



HAL
open science

Celso Furtado as 'Romantic Economist' from Brazil's Sertão

Jonas Rama, John Battaile Hall

► **To cite this version:**

Jonas Rama, John Battaile Hall. Celso Furtado as 'Romantic Economist' from Brazil's Sertão. *Revista de Economia Política*, 2019, 39 (4), pp.658-674. 10.1590/0101-31572019-3021 . hal-02866791

HAL Id: hal-02866791

<https://hal.science/hal-02866791>

Submitted on 12 Jun 2020

HAL is a multi-disciplinary open access archive for the deposit and dissemination of scientific research documents, whether they are published or not. The documents may come from teaching and research institutions in France or abroad, or from public or private research centers.

L'archive ouverte pluridisciplinaire **HAL**, est destinée au dépôt et à la diffusion de documents scientifiques de niveau recherche, publiés ou non, émanant des établissements d'enseignement et de recherche français ou étrangers, des laboratoires publics ou privés.

Celso Furtado as ‘Romantic Economist’ from Brazil’s Sertão

Celso Furtado como Economista Romântico do Sertão

JONAS RAMA*

JOHN BATTAILE HALL**

RESUMO: Em *The Romantic Economist* (2009), Richard Bronk lamenta que o pensamento iluminista tenha dominado a economia durante sua formação como ciência. O “Movimento Romântico” seria um contraponto, mas foi mantido distante. A economia abraçou a centralidade da racionalidade e preceitos iluministas, tornando-se uma “física-social”. Desde então, as características humanas como sentimento, imaginação e criatividade são evitadas. Embora Bronk não identifique um economista “romântico” de carne e osso, nossa pesquisa busca estabelecer Celso Furtado como um. Profundamente influenciado por sua sensibilidade e raízes, Furtado fez uso de uma metáfora orgânica – o sertão nordestino – em seu entendimento de complexos processos de desenvolvimento.

PALAVRAS-CHAVE: Brasil; Celso Furtado; Richard Bronk; movimento romântico; sertão.

ABSTRACT: In *The Romantic