least its official discourse, does not blame foreign capital for the effects of neoliberalism, instead it blames the State for not building adequate safeguards, although it is a legitimate point, we believe they're both interconnected, be it for the advantage of the foreign monopolies and for the Brazilian bourgeoisies bigger companies. We must understand how this scenario came to be, therefore the next section will analyse the denationalisation which occurred in the country.

Brazilian denationalisation

The aforementioned neocolonial status came with a significant movement of denationalisation, especially from the triad (Hiratuka and Negri, 2004). Marini (1992) has pointed out that a "reversion" was occurring in Latin America, Brazil in particular, which means that the Latin American social formations were going back to an era of exporting raw materials and letting go of any indigenous industrialisation project, consonant to the neocolonial status. It is also noticeable if one looks the FDI data in Brazil (Graph 1).

Graph 1: Percentage of FDI on GDP of selected countries and regions



Source: UNCTAD (2023) Made by the author

⁵ Instituto de Estudos para o Desenvolvimento Industrial, Institute of Studies for Industrial Development in English. Founded in 1989 is an institute that was formed after some industrialist were dissatisfied with Fiesp and it's alignment to neoliberalism in the 1980s. It used to set a moderate tone against neoliberalism, but currently it reproduces the neoliberal agenda (Casimiro, 2018).

Since the 90s Brazil has been one of the main targets of FDI inflow, behind only of Hong Kong, China, Singapore and Mexico (until 2008). We have put China on the graph for comparison (Hiratuka and Sarti, 2011). This trend still goes on today (Sarti and Laplane, 2021). One might compare it to China, but the main sort of investment from this FDI is *brownfield* that means it is mostly acquisition in already existing physical capacities and facilities. It is actually the denationalisation of Brazilian economy, the 90s the inflow of FDI was a mean for foreign capital dominate the economy through merger and acquisitions, since the 2000s, and mostly after the 2008 crisis, was a way to dominate the global chains of production (Hiratuka 2021).

The promised results for opening the country's capital were cheaper technology, better competition and modernisation. This was not the case, research shows (Sarti and Hiratuka, 2019) that the denationalise corporations were more concern in the maximisation of share holder value instead of inversion on R&D. Another result was a greater control by foreign capital of the Brazilian industries and productive management (Sarti and Laplane, 2021).

In reality, the Brazilian social formation as any other peripheral formation is heavily internationalised with its productive sector being mostly based on the core's goals or profitability (Amin, 1974). We must underscore that the economy had always a considerable degree of internationalisation, but especially after de 1964 military coup (Bandeira, 1975) a new stage of internationalisation took place by the big monopolies (mainly automakers, banks and pharmaceutical industry) penetrating the country. During the debt crisis in the 1980s Brazilian companies start to open its capital and start taking profits in the financial sector. And in the 90s the biggest opening starts, its pattern last till this day (Sarti and Laplane, 2021). The Washington Consensus, build by the United States was the way of organising e dominating the world after the cold war and it had great significancy in the Brazilian state building, there were implemented legislations such as Lei de Responsabilidade Fiscal⁶, it was a concrete change in favour of the predominancy of financial capital. For instance, this law set the limits of how much debt a public company could hold, in other words, the state lost it's leverage in long term projects. This was all accepted with the premise of higher inversion by foreign capital. With diminishing control over it's industries and resources, PT assumed office with few alternatives for economic growth.

PT in office

Within a strongly neoliberal setting PT wins the 2002 presidential election. Lula's first term started in 2003 with a rough neoliberal policy, more rigid than his predecessor. But two years later in 2005 the government changed its approach and used the State apparatus to try and build a bourgeoisie that was able to compete internationally and internally provide modern national industry and technology. The government reestablished its development bank (BNDES) in order to finance the bourgeoisie. The main benefited from its loans were sectors that already had well built "comparative advantages" such as agribusiness, food and real estate. Therefore companies like JBS, Mafrig (agribusiness and food) and OAS and Odebrecht (real estate) received loads of incentives aiming to become international giants. The government called this initiative the "national champions". (Almeida, 2009). The PT government tried to put into place a resurgence of State activity boosted by the commodities boom in the 2000s

Although Lula's terms ended with praise Dilma (2010-2016) had some hardships. Her first year had a neoliberal approach but after that she tried a developmentalist course of action. André Singer (2018) portrays the dispute that Dilma had with the financial sector to lower interest rates and promote industry. The president was defeated in this battle, as the

⁶ Law of Fiscal Responsibility in English. This law would formalise neoliberalism in Brazil's constitution.

international economy was no longer in her favour, and industrialists were not willing to invest in long-term projects with constantly increasing minimum wages (Marquetti; Hoff; Mielbach, 2016). The coup d'état that took place in 2016 puts into question this logic of an “developmentalist” bourgeoisie. The then president, Dilma Rousseff said in a later interview that she expected the industrial sector to defend the government against the coup (Esquerda Petista, 2017).

