

PORTUGUESE AND COLONIAL BULLETIN

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FASCISM WITHOUT SALAZAR

ON September 26th last Professor Marcelo Caetano was appointed successor to the dictator Salazar at the head of the Portuguese fascist regime.

Caetano—whose biography we publish in this issue—was appointed by the 'President' of the Portuguese Republic, who was really a subordinate of Salazar. The 79-year-old dictator, prostrated by a cerebral haemorrhage earlier in September, had earlier been showing signs of failing health, and this was even apparent at a public ceremony in Lisbon, on June 10th last. This fact was carefully hidden from the Portuguese people and only revealed in the press when Caetano was appointed.

Salazar had in fact become an embarrassment to the foreign and national economic monopolies which are the true rulers of Portugal. His association with the dark era of nazism and fascism, his personal commitment in the policy of repression and terror of the regime, his rigid and not very imaginative policies at home and in the colonies, were too crude for Europe 1968. Caetano's appointment is also a sign of the growing difficulties of the regime, facing the struggle of the Portuguese people and of the people of the Portuguese colonies.

Caetano had gained some aura of liberalism when, in 1962, he resigned as rector of Lisbon University because of disagreement with the worst aspects of police repression of the students.

DIVIDING THE ANTI-FASCISTS

Because of this, because of vague promises made in public statements, since he took over, Caetano has been regarded by some Portuguese anti-fascists as some sort of solution to the Portuguese political situation. To substantiate this there has not

been much to show: one single political opponent deported to the colonies was allowed to return; the elected leadership of the doctors' guild was allowed to take office and two student associations were allowed to take steps to elect their leadership.

The possibility of recalling some of the 'hard line' men of the regime to head it instead of Caetano, the hardly probable recovery of Salazar, have been used as discreet threats by the ruling circles to damp down political unrest and split their opponents.

Dividing the Portuguese anti-fascists by these manoeuvres seems to be one of the main objectives of Caetano.

Caetano's ministers and collaborators are all faithful to the regime. The sinister political police, the P.I.D.E., has not had any of its powers removed and continues to operate actively. One student political prisoner has already died in jail, since Caetano took over; a student demonstration in Lisbon was ruthlessly repressed; new repressive measures and political arrests have taken place; hundreds of political prisoners are still in jail; the political trials have continued.

The three ruthless colonial wars in Guinea, Angola and Mozambique have gone on and it has been stressed that the colonial policy will continue unchanged. In fact the war effort in Guinea has already been intensified.

'Collaboration' between employees and employers under the corporative regime was stressed in Caetano's speech of November 6th.

WHITEWASHING ABROAD

The foreign monopolies with vast interests in Portugal and her colonies, which are the co-rulers of the Portuguese regime, are certainly

interested in presenting Caetano as a more liberal ruler and the Portuguese regime as not fascist any more. The liberal 'Guardian' and the London 'Times' even went to the trouble of giving the news that a caricature of Caetano had appeared in the Portuguese press (but omitted to say that the caricaturist is a supporter of the regime).

In a more weighty mood the West German Chancellor Kiesinger—who in May postponed a visit to Portugal—arrived in Lisbon on October 24th, for a 5-day visit. The topics of the Kiesinger-Caetano meeting included more West German investments in Portugal and her colonies, and more interest of West Germany for Portuguese colonialist policies and agreement with these policies.

It also included discussions on the use of the West German air base of Beja, in Southern Portugal, which has acquired even more importance, in the eventuality of difficulties with or withdrawal of the American bases in Spain and of possible increase of tension in the Mediterranean. To overcome Spanish restrictions over the flight of West German planes going to Beja, it was even suggested that those planes could fly as civil aircraft belonging to the German Lufthansa company, the Beja base becoming a Lufthansa base. Oh, for the good old nazi times!

To crown it all the American secretary of State, Dean Rusk, also visited Lisbon (on November 18th) and had a meeting with Caetano, on his return from the Brussels Nato meeting. NATO is a major supporter of the Portuguese fascist regime and this regime is an unconditional supporter of NATO.

MANY MORE PROOFS

Portuguese anti-fascists would be very foolish if they allowed themselves to be tricked into division of their ranks by Caetano's manoeuvres.

Portugal can only be free when the present regime is finished for ever.

But if Caetano wants to be regarded as more liberal than Salazar he has to give many more proofs of liberalism than he has done so far.

One first measure would be to end the powers of the PIDE and to grant an Amnesty to ALL Portuguese political prisoners and exiles.

Without these preliminary measures to a liberalization of the regime, Professor Marcelo Caetano can never be taken seriously.

FIGHT OF THE PEOPLE

(from our correspondents in Portugal)

Whether under Salazar or Caetano the Portuguese people know that they will have to continue the fight for democratic liberties, against repression, against miserable wages, for a better and juster life.

There will be no stop to this fight until the conditions that provoke it change, and they are very far from being changed in Caetano's Portugal.

WORKERS WIN

The recession which has developed in Portuguese industry is a powerful spur to the struggle of the industrial workers.

Here are some recent examples of this recession. At one of the largest Portuguese factories for electrical machinery, the EFACEC, in Oporto, the manufacture of electrical motors has practically stopped and that of small transformers has been greatly slowed down. In the textile industry, the largest in the country, there is also a crisis which forced the Windsor hosiery factory, in Oporto, to close down, making hundreds of workers redundant, and the Moncorayon (rayon textile, with Dutch capital) also in Oporto, to work only 4 days a week.

Last September, at the JEFFA textile factory in *Alhos Vedros*, near Lisbon, there was a stoppage for a 4s. 6d. wage increase. The republican guards (G.N.R.) were called, there were violent clashes with the men workers and four of these were arrested. As a result of this 1,000 women workers went on strike for 24 hours and won a 3 shilling wage increase for all the workers.

The railway workers in the Portuguese Rail Company (C.P., a semi-nationalized enterprise, which runs all railways in Portugal) have been fighting for better wages and conditions. 10,150 of them signed a demand for these, last October, after discussions all over the country.

The British Plessey trust owns in Portugal the *Automática Electrica Portuguesa*, which employs 2,700 people, mainly women. At one of the factories of the enterprise, in

Sacavém, 300 women workers won a wage increase.

Collective agreements for wage increases and conditions are one of the aspects of the workers struggle in Portugal. The factory owners, with the help of the state corporative organisations, delay negotiations, refuse to back-date increases, and grant the smallest advances possible. Many successes have been achieved, but their value has been cut down by these tactics. However, the 18,000 cork workers, in the 850 factories in the country, obtained a 43 per cent wage increase last October. The commercial vehicle drivers signed a collective agreement on November 4th. But the pharmaceutical representatives rejected, on September 13th, a draft agreement, because of unfavourable conditions, and asked for new elections at their State-controlled union (Sindicato). Last July the metal workers won a collective agreement giving them 63 per cent average wage increase, but some of these were long overdue and not backdated.

Insurance employees have also been fighting for a collective agreement. Over 1,000 of them attended a large meeting in Lisbon.

FARM WORKERS

The *Almeirim* farm-workers, after an attempted strike, won a wage increase.

THE STUDENTS

After a long struggle, the right to elect leaders of the *Coimbra* students union and the *Lisbon* Science students union has finally been won, from Caetano's government.

But the *Lisbon* students had to continue the fight for their rights. On November 9th they demonstrated in the streets. On December 4th there was a 'sit-in' and great agitation. The 'Liberal' Caetano government then ordered the closure of the University Engineering Institute and the suspension of its students union leaders (8.12.68).

Earlier the *Medical* students won an improvement in their graduation conditions.

The *Lisbon* commerce students

have won a victory concerning their academic rights and the *Coimbra* students, a victory against repression affecting their magazine 'Badalo'.

5th OCTOBER

The 58th anniversary of the Republican Revolution, which is loathed by the fascists, was celebrated this year as usual in many parts of the country.