Political crisis and coup

If one takes Fiesp positioning there's a change in the entity manifestations from 2011 and mainly in 2013. As the more fractions the bourgeoisie class are at the brink of losing its dominance unite. We will bring elements to express the class character and as Vaccari (2016) puts it there is a convergence between the financial and productive sectors, because there is a class menace and the challenge to the bourgeoisie status quo. They rather have neoliberalism.

So the neodevelopmentalist approach takes shape in this scenario. Political scientists and economists start to notice the State was trying to recuperate some of its past attributions not only to serve the ruling classes, but also for welfare and social needs. The PT government was, without knowing, firing the class struggle in the country as Singer (2018) puts it: “Lulism did not intend in producing a confrontation against the dominant classes, however as it started diminishing the poverty it did it unconsciously” (p. 22).

The labor unions tried to put forward their specific demands in response to the employers' offensive. The productivity coalition was caught off guard, and the government realized that the policies it had requested, such as reducing interest rates and abolishing payroll taxes, would not have the desired effect and instead created mistrust among businesses. Under pressure, the Executive began to make concessions, but it did not help, and the business opposition became more forceful. At the end of 2013 CNI⁷ made a complaint about the lack of economic growth and productivity, In 2014 Fiesp's acting president, Benjamin Steinbruch, the same one that defended minimum wage grow in 2014 (Folha de São Paulo, 2013), was now defending a labour law reform. (Singer, 2018).

At the international level from the second half of 2013 onward, industrialists began criticising Brazil's isolation in international trade, mainly south-south cooperation and demanding reconnection with the Triad. The president of the Foreign Trade Council of the Federation of Industries of São Paulo (Fiesp), noted that in the 13 years prior to 2013, Brazil notified the World Trade Organisation (WTO) of 353 trade agreements but only negotiated three “insignificant” agreements with Palestine, Egypt, and Israel. As an alternative, entities such as Fiesp, CNI and IEDI began advocating for Brazil's integration into “value chains” through the signing of free trade agreements with innovation technology leaders such as the United States, the European Union, and Japan (Vaccari, 2016; Fiesp, 2013). So, the government strategy failed, but why it relied on developmentalism? We believe it is because of its conciliatory principles as we shall see.

Developmentalism premises

Developmentalism on itself its a broad concept, some claim that England and the Netherlands were “developmentalist” on the mercantilist period (Bresser-Pereira, 2016), while others claim developmentalism is a characterization of late industrial countries (Haggard, 1990). Either way

⁷ Confederação Nacional da Industria. National Confederation of Industry, is a national entity composed of all the state federations.

in Brazil alone there is a wide range of variations if one considers the 1930-1985 period, from a more progressive and nationalistic perspective to a more reliant in foreign capital and politically conservative (Bielchowsky, 2016). In this broader sense is not strange that a neodevelopmentalist project might represent different thing for every political and economical actor involved.

But there seems to be a constant on the composition of such Developmental State: it would rely in a rational weberian style bureaucracy to plan its economy, this planning is for achieving and industrial catch up to the advanced economies (Amsden, 1989; Johnson, 1982). It holds the premise that it's only of matter of internal political and institutional organisation to do so. In terms of its national content, Santos (2021) puts the developmentalist is a ideology that dresses itself as nationalist while allowing the penetration of foreign capital, when the Brazilian elites were aware that for a true nationalist policy the would have to consider the demands of the working class.

Neodevelopmentalism is a sort of revival of the old developmentalist approach that many states did after the crisis of 1929 and after World War II. According to Bresser (2016) new developmentalism demands a class coalition between workers, entrepreneurship business people and public bureaucracy, distinguishes two kinds of capitalists the "productive" and the "rentist". Sicsu (2007) would add to that and says that the new deveolopmentalism claims a strategy of a productive transformation that allows sustainable growth with income distribution. And the state should be a "strong state in order to build a strong market". The mains differences between this new version and the old one is that this one is democratic and does not allow economic and fiscal "populism" (Bresser-Pereira, 2016). There's a wrong premise here, the fiscal responsibility approach. It assumes that the problem with the economic pattern that Brazil had from the 30s to the 80s wore out because it was not responsible on the fiscal matter. We're not saying here that it was, when debt was one of the core aspects of developmentalism in Brazil, but this was a symptom not the cause of its demise. This sort of approach ignores the changes in the core countries' economic reproduction and its effects on the periphery.

The circumstances that we have described so far, makes plausible a belief in a return to a developmental state, especially one does not consider the contradictions regarding capitalism as core-periphery worldwide system. We That lead us to the contradictions between the bulk of industries it represents and the directors that are heirs and owners of multinationals that are well financialised.

Contradictions regarding financialisation and denationalisation

The changes neoliberalism conveyed to Brazil raised a number of contradictions within industrial bourgeoisie. Here we bring concrete data on a once SOE that was privatised and financiaised, that belongs to the afore mentioned Benjamin Steinbruch. In spite of representing and voicing over the medium to low industry, as pointed out by Leopoldi (2000), Diniz and Boschi (2007) and Perrin (2020), the Fiesp directors belong to a different stratum of industry and bourgeoisie. Steinbruch is the CEO of CSN (Companhia Siderúrgica Nacional) head of the Vicunha Group (textile and steel mill) and shareholder of Banco Safra. (Diniz, 2010).