In *Lisbon*, more than 1,000 people visited the tombs of Republican personalities; also the tomb of a well-known anti-fascist woman fighter, *Maria Machado*. A demonstration took place outside the cemetery and there were clashes with the police. Similar demonstration and clashes took place in *Almada*. In *Braga* (northern Portugal) there was a public meeting. Other celebrations took place in *Oporto*, *Barreiro*, *Viana do Castelo*, *Viseu*, *Leiria* and *Alenquer*. In *Oporto*, where pamphlets were widely distributed, the students also issued a manifesto to mark the anniversary.

AGAINST REPRESSION

Caetano's government has been forced to allow the return of the democratic lawyer *Mário Soares* from his exile in the African colony of *St. Tomé*.

On the 4th October 473 relatives of political prisoners demanded from Caetano a general Amnesty for the prisoners.

Over 300 students demonstrated on October 31st, in *Lisbon*, outside the Ministry of the Interior, against the death at PIDE'S hands of their colleague, *Daniel Teixeira*. There were clashes with the police. Many signed protests on this matter have been sent to the authorities.

CATHOLICS

After the withdrawal of Salazar, his life-long companion, the Primate Cardinal *Cerejeira* has found his position more and more uncomfortable. First, there was a clash leading to resignations of a number of teachers at the *Olivais* training college for Catholic priests, the largest in the country. In November there was a violent clash in the press between the cardinal and the prior of one of *Lisbon's* major priories, *Belém*. The prior, reverend *José Alves*, publicly disagreed with the Cardinal over the interpretation of some of *Pope John's*

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They must be freed!

MORE VICTORIES NEEDED

The release from jail of **SOFIA FERREIRA**, last August, was a major victory in the struggle against repression in Portugal. Last arrested in 1959, she has spent a total of 12 years in fascist jails. 'Portuguese and Colonial Bulletin' has campaigned for her release since its first issue, in February, 1961.

Two more political prisoners were recently released in Portugal. **António Santo**, a 40-year-old foreman, arrested in May 1959, completed his sentence in October 1965; he has spent 11 years in fascist jails. **José Pacheco**, a 54-year-old peasant, was arrested in July 1961 and his sentence expired in July 1965; he has spent a total of 9 years in the fascist jails. Both men were held for additional periods under 'security measures'.

All these victories have been won because of pressure for the release of political prisoners in Portugal and abroad.

But many more victories are needed to win freedom for dozens of political prisoners still held in fascist Portugal. And in many cases this release from jail is most urgent.

ALDA AND COLELIA

In the sinister Caxias fortress, near Lisbon, there are over 20 women political prisoners. Amongst them are **COLELIA FERNANDES**, who has already spent 10 years in jail and whose sentence has expired. Also **ALDA NOGUEIRA**, sentenced to 8 years, kept there for 9 years and also with her sentence expired. **FERNANDA TOMAZ** has

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encyclicals, considered too revolutionary by Cerejeira. Reverend Alves was dismissed by the Cardinal because he refused to recant.

DOCTORS

In October, the elected leadership of the State-controlled Medical Association (Ordem dos Médicos) was finally accepted by the Government. The new salaries and conditions in hospitals have been subjected to intense discussion all over the country.

been there for 7 years already. Her sentence will only expire in July this year.

GREGORIO MUST BE FREED

AFONSO GREGORIO is a brave anti-fascist fighter. He was born in October, 1918, and started working in a glass factory when he was 5 years old, becoming a specialized worker when he was 21. Seven years later as a result of his struggle for workers' rights he was forced to leave his employment and joined the underground anti-fascist movement where he was active for 13 years, until his arrest by PIDE in 1959. He was brutally tortured, and his health has since then rapidly deteriorated. Medical specialists who have seen him insist that his only chance of recovery depends on release from jail.

GREGORIO, is kept in the Caxias fortress and his condition is serious. A fellow prisoner of his, Dr. Armando Ferreira, a physician, recently protested against the conditions of **GREGORIO'S** imprisonment. As a result of this Dr. Ferreira was punished by being deprived of visits by relatives for three months.

PIRES JORGE MUST BE FREED

PIRES JORGE is another heroic anti-fascist fighter and workers' leader. He is now 61 and has fought for 19 years in the underground anti-fascist resistance. His wife died

through ill-health in the course of the struggle. He has spent 12 years in jail, his latest arrest being in December 1961. Brutally tortured he never betrayed his companions in struggle. His health is now precarious.

In the sinister Peniche fortress, together with **PIRES JORGE**, there are dozens of other political prisoners, subjected to an inhuman regime which aims to destroy them physically and mentally.

They include **DIAS LOURENCO**, **BLANQUI TEIXEIRA**, **OCTAVIO PATO**, **AMERICO DE SOUSA**, **JOSE MAGRO**, **CARLOS COSTA**, **GUILHERME CARVALHO**, **ROGERIO DE CARVALHO**, **DOMINGUES ABRANTES**, **DINIZ MIRANDA**, **JOSE CARLOS**, **JULIO MARTINS**, etc., etc. Another prisoner **EDUARDO PIRES**, is suspected of having developed leprosy, since his arrest.

The new 'liberal' ruler of Portugal, Marcelo Caetano, could show his liberalism by ordering the release of all political prisoners. Their only 'crime' is to have fought for democratic rights and a better life for their people. Write to Professor Marcelo Caetano, Lisbon, Portugal and demand from him an Amnesty for all Portuguese political prisoners. Challenge whoever pretends that Caetano is a liberal until he does this. Do not allow anybody to fool you!

CAETANO'S BIOGRAPHY

Marcelo Caetano, was born in Lisbon on the 17th August 1906, into the family of a minor civil servant.

In 1927 he obtained a degree in Law, at Lisbon University. While a student, he founded and directed the student magazine 'Ordem Nova' ('New Order'), which presented itself, amongst other things, as 'anti-modern, anti-liberal, anti-democratic, anti-bourgeois and anti-bolshevik' and also as 'counter-revolutionary, reactionary, Roman Catholic, monarchist, intolerant and intransigent'.

Caetano became a doctor of Law in 1931 and a University Professor of Law in 1933.

He was also employed, from 1929 to 1934, in the Finance Ministry, under Salazar, then Finance Minister. At the same time he became one of the directors of the 'Fidelidade' insurance company, one of the largest private insurance companies in the country.

In 1938 he visited Rome, while Musso-

lini was in power, to inaugurate a centre of Portuguese studies in the University.

In 1940 Caetano was appointed general leader of 'Mocidade Portuguesa' (the Portuguese fascist youth)—a post he held until 1944.

From 1944 to 1947 he was appointed Minister of the Colonies, under Salazar. During this period he visited Angola and Mozambique; also South Africa and Rhodesia. He had to accept the continuation of the occupation by the Japanese of the colony of Timor, in Indonesia, until 1945.

In 1947 Caetano was appointed, by Salazar, as president of the executive committee of the Fascist party, the 'National Union', the only authorized party in Portugal since 1926.

In 1950 he was appointed president of the Corporative Chamber; and in 1955 he became Minister of the Presidency,

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REPRESSION INCREASES

(from our correspondents in Portugal)

STUDENT MURDERED

Daniel Teixeira, a 22-year-old Portuguese student of Psychology, at the Belgian University of Louvain, who was arrested last August in Portugal, died on October 24th, in the hands of PIDE. His funeral took place from Saint Joseph's Hospital, Lisbon on October 26th.

It is known that Daniel's prison companions were savagely tortured by PIDE.

Francisco Rocha, José Pulquerio and three women, Rosalina Labareda, Ursula Tagarros and Conceição Matos, arrested in August, have also been savagely tortured by PIDE.

JOURNALISTS TRIED AND SENTENCED

On November 21st the Lisbon Plenary Court sentenced Fernando dos Santos, a journalist, to 4½ years in jail, and Alexandre de Oliveira, another journalist (from 'Associated Press') to 3½ years in jail: both to 'security measures', which can keep them in jail indefinitely. At the same trial António de Almeida, a student, was sentenced to 2 years in jail; José de Abreu, a law student, to 20 months; Jorge Marques, another law student, to 18 months; Rui Cardoso, another student, was given a suspended sentence of 14 months.

Earlier, on October 26th, the Oporto Plenary Court sentenced Nuno Rebocho, a publisher, to 2½ years in jail; Mário da Mota, an insurance employee, to 3 years and 2 months; José Lamego, a telephonist, to 22 months, and all three to 'security measures'. Three other people, were given suspended sentences.

On November 21st the Lisbon Plenary Court started to try António Cunha, an office worker, Domingos Viegas, a house painter, Aníbal Pires, a journalist, and Joaquim Campos, a farmer. On December 5th the first three were sentenced to 23 months and the fourth to 10 months in jail.

All the people in these three trials were accused of 'subversive activities'.

WRITERS PERSECUTED

An appeal for the reopening of the Portuguese Writers Society, which was dissolved in 1965, has been quashed, on November 7th, by a Supreme Court decision, already after the accession of Catano.

Earlier, on July 8th, the writer Máximo Lisboa, author of the book 'Hanoi, capital of Freedom', was arrested at his home, in Santo Tirso (Northern Portugal). The book was seized by PIDE, while still on the press.

WAVE OF TERROR

Already since Caetano's accession, dozens of political arrests have taken place in Portugal. On November 7th, PIDE proudly announced in the press that an underground anti-fascist print works had been seized by its agents.

One of the first acts of the new leader's Minister of the Interior, Gonçalves Rapazote, was to strengthen even more the already powerful repressive forces of the régime.

On October 4th, there began a new recruitment for the Security Police (P.S.P.)

On November 11th, the salaries of P.S.P. and of the Republican Guards (G.N.R.) were increased.

On November 14th and 15th the Minister visited the headquarters and barracks of G.N.R. and P.S.P. in Lisbon. Praise was bestowed on these repressive forces, whose members have expressed their unconditional support for the new Government.

On November 19th, the new Minister visited, for 7 hours, PIDE'S headquarters in Lisbon. He praised this sinister secret police and decorated its director, Army Major Silva Pais (who is responsible for the torture and murder of political prisoners) with the Order of the Infant, one of the highest Portuguese decorations.

During the visit it was revealed that, in 1967 alone, PIDE gave political information about more than 64,000 people who had applied for jobs in Portugal, including also

NATO services. This information covered the families and fiancés of the applicants.

The Minister visited the interrogation rooms, the Interpol room, the secret services and the ultra-modern communication services. On the same day the Minister also, visited PIDE'S police school, at Sete Rios, in Lisbon. Speeches delivered emphasized that 'law and order' were going to be maintained 'at all costs'. Threats were made to the opponents of the régime.

On November 23rd the new Minister visited the headquarters of the fascist militia, the 'Portuguese Legion', in Lisbon. Again praise and loyalty pledges. The latest equipment to assist intervention in case of strikes or demonstrations was inspected.

In Lisbon there has been intensive patrolling of the streets by heavily armed forces of P.S.P. and G.N.R. Many people were stopped for questioning, and threatened. There were 'stop' operations against vehicles in Oporto (September 29th), Lisbon (October 5th) and Vila Real (October 26th).

Caetano's reign looks as bad as Salazar's. Is this the 'liberalism' that has been advertised in the British press?

CAETANO

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and first in line for successor to Salazar. But Salazar never encouraged his possible successors and Caetano had to leave his post in 1958.

He was appointed in 1959 rector of the Classical (Law, Letters, Medicine and Sciences) University of Lisbon, a post he held until his resignation in April 1962, because of disagreements over the treatment of students.

Caetano, a devout Catholic, is married and has four children.

He has close connections with the ruling Portuguese monopolies, specially the giant CUF, which is also associated with the foreign ruling monopolies.

Caetano's ministry includes people dedicated to the régime and ex-colaborators of Salazar such as the Foreign Minister, Franco Nogueira, and the economics Minister, Correia de Oliveira. Defence Minister is general Viana Rebelo, ex-governor of Angola. The Army Minister is Brigadier Bettencourt Rodrigues, an ex-military attaché in London. The Public Works Minister is Caetano's nephew, Rui Sanches.

THE COLONIES

PORTUGUESE CASUALTIES

THESE are the minimized losses reported in the Portuguese war communiqués and press from June 29th to November 1st., 1968.

	KILLED		WOUNDED	
	Armed Forces	Militia	Armed Forces	Militia
Guinea	89	—	—	—
Angola	99	3	200	6
Mozambique ...	75	—	—	—
	263	3	200	6

Numbers for the wounded are not always available. The sum total for 18 weeks is 266 killed and 206 wounded. If civilian casualties reported in the clashes with guerrillas in Angola (killed 57; wounded 108)

are added to these figures, the sum total is 323 killed and 308 wounded. There were 9 soldiers reported missing (Guinea 7, Angola 1 and Mozambique 1).

GUINEA

PORTUGUESE RETREAT

The war in this colony has entered a new phase. Under the PAIGC (*African Party for the Independence of Guinea and Cape Verde*), the Guineans have regularly shelled the armed camps where the Portuguese are virtual prisoners.

By speeding these attacks and keeping pressure on the enemy, the Guineans have succeeded in forcing the colonialist troops to withdraw from a number of strongholds. This is clearly shown by Portuguese war communiqués from June 17 to October 20, 1968. The Portuguese report constant attacks on their camps at Madina de Boé, Gandembel, Mejo, Cameconde, Mansabá, Mansoa, Buba, Bissum, Xitole, Cachil and Mampatá, among others.

From July 8th to 14th, the Portuguese admit they had to leave the Cachil camp. From July 29th to August 4th, they withdrew from Sangonhá and Cacoca, moving South. Thus, the Portuguese troops seem to be on the retreat.

An ugly feature of their withdrawal is that they force the local population to move with them (*P.J.* 29-6 to 26-10-68).

GUINEAN VICTORIES

All this is confirmed in the more detailed war communiqués of PAIGC (28-6 to 23-10-1968). On June 19th, the Portuguese had to leave the Béli camp. The presence of the Guinean troops in the Gabu region renders the position of the

Portuguese between Méli and Madina even more dangerous.

The roads are manned and mined by the Guineans, who also make frequent attacks on any Portuguese vessels moving on the rivers (*P.J.* 29-6 to 26-10-68).

ANGOLA

A TOUGH WAR

The war is increasing in intensity in this colony. The Angolan patriots have been quite active in all the areas in the north, south and east, where they keep pressing their advantage on the Portuguese.

Portuguese war communiqués (June 15th to October 27th, 1968) report constant and vigorous attacks by the Angolans in south-east Songo, near Quitexe, and in Nova Caipemba, Cangonga, Gago Coutinho, Muxaluando, Mucondo, Lemboa, Maquela do Zombo. In Cabinda, and in the eastern line, at Quimbo and Luatxe, the freedom-fighters have been quite active. In the Zaire district, the guerrillas have been attacking the colonialists (Sept. 1st to 7th, 1968). In Moxico, the Benguela railway was blown up by the nationalists in the Cavimbe area.

Portuguese armed convoys have been frequently attacked in the Namuangongo—Zala and in the Bela Vista regions (*P.J.* 28-6 to 1-11-68).

450,000 REFUGEES

The exodus of the Angolans into the Republic of Congo to avoid the brutalities and the indiscriminate bombing of African civilians by the Portuguese Air Force is

estimated to have reached nearly 450,000. This is the highest number of such refugees so far in Africa (*Questions concernant les réfugiés Angolais* (MPLA), Addis-Abbaba, October, 9-10-1967, p. 5).

TIRED OF THE WAR

The Portuguese colonialists report frequent dissensions among the liberation movements of Angola (*P.J.* 29-30 -6 & 18-9-68). They hope this will help to keep up the morale of their own troops. But the Portuguese soldiers are tired of fighting a war of oppression to preserve the interests of big business. On March 25th, 1968, a quarrel broke out among members of the Armed Forces which took an ugly turn, but it was only in October that the news broke through in the Portuguese press (*D.L.* 24.10.68).

U.S.A. INVESTMENT

A £2,352,000 tyre factory, the *Mabor Angolana*, which is a branch of the U.S.A. *General Tyre Rubber Co.*, began operations in Luanda on July 15th (*P.J.* 14.7.68).