This adds to the structural impediments for the feasibility of neovelopmentalism. CSN, for instance, was a national steel industry (the second largest in the world) privatised in 1994, since then there was a considerable fall on the requests for patents (Fagundes et al., 2016) (which might indicate less investment on innovation). Since its privatisation, as most

financialised companies⁸, holds a shareholder value maximisation, the dividends are significantly higher than the inversions on R&D (Table 2).

Table 2: Dividends payments and R&D expenditure CSN (R\$ thousands*)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Dividends	1,258,834	1,909,410	1,659,955	1,500,000	1,500,000	1,200,000	300,000	610,000	700,000	275,000
R&D	40,000	40,200	32,400	40,000	57,000	57,000	6,033	5,810	3,406	3,363

Source: CSN. Made by the author.

*Values not corrected by inflation.

The historical demands of the industrial sector such as low interest rates and long term investment are not as necessary for an financialised such as CSN company that it is relatively at home on current monopoly finance capitalism compared to the industrial sector the FIESP represents. One thing is important to underscore, CSN pays the minimum dividend rate of 25% of net income abiding by Brazilian Law. But that is also a State problem, there is no law for minimum P&D inversion, for instance.

Being financialised and internationalised as it is, CSN and other big Brazilian groups, have links that have never been severed with foreign capital and have a degree of linkage and both depend on the exploitation of the working class. The PT government made this exploitation somewhat difficult, but thought of an idealistic bourgeoisie that was not intricated in real existing capitalism network. As soon as its reproduction as ruling class was menaced, Fiesp started complaints of government expenditure, demanded a labour law reform and a Social Security reform (FIESP, 2016; 2019; UOL, 2017). For the ruling classes anything goes if its reproduction is guaranteed. After the coup the entity felt well at home with Temer (2016-2018) and the fascist Bolsonaro (2018-2022), those two were an insurance policy to the Brazilian industry and the Monopolies of the Triad, that the exploration of the working class would keep its pace as it was need for their oppressors reproduction.

Concluding remarks

Although this still a preliminary study, we have tried to bring date that would made an inference about the problems in Brazilian industrialisation, and its relation to the needs of today's capitalism, possible. Studying Fiesp we tried to see its positioning in relation to foreign capital historically, and even its demands for integration more recently.

If there was a well established connection between Brazilian industrialist and the core, it still remains over the wave of FDIs that were brought in the 90s and 2000s. In this context, a sort of revival of a purely reformist "developmentalist" project seems unlikely and the 2016 coup it's a sign of this. There was a large degree of internationalisation of the economy in the 90s, the Brazilian social formation has always had deep connections with the capitalist core since its conception. This is better seen in the phases of capitalism that push the accumulation pattern in the periphery. For instance, there is no way to conceive the Brazilian elite and later bourgeoisie without Europe's overseas expansion.

In other words, the process of Brazilian colonisation, which shaped our country and its economic, social, and political institutions, has its origins in the same Western civilisation and culture that gave rise to capitalism and imperialism. These same circumstances that molded

⁸ According to Belluzzo and Hiratuka, this is not the case only in high tech industries.

our formation also gave birth to imperialism. (Prado Jr., 2014, p. 80)

If one takes the military dictatorship from the sixties and seventies one might be tempted to characterise it as a “nationalistic” economic model, but that is far from the truth. In our current condition we can see that the developmentalist model was a relatively national way in dealing with economy compared to neoliberalism and that is a trend in Brazilian social sciences especially in the last two decades.

A fetishisation of a past and a disregard for the peripheral reality and the existing “capitalism of generalised monopolies”. This kind of analysis assumes that Brazil would be able to reach a developed pattern or perhaps a condition similar to Taiwan and South Korea. In other words it would be possible to change the conditions of a peripheral social formation by just adjusting bureaucracy and by building a political front in order to counter the comprador and pro external capital political groups. The neodevelopmentalist approach is a symptom of this trend. The belief that the industrial sectors would be upset by neoliberal economics and by the internationalisation of the economy might make sense in a capitalist core country in a bygone trend of the capitalist model. In our opinion this was PT’s mistake along with the belief that sheer growth would satisfy antagonistic classes.

Paraphrasing Amin (2019): emergence is not the same as growth in exports and the power of a country. Growth in exports depends on an internal market and can either strengthen or weaken the relative autonomy of an emergent economy. Emergence is a political project that seeks to reduce the domination of dominant capitalist cores, and an authentic project of emergence is the opposite of submitting to the requirements of globalized capitalism, which can lead to “lumpen-development” or accelerated social disintegration.

If Florestan Fernandes (2006) once said, in the 70s that the Brazilian bourgeoisie does not make its own history, but makes history in a closed circuit of harmonisation of warring interests, this maybe still the case in the Brazilian social formations, considering the structure of monopoly finance capital.

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