GOOD PROFITS FOR BANKS

On July 12th, 1968, the *Bank of Angola* gave a 10 per cent dividend to all its shareholders. The capital assets of the Bank then stood at £4,050,500. (*D.L.* 14.7.68.)

DIAMONDS HELP WAR

The Angola Diamond Company (*Diamang*) which has South African, American, British and Belgian capital, has paid the colonial authorities £3,836,700 to help the colonial war in Angola. (*P.J.* 19.7.68.) In 1967, the *Diamang* produced over 1 billion carats of diamonds. (*D.L.* 26.7.68.)

IRON ORE FOR PORTUGAL

From Moçâmedes has come the first 20,000 tons of iron ore for the Portuguese Steel works at Seixal, near Lisbon. (*P.J.* 23.7.68.)

AND FOR JAPAN AND BRITAIN

From the same Angolan port were shipped 76,400 tons of iron ore from the Cassinga mines to Japan.

To Great Britain were shipped 24,000 tons. This makes a total export of 1,614,000 tons of iron ore from January to September, 1968. (*D.L.* 12.9.68.)

BENGUELA RAILWAY

The Benguela Railway Co., part of the British-owned Tanganyika Concessions, made a net profit of £3,510,930 in 1967. (*P.J.* 2.7.68.)

FRENCH COMPANY

The Paris-based French Company, TOTAL-COMPAGNIE AFRICAINE DES PETROLES will prospect and explore for oil and natural gas in the Portuguese African colonies. The company, with a £168,844

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IN our last issue, (Vol. 8, No. 3, Oct. 1968, pp. 434-436) we examined some aspects of Portuguese agriculture.

At the moment public attention is being focussed on the West German-financed £77,910,000 irrigation plan of the Alentejo (Southern Portugal) which is well under way. When completed it will irrigate an area of 425,000 acres. The dam at Caia is already at work,¹ and will supply water to an area of 18,500 acres. On June 30, 1968, the dam at Campos do Roxo came also into operation and initially it will irrigate an area of 12,400 acres. When the second phase of the scheme is completed, it will irrigate an area of nearly 27,500 acres.²

It is important to remember in this context that West Germany has in Alentejo (Beja) her only military air base abroad.

Also on June 7, 1968, an agreement was signed in the Foreign Affairs Ministry in Lisbon, between Portuguese and West German representatives. This agreement allows the establishment of an agricultural station in Alentejo, which will be equipped and staffed by German experts.³

Thus a feature of the régime's economic policy, which until now seemed to be confined to the industrial sector, is taking grip of agriculture. The farming land of Portugal is now being pawned to foreign interests. And on May 23, 1968, a group of British farmers, headed by Mr. Piggot from the firm of Bailey & Ambler (London) toured the Alentejo with a view to investing in this province.⁴

THE TOMATO BOOM

In other parts of the country, such as the Tagus valley, high profits are already being obtained from this policy of sell-out by the American and British-owned firm Heinz.

Heinz has a major stake in the Portuguese company IDAL through which it controls tomato growing in the fertile Tagus region. From farms directly owned or farms under contract to them, Heinz has secured in the 1968 tomato harvest about 90,000 tons of fresh tomatoes. Other quantities will be bought from the crops of tenant farmers.

Heinz started its tomato-growing programme in the late 1950s, when Portugal had only 5 tomato paste factories producing fewer than 5,000 tons a year. Now production has jumped to well over 100,000 tons,

and there are 32 tomato paste factories.

Heinz has taken advantage, with the full co-operation of the Portuguese Government, of the nature of the land (flat fields, good irrigation, excellent climate and large land units), over large tracts of the Tagus River Region and, above all, of the low wages paid to farm labourers and workers.

In 1968 Heinz bought over 36,000 tons of tomato paste at a cost of about £4m. Most of it came from Portugal. Although not Europe's largest producer—that position belongs to Italy—Portugal is now the largest European exporter of tomato products.⁵

A GOVERNMENT OF THE WEALTHY

All these agreements with foreign concerns show clearly the way the Portuguese Government is moving. It encourages the link-up between powerful international trusts and Portuguese firms—some are just set up on the occasion to implement the financial agreement—and at the same time it neglects the adequate technical and financial assistance which it should give the Portuguese farmers. And yet these have shown that they too, can get or hire the skill to transform a subsistence farming into a cash economy.

The 'farmers co-operatives' (Cooperativas Agrícolas) are an example of farmers who have set-up small associations of their own. In 1963 there were 610 'farmers co-operatives' of 16 different types.

There is no doubt that the willingness to develop Portuguese agriculture in an intelligent way is there, but the Government's policy and the structure of Dr. Caetano's Corporative State keep the lion's share for the oligarchy.

The vast majority of the people who till the land—small farmers, share-croppers and peasants—know only too well what the present rule means to them. It is based on low wages and a total ban on the right to strike. Heavy taxation is the other lever of Portuguese administration.

FARM LABOURERS WAGES

In 1960, the average daily wage earned by farm labourers ranged from 10s. to 12s. 6d. for men, and from 5s. 8d. to 7s. 6d. for women.⁷ Wages, however, vary widely from one region to another. And in 1965, in the northern district of Braga, men earned 6s. 3d. a day, and women 4s. 8½d. These were the lowest wages of continental Portugal.⁸ As farm labourers do not work the whole year round and are affected by seasonal unemployment, their lot is obviously one of dire poverty.

This situation was frankly admitted by one of the deputies at the National Assembly, or Portuguese mock-Parliament. On December 9,

CRISIS IN AGRICULTURE

by A.

1963, the deputy, Pinto Carneiro, took part in a debate on the chronic crisis in agriculture. Mr. Pinto Carneiro remarked that the Portuguese peasant earns the lowest wage in Western Europe. He lives in conditions of indescribable squalor, is badly housed and unprotected against the changes of weather and seasons. He works from sunrise to sunset and he knows no assistance, neither in illness nor in his old age.

To avoid such hardship, increasing numbers of people leave the rural areas. As an example, it suffices to say that in the northern district of Viseu, 167,389 people left between 1921 and 1960.¹⁰ This is more than two-thirds of the whole population of the district. (487,182) in 1950.¹¹

In Alentejo, where the peasants have to endure long periods of unemployment, nearly 150,000 people have moved out between 1934-64.¹² The province is being depleted of its labour force at an alarming rate.

Farmers are becoming restive over the problem of emigration abroad. But the big farmers have great faith in machinery whose effects they consider twofold: firstly, machinery will compensate for lack of manpower; secondly, it will keep wages low at harvesting time.¹³

A POLICY OF UNEMPLOYMENT

This was officially stated by the director of Farmers Guild (Gremio) on May 9, 1965, in the north-eastern province of Trás-os-Montes. And he only voiced the Government's policy. Knowing that from 1950 to 1960 there was an average annual reduction of 8,200 people in the labour force in agriculture, the Government expects to accelerate the process so that in 9 years time the reduction of people working the land will reach 360,000 people.¹⁴ The monopolization of Portuguese agriculture and its compliance with the interests of international finance has made the Government embark on this systematic policy.

OPPOSITION TO AGRICULTURAL POLICY

So far we have seen the disastrous and inhuman policy of the Salazar régime, which has led Portuguese agriculture into its present crisis. But what has been the reaction of Portuguese farmers and peasants to the dictatorship? How have they resisted the arbitrary measures of the Government?

Portuguese peasants have a magnificent tradition of hard fighting against the political and economic oppression of the fascist oligarchy.

CULTURE (2)

EAL

They have their own martyrs. And among many, Catarina Eufémia, a peasant woman from Baleizão (Alentejo) has remained a symbol. In May 1954 she was shot dead by Republican Guards (G.N.R.), when she was heading a group of farm labourers asking for better wages. Catarina was pregnant and carried another child in her arms.

Agitation is frequent among the peasants, who often have the backing of poor farmers, in their struggle for a minimum standard of living. In spite of severe difficulties in a police State, which bans all strikes and demonstrations, many peasants are politically organized.

Farm workers and small farmers issue clandestine papers, such as **O CAMPONES** and **A TERRA**, which inform the labouring people about the Government's policies and the resistance put by the peasants against them.

The steely determination of farm labourers in their rightful struggle and their hatred of their oppressors has brought them some good victories. These are not won in a flash, nor are they the outcome of spontaneous outbursts of anger. Rather, they are the result of painstaking efforts and arduous political education. In remote places, in a village, in a lonely field, or in an ill-lit room, a literate and more experienced peasant reads to the others the clandestine press, explains the meaning of the text, and assesses their views. Afterwards they all discuss how best they should pursue their fight. Their action is then followed by many other peasants, for it shows a way to fight grievances which are common to them all.

GREAT PEASANT MOVEMENTS

The most revealing example of this has been the massive strike movement, which started in Alentejo in April 1962 for the 8 hr. work day, and later swept through the whole country. In the big estates of Palma, Composta, Barrozinha (Alentejo), the farm labourers stopped work after an 8 hr. day. Others

followed suit in the districts of Alcácer do Sal, Grândola, Santiago, Sines and Odemira. The provinces of Alentejo, Ribatejo and Algarve were all shaken by the strike movements.

Many wealthy land-owners, frightened by a movement that spread like wild fire, tried to crush the peasants. In Palma the owners called the Guards (G.N.R.), who savagely beat up many farm labourers. Among those arrested there was an 80-year-old man.

In other villages the Guards were not so successful. On May 21, 1962, at Alvalade, the farm labourers gathered in the main square and agreed to work only an 8 hr. day. The Guards arrived and made arrests. But the crowd of peasants stood firm and those arrested were set free.

Fearing massive demonstrations, the Guards (G.N.R.) adopted other tactics. At Couço, on April 27, 1962, the Guards together with PIDE agents armed to the teeth, entered the village at 2 a.m. They broke into the houses of the village, and beat and arrested many people.

Yet all these intimidations and brutalities were of no avail. The peasants defied the PIDE thugs and the Guards. Nearly 300,000 peasants joined this movement. The country was in turmoil against the régime, gripped by industrial strikes and by agitation among the University students. The firmness, the solidarity and the courage of the peasants paid off in the end. The Government and the oligarchy had to give in to their just demands.

AN EYE ON THE ENEMY

The results of this and other long battles against the Government's agricultural policy have cost lives and severe hardship in many homes. But these struggles have averted even more misery in the land amongst the vast mass of peasants. They also show, without the shadow of a doubt, that by organizing the people the authoritarian oligarchy can be beaten, in spite of its efficient repressive apparatus.

The struggle will only end with the overthrow of the present dictatorship. What happens in agriculture is one example of what is taking place in all the other segments of Portuguese society.

The struggle is everywhere, in the factories, the shipyards, in the docks and inside the offices. The repressive forces may erode resistance, but they know themselves that they can never stamp it out completely; they are only postponing the day of reckoning, the day when in the complex pattern of the country, the whole people, united, will be able to strike the deadly blow to the fascist régime.

WE NEED YOUR HELP!

With our next issue 'Portuguese and Colonial Bulletin' will start its 9th year of uninterrupted publication.

They have been nine difficult years. The cost of printing and mailing our Bulletin has increased nearly five-fold since we started. On the political side we have had to face either the excessive enthusiasm or the excessive discouragement of those who aim at quick returns in the political struggle; and also the manoeuvres and the hostility of the established interests in Portugal and colonies.

But however great our problems are, the problems of the Portuguese people and of the peoples of the Portuguese colonies are incomparably greater and more important. As long as innocent men and women are being arrested, tortured and jailed by the Portuguese fascist régime, we shall continue our fight. And as long as the Portuguese people and the peoples of the Portuguese colonies are oppressed, we shall continue our fight.

But for the fight to continue with publication of this Bulletin, we need your financial help. Our resources are meagre and this makes our struggle much more difficult.

To continue our fight, which is helping those imprisoned for political motives in Portugal and which is helping the struggle against fascism and colonialism, please send us your donations and subscriptions, filling the coupon below.

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COLONIES

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initial capital, will have a 99 years concession. (*Vida Mundial*, Lisbon, No. 1, 521, 2.8.68.)

PROSPECTING OIL

The *Petrangol* (belonging to the International FINA oil monopoly) and *Angol* are prospecting for oil in the sea-bottom of the Cuanga bay. The operation will cost £8,820 a day. (*P.J.* 22.8.68.)

A BOILER MAKING FACTORY

A £73,500 boiler-making factory has been built in the Dondo village, near Luanda. (*P.J.* 10.8.68.)

ALUMINIUM FACTORY

The construction of a £14,700,000 aluminium production complex will shortly begin in Angola. (*P.J.* 19.7.68.)

After all these economic facts the statement made by the Minister of Defence on his return from Angola on July 28, 1968, is not surprising: 'Angola is going through an astonishing economic development'. (*P.J.* 28.7.68.) For the benefit of the international monopolies and of their hired Portuguese thugs, he should have added.

MOZAMBIQUE

THE LIBERATION WAR

Under the leadership of the *Frelimo* the war of the Mozambican patriots against the colonialists has entered a new phase.

In July 1968, the Second Congress of the *Frelimo* was held in the liberated zone of the Nyassa district. (*Frelimo Comm.* 17.10.68.) This was followed by frequent and vigorous attacks against the colonialist troops, as the Portuguese themselves are the first to reckon (July com.—*P.J.* 7.8.68). The colonialists admit intense nationalist activity in the Nyassa District, near the Lugenda river, Nova Garda and Cantina. Cape Delgado and the regions of Miteda-Nangololo, Muidumbe, have been quite unsafe for the Portuguese troops. (*P.J.* 6.7 to 7.9.68.)

On August 10th, 1968, the Portuguese airfield at Mueda was pounded severely by *Frelimo* fighters and a total of 12 aircraft destroyed. (*Fr. war comm.* no. 133-5.9.68.)

CAETANO INVITED

To boost their morale, the colonialists

have invited Salazar's successor, to visit the colony. (*P.J.* 12.10.68.)

A 'MILLIONAIRE'S PARADISE'

Foreign journalists make frequent visits to Mozambique. In September, 1968, West German journalists were fêted in Beira (*P.J.* 25.9.68). And experts in tourism suggest safaris and a 'millionaire's paradise' to be built in the heart of the jungle. (*P.J.* 11.9 and 25.9.68.)

But with a more realistic understanding of the situation no civil servant applied for the vacancies of public notary in Cape Delgado and Nyassa. (*D.L.* 11.7.68.)

THE CABORA BASSA PROJECT

The construction of the giant Cabora Bassa project was awarded in July to a four-nation consortium, the Paris-based ZAMCO, grouping firms in West Germany, France, South Africa and Sweden.

ZAMCO was the lowest bidder, among three consortia, one of which was the London-based CABORA BASSA CONSTRUCTION CONSORTIUM, grouping British and Italian companies.

In the first phase a £100m. dam and hydro electric scheme will be built spanning the Zambesi river at Cabora Bassa, to be completed by 1974. (*D.L.* 12.7 and *Financial Times*, 11.7.68.)

RHODESIANS MOVE IN

A Rhodesian company has started work in an asbestos mine near the Vila de Manica, in the Manica and Sofala district. (*P.J.* 27.7.68.)

JAPANESE INVESTMENT

A Japanese trust with South-African interests is going to invest £1,176,000 in building fishing installations for lobster and shrimps. (*P.J.* 3.8.68.)

MODERNIZING THE RAILWAYS

In 1968, the Portuguese authorities spent £6,572,100 on the Mozambique railways. (*D.L.* 1.8.68.) All railway engines will be equipped with radio transmitters. (*D.L.* 17.7.68.)

NUCLEAR POWER

A Centre of Studies on Nuclear Power has been inaugurated in the *Estudos Gerais* in Lourenço Marques (Mozambique mock University) (*P.J.* 8.7.68.)

FRESH VEGETABLES FOR W. GERMANY

By 1969, Mozambique will be exporting weekly by air 50 tons of vegetables and fruit to West Germany. (*P.J.* 22.10.68.) There is not sufficient consumption in Mozambique.

POLICE WOMEN

Women have been recruited for the first time for the Mozambique Police Force. (*P.J.* 6.7.68.)

MORE CONCESSIONS

The *Messina Transvaal Development Company Ltd.* has been granted a concession to explore for minerals in the colony. (*D.L.* 31.7.68.)

WHITE SETTLERS FARMS

A 26,250-acre area in Montepuez (Cape Delgado District) will be prepared for the settlement of 800 farmers and 350 families throughout 1968-69. (*P.J.* 10.8.68.)

NEW GOVERNOR GENERAL

Dr. B. Rebelo de Sousa, a former *Mocidade Portuguesa* (Fascist Youth movement) leader is the newly appointed Governor-General of Mozambique. (*P.J.* 12.7.68.) He is a disciple of the new leader, Caetano.

MACAO

NEW BRIDGE

In this colony of the Portuguese Empire on the coast of China, a £283,410 bridge, spanning Macao bay at the islands of Taipa and Coloane, will be built in the near future. It is reported that the construction scheme will probably be awarded to a Japanese firm. (*P.J.* 21.8.68.)

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In another article on Portuguese Guinea, published in the North American Council for Security's 'Washington Report', Mr. Biggs-Davidson reminds readers of the territory's strategic value, 'the only territory along the Western coast of Africa within the NATO sphere'. (*Portuguese Press* 10.8.68.)

Another British M.P., Mr. Stephen Hastings, visited Mozambique. His conclusion was that his own country has a lot to learn from Portugal. (*Portuguese Press* 10.8.68.) One cannot help suspecting the motives behind these feelings when one remembers that the Portuguese colonies are providing Britain and other Western allies with raw materials much more cheaply than any other African countries. (Ed.)

Mr. Hastings most recent outburst of Lusophilia was in a letter to 'The Observer' where, in reply to Lord Gifford's comments on Portuguese Africa, he says that guerrillas, as a military threat, no longer exist in Angola and Mozambique, although the Portuguese keep 100,000 men under arms in Africa. ('The Observer', 3.11.68.) For what purpose then are the troops there?

SOUTH AND SOUTHERN AFRICA

Sir De Villiers Graaf, the leader of the South African Opposition,

Continued on next page

AGAINST REACTION

stated that Portugal is fighting South Africa's war in Angola and Mozambique. He said that South African frontiers would be threatened within a matter of weeks should the Portuguese troops withdraw and finished by appealing for South African aid for the Portuguese war effort. (*P.J.* 7.8.68.)

Such assistance is in fact already being given, as has been reported by the Portuguese press (*P.J.* 21.7.68, 16.8.68, 6.9.68 & 8.9.68), in the form of substantial gifts for the troops. But Sir De Villiers Graaf obviously means a more active form of help.

The Portuguese Bank of Lisbon and South Africa, which opened some three years ago, has prospered enough to be engaged in putting up a 25-storey building as its headquarters in Johannesburg ('Vida Mundial', Lisbon, 12.7.68).

The Bank of Portugal succeeded in raising its reserves to a total of 1.2 billion dollars with 119m. dollars of gold bought from South Africa. (*The Economist*, 2.11.68.)

And on Nov. 6, 1968, H. F. Oppenheimer, director of the *Anglo-American Corporation of South Africa*, came on a business trip to the Lisbon offices of its subsidiary the *Diamond Company of Angola* and to visit Dr. Caetano. (*P.J.* 7.11.68.)

Mr. Oppenheimer also came to see the Lisbon offices of the *ZAMCO* consortium, which has South Africa as a partner. *ZAMCO* will build the Cabora Bassa hydroelectric scheme in Mozambique from which South Africa will be one of the main beneficiaries.

Dr. Banda, of Malawi defiantly stated his intention of remaining on good terms with South Africa, Rhodesia and Portugal—even if this meant, he said, that he would continue to be regarded as a stooge of the British or the Americans (*P.J.* 9.7.68).

Mr. Ian Smith, in his message complimenting Dr. Marcelo Caetano on his accession to the Portuguese Premiership, expressed the wish that he would be a worthy successor to Dr. Salazar, 'given the strong bonds between the two countries'. (*P.J.* 3.10.68.)

THE LATIN PARTNERS

The Brazilian Government is studying the possibility of importing oil from Angola (*P.J.* 23.10.68). This can hardly be seen as anything but a political gesture of support for the Portuguese presence in Africa given the recent discovery of oil in the Brazilian Northeast, which could well do with some development. (Ed.).

AT THE UNITED NATIONS

On September 22nd the U.N. Committee on Colonialism approved by 19 votes with 4 abstentions a resolution asking the U.N. General-Secretary to take measures to study and inform the Committee about the employment of weapons of mass destruction and other aspects of colonial warfare in the Portuguese colonies, especially in Guinea. Britain, the United States and Australia abstained on this resolution.

On September 28th the U.N. Decolonization Committee approved by 20 votes to 3 a resolution deploring that Portugal continues to refuse information to the U.N. about her colonies.

On October 21st and October 22nd Portuguese colonialist policies came under further attack by the Tanzanian and Guinean delegates, at the U.N. Trusteeship Committee, and, by the Ethiopian delegate at the U.N. Economic and Financial Committee.

On October 31st the Trusteeship Committee of the U.N. General Assembly approved by 89 votes to 9 with 15 abstentions, a resolution, proposed by 44 Afro-Asian countries, demanding the application of mandatory economic sanctions against Portugal (and South Africa), because of their refusal to join in the boycott against Rhodesia. Britain, South Africa, the United States and Australia, voted against the resolution.

On November 1st, at the same U.N. Committee, the Soviet delegate, V. L. Israelyan, accused the U.S. Navy of using the ports of the Portuguese colonies as support bases.

The debate on the Portuguese colonies at the U.N. Trusteeship Committee ended on November 20th with the approval, by 96 votes to 3 with 13 abstentions, of a resolution condemning the Portuguese Government for its refusal to give independence to Angola, Mozambique and

The Portuguese Government has also allowed substantial quantities of uranium mined in Portugal to be sold to Brazil. (*P.J.* 25.7.68.)

The Brazilian and Portuguese navies recently held joint military exercises. (*P.J.* 1.9.68.)

The periodical meeting of the heads of the Spanish and Portuguese military forces was held recently in Lisbon. (*P.J.* 30.10.68.)

Guinea-Bissau, Brazil, South Africa and Portugal voted against the resolution. Britain and the United States abstained. Canada and the Scandinavian countries voted in favour of the motion.

BRITAIN

The British Committee for Portuguese Amnesty has issued an appeal for Christmas cards to be sent to the Portuguese political prisoners and their families.

On September 25th a demonstration in support of the Mozambicans fighting against Portuguese colonialism took place outside the Portuguese Embassy in London.

FRANCE

The French Committee for an Amnesty in Portugal gave, on October 7th, at the Hôtel d'Orsay, in Paris, a press conference on the Portuguese situation, which was attended by over 100 people. The conference was presided over by J. Marie Domenach, director of the Catholic magazine 'Esprit'. Speakers included the lawyers J. Nordmann—general-secretary of the International Association of Democratic Lawyers—and Ducreux.

HOLLAND

The Actiecomité Angola has continued its work in support of the peoples of the Portuguese colonies against colonialism and of the Portuguese people against fascism.

Through the action of the Committee, questions were presented in the Dutch Parliament about the friendly meeting of the Dutch Foreign Minister with Salazar, in Lisbon, on May 31st last. This Committee issues a regular bulletin.

BELGIUM

On October 11th there was a violent demonstration of protest against Portuguese policies, by students, outside the Portuguese embassy in Brussels.

From Brussels, last October, the International Association of Democratic Lawyers sent a telegram of protest to Marcelo Caetano, over the death of the student Daniel Teixeira, while imprisoned by PIDE.

INDIA

The Indian Government refused entry visas to the Portuguese delegates to the International Geography Congress, which took place in New Delhi, on November 13th.

INSIDE PORTUGAL

GOVERNMENT SPENDING

Some indication of the burdens that fascist policies inflict upon the Portuguese people is given by the following Table showing the trend of Public Expenditure over the period 1960-67:

	1960		1962		1964		1966		1967	
	Total	%	Total	%	Total	%	Total	%	Total	%
Repayments & Interests on Public Loans	12.2	7.5	14.1	7.4	18.4	7.5	29.2	10.4	36.6	11.0
Higher State Organs	1.8	1.1	1.4	0.7	1.5	0.6	1.6	0.6	1.6	0.5
Defence and Security	46.5	28.7	87.0	41.2	99.5	40.6	120.0	43.0	146.0	43.8
Civil Administration: Salaries & Organisation	45.5	28.2	49.1	23.2	53.2	21.7	62.8	22.4	70.5	21.1
Investments	55.7	34.5	60.0	28.2	72.5	29.6	66.3	23.6	79.0	23.6
Total	161.7		211.6		245.1		279.9		333.7	

It will be seen that payments on the Public Debt account rose, between 1960 and 1967, from £12.2m. to £36.6m.—that is to say, from 7.5% of all public expenditure to 11%. Defence and Security expenses increased more than three times in the same period, from £46.5m. (28.7% of the total) to £146m. (43.8%). On the other hand, investments, which amounted to 34.5% of all expenditure in 1960, dropped to 23.6% in 1967, while expenditure on Civil Administration fell from 28.2% to 21.1% in that period.

The enormous sums spent on the armed forces and the police, necessitated by colonial wars in Africa and political repression at home, put a tremendous burden on a weak economy such as the Portuguese. There was a limit to the extent to which investments and the sums allocated to civil administration could be allowed to decline relatively to the whole budget. To bolster up the economy and to avoid weakening the State apparatus, the dictatorship was forced to increase taxation and to raise money by internal and foreign loans.

Taxation was stepped up sharply in mid-1966 by the imposition of a new purchase tax. Revenue from this source brought in £6.1m. in 1966, and five times as much at £31.8m. in 1967. This represents 74% of the increase in the Government's 'Ordinary Income'—from £242m. in 1966 to £285m. in 1967. In 1967 'Extraordinary Income' reached £5.1m., including £3.7m. from loans. Public loans rose from £267 millions in 1961 to £490 millions in 1967. The outgoings on these loans are distributed as follows (shown in £ millions):

Year	Interest	Repayments	Other Payments	Total
1963	10.0	5.0	1.6	16.6
1964	11.3	5.4	1.7	18.4
1965	12.5	11.6	1.9	26.0
1966	13.1	13.5	2.0	28.6
1967	14.9	19.7	2.0	36.6

(Interest payments show a steady increase corresponding to the growth of the Public Debt. Capital repayments, however, rise

sharply from 1965 onwards because first instalments on some loans only fell due in that year).

In 1967 public expenditure increased by £53.4m. over the previous year; of this amount £25.6m. (48%) was due to military expenses, and £7.5m. (14%) to payments on the Public Debt account. It is possible to forecast a progressive increase in these Public Debt payments because of the high rate of interest on more recent loans.

Foreign investment which not so long ago accounted for 1% of all private investment in Portugal has now risen to 20%. Among major recent investments of foreign capital we quote these examples:

A giant British loan of £50 millions by a group of London Banks, backed by the Export Credit Guarantee Department, to the Portuguese steel monopoly 'Siderurgia Nacional'.

A joint investment of £14.3 millions in the 'Lisnave' dockyards in Lisbon by Eriksbergs & Kockums (Sweden) and N.D.S.M., Wilton-Fijenoord and Rotterdamsch Droogdok (Holland).

A £14 million investment in the Swedish-controlled 'Cellulose Bille-rud', shared between Bille-rud A.B. (71%), the Portuguese C.U.F. (24%), while the remaining 5% is held by the owners of forests.

An investment of £10.4 millions by the Japanese Nippon Mining Co. in Angolan copper mines.

£1.2 millions invested by the Japanese 'Mitsui' group in the fishing industry in Mozambique.

The Companhia Mineira do Lobo (Angola), jointly owned by the West German firm Krupp and by Hojgaard T. Schultz of Copenhagen, has also invested large sums in iron and copper mining.

Because of this inflow of foreign capital, and because of the foreign

currency sent back by emigrant workers and brought in by the tourist trade, Portugal's Balance of Payments still shows a favourable figure of £87 millions, despite the huge trade deficit. Whether this will last is questionable. In spite of increased foreign investments in 1967, the surplus in the balance of payments was reduced by increased outgoings for interest and capital repayments on loans, and by the profits taken out of the country by foreign companies. The tourist trade, as well, will suffer from the devaluation of the £, the peseta, and other currencies—a situation made more acute by the French crisis. (D.L. 12.7.68, 19.7.68, 2.8.68, 5.8.68; 'Seara Nova' August & November 1968; 'Vida Mundial' 9.8.68 No. 1522).

The progressive increase of unproductive Government expenditure, together with the economic impact of emigration and tourism, led to an inflationary pressure from mid-1966 and throughout 1967. Wholesale prices rose by 3.9 per cent; and in Lisbon, according to the Report of the Bank of Portugal, retail prices went up by 8 per cent. Cuts in productive public expenditure and in the running of the administration resulted in a slowing down of economic development. This is particularly serious in view of the coming total integration of Portugal in EFTA, to take place by 1980, with the end of the favourable trade facilities accorded to Portuguese goods under Annex G of that agreement.

It is clear that colonial wars, the mortgaging of the country to foreign capital, and trying to make ends

Continued on next page

meet by way of the foreign currency sent home by emigrants or brought in by tourists, will not solve Portugal's economic problems. The first step towards prosperity must be getting rid of the dictatorship and its policies.

THE SELL-OUT CONTINUES

JAPANESE

The Nissam Motor Co. Ltd., a Japanese group which holds 1/3rd of the car market in Mozambique, with a total investment of £21.4 millions, has now begun to operate in Portugal itself, in association with 'Movauto' (D.L. 24.8.68).

A new regular sea link between Portugal and Japan has begun with the arrival at Lisbon of the Japanese cargo-boat 'Shimave Maru' (D.L. 8.7.68).

AMERICANS

An American financial group is investing £4.3m. for the construction of an extension of the Lisbon Underground (P.J. 14.7.68).

WEST GERMANS

The West Germans are investing up to 25 million German Marks (£2.6 millions) to finance the second phase of the Alentejo Province (Southern Portugal) irrigation scheme (Vida Mundial 26.7.68).

AND OTHERS . . .

The Kredietbank S.A. Luxembourgeoise is opening a loan to Hidro-Elétrica do Cávado, at 7% interest (D.L. 4.7.68).

A new sugar refinery is to be built in Figueira da Foz at a cost of £4.3m. This is a Spanish investment (D.L. 30.9.68).

PORTUGUESE CAPITALISTS TOO . . .

The Bank 'Borges & Irmão' had a net profit of £705,000 in 1967 (Bank Report, 9.1.68).

The Banco do Fomento Nacional had a net profit of £1.13 millions in the same year (P.J. 2.7.68).

Banco Nacional Ultramarino (the main Bank for the colonies) did best of all with £1.5m. net profit (Bank Report, 31.12.67).

WEST GERMAN AWARDS

West Germany, whose investments in Portugal are quite large, is trying to project a good image in the country.

In October 1968, the BAYER chemical trust made its annual awards to a journalist and to the best students from Technical Schools (P.J. and D.L. 30.10.68).

In the meantime the Portuguese Propaganda Bureau (SNI) in Lisbon ran an exhibition on the life of the late W.

German Chancellor, K. Adenauer (P.J. 22.10.68).

BRITISH INVESTMENT IN ALGARVE

The 'Companhia Imobiliária Anglo-Portuguesa', a building society financed by British capital, has projected the construction of 5 hotels and 20 gigantic blocks of flats on the southern coast of Algarve between Alvor and Praia da Rocha (D.N. 11.8.68).

BRITISH COUNCIL ANNIVERSARY

The British Council marked its 30th anniversary in Portugal with an exhibition in Oporto of sculpture by Barbara Hepworth (P.J. 23.10.68).

WAR MADNESS

The emphasis on militarism continues. On July 24th, 1968, a special allocation of £21,750,000 was made to the Armed Forces stationed in the colonies. (D.L. 24.7.68.)

STRENGTHENING THE NAVY

The Navy is increasing the number of its units. Four submarines have been built in France and the fifth is expected to be ready by 1969-70 (P.J. 5.7.68.)

By 1970, Portugal will have 8 frigates and 6 sloops (P.J. 22.7.68). On September 12th, 1968, a new launch (LDM 409) was acquired by the Navy (P.J. 12.9.68).

To cope with problems of administration, the Navy has also obtained a computer (P.J. 17.7.68).

FACTORIES OF DEATH

Munition factories, such as the *Sociedade Portuguesa de Explosivos* on the Tagus left-bank are working overtime. (P.J. 30.10.6.)

The Alverca Aviation workshops near Lisbon have a capacity at the moment to repair over 600 aircraft. (P.J. 11.10.68.)

The Military Laboratory was housed in a new building on August 13th (P.J. 13.8.68).

MEDICAL CENTRE FOR THE ARMY

The difficulties faced by the Government in three colonial wars are growing every day.

Hospitals continue to be filled with wounded soldiers. At Alcoitão, a village 10 miles from Lisbon, a new centre for the recuperation of disabled soldiers came into operation on July 8th, 1968 (D.L. 8.7.68).

The Army is seeking to obtain the co-operation of University Surgical

Teachers to act as advisers in the three colonies. (P.J. 4.7.6.)

WOUNDED AT FATIMA SHRINE

And to keep up the morale of the wounded and maimed, 400 men were taken to the Fátima shrine in July 68. (P.J. 17.7.68.)

MILITARY MANOEUVRES

Military manoeuvres are frequent inside Portugal (P.J. 2, 4, 24.7.68). One of the main preoccupations of the Chiefs of Staff is to train cadets in 'subversive wars' (P.J. 29.6.68). This rather curious terminology conceals the fear of any rising by ordinary people inside the country.

MORE TROOPS FOR THE COLONIES

Military and Police forces left for the Colonies on June 29th, July 3rd, 5th, 28th; on August 12th, 13th, and October 4th, 1968. (P.J. 29.6 to 10.1968.)

PIDE MERCENARIES IN AFRICA

PIDE (Portuguese Gestapo) agents have been praised for their activities in the Portuguese colonies.

The Director of PIDE, Major Silva Pais has been in the African colonies supervising the new groups of local mercenaries, the FLECHAS (Arrows), who are specially trained by Pide agents to spread horror and destruction in villages with nationalistic leanings. (P.J. 30.6.68.)

NEW CHIEF OF STAFF

On July 17th, 1968 General Deslandes, was appointed head of the Chiefs of Staff. (P.J. 17.8.68.)

PRIMARY TEACHERS

In 1967-68, there were only 20,692 primary teachers and 3,203 auxiliary teachers for 910,000 pupils in the whole country. This means a ratio of 43 pupils per teacher.

Many primary teachers have to work part-time in banks and factories to augment the low salaries they receive. (P.J. 8.10.68.)

UNIVERSITY GRADUATES

In 1966-67 only 2,959 students graduated in all 3 Portuguese Universities out of a total of 35,933. (D.L. 17.8.68.)

FLOODS AGAIN

In November 1967, torrential rains in Lisbon flooded many areas, near the capital and drowned over 500 people. As the authorities have taken no precautions since then, heavy rainfall in Nov. 1968 caused new floods in the same areas. The local population is still haunted by the fear of that 1967 tragedy. (P.J. 31.10 and 1.11.1968.)

SOMETHING TO LEARN . . .

Czechoslovak, Yugoslav and Finnish delegates have visited the Portuguese Football Pools Organization in order to study their functioning. (D.L. 17.10.68.)

MORE HELP FOR FASCISM

Dr. Salazar's retirement was received by the Portuguese people with a reserve in sharp contrast to the reaction of his own supporters. Indeed, the people know that no real change is taking place, whereas the supporters of the régime hope that the appearance of change will protect their vested interests under the disguise of 'liberalization'.

Dr. Caetano is no liberal, as his record clearly shows. But he is also no fool and will certainly play his 'liberal' cards with skill. And, of course, renewed prospects for investment in Portugal and colonies are being analysed by businessmen abroad.

Only those who want to be deceived can really be deceived. Marcelo Caetano is counting on the 'good will' of all those countries which helped Salazar and will try to repay them by making their help look slightly less shameful and, slightly more profitable. They will thus fatten on what is the due of the Portuguese people and will help fascism to keep things as they are.

NATO

NATO'S Association met in Lisbon in October. The theme was how to make capital out of the events in Czechoslovakia in order to justify a more aggressive policy towards the socialist countries. The Portuguese delegation eagerly joined the chorus: Dr. Franco Nogueira, the Portuguese Foreign Minister, immediately talked about a communist attack on 'all fronts'. His colleagues did not need much convincing: one of the meeting's resolutions was that Portugal could count on NATO's assistance in the event of 'greater danger' for her African colonies. (*P.J.* 15, 16 & 19.10.68.)

In what was one of his first statements on international affairs, the new Portuguese Premier, Dr. Caetano, proved a worthy disciple of his dying master: the familiar medieval concept of West versus East was elaborated upon at length. (*P.J.* 17.10.68.)

THE WEST GERMAN BASE

Twenty West German members of Parliament visited their country's military bases in Beja, Southern Portugal (*D.L.* 20.10.68) to which a new Administrator was recently appointed (*D.L.* 26.10.68).

RULING AN OLD WAVE

Great Britain pursues its traditional policy (Labour government or

not) of helping her oldest ally. That is, at any rate, what the Portuguese press made of the presence of Britain's Foreign Office General Secretary at a farewell luncheon in honour of Portugal's departing Ambassador Mr. Rocheta, described as 'exceptional'. (*P.J.* 27.10.68.)

More significant, however, is the report of a visit to Portuguese Guinea by Mr. John Biggs-Davidson, M.P. Mr. Biggs-Davidson could see only marvels in the Portuguese presence in this African colony. From his viewpoint—i.e., the white man's—he saw no racialism. And, of course, Portugal's 500 years in Africa were dwelt upon. (*D.L.* 26.7.68.) What the British politician seems to forget is that the Africans have been there even longer.

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APRÈS NOUS LE DÉLUGE...

While the Portuguese people toil and starve, or emigrate abroad in search of work, or die in the colonial wars, the parasites who help to exploit them flaunt their wealth in lavish displays of luxury according to the fashionable magazine 'Vogue' (December, 1968).

'A thousand people', says Vogue, 'flocked to Portugal to witness in the course of three days what may be the last great parties of the century.' During these three days in September the millionaires Atenor Patiño and Pierre Schlumberger held balls and suppers at their country estates near Lisbon without counting the cost. Three fashionable designers gave full rein to their extravagant fantasies in decorating the Quinta Patiño and the Quinta do Vinagre. Acres of coral carpet were spread over paths and lawns: white doves in coral cages hung from all the trees: nine chefs were brought from Paris to titillate the sophisticated appetites of Europe's wealthiest people. Mme.

Patiño wore five rare diamonds, each of a different colour, in her coiffure when she greeted her elegant guests who danced by the light of the full moon—and lest any autumn mist should cloud that romantic scene the air was sprayed with dry ice. In between whiles the gay crowd went to the Quinta Zambujal of Manuel and Mário Vinhas—Portuguese beer magnates—to amuse themselves at what was quaintly called a 'country carnival', by watching bull-fights, listening to fado singers, and eating suckling pig by candlelight.

'Vogue' comments ecstatically: 'it sounds like Versailles a hundred and eighty years ago'... *Après nous le déluge?* But this glossy periodical is too tactful to remind its socialite readers of what happened to the Versailles aristocrats not long afterwards. M. Patiño would not like to think that the next dance might be the Carmagnole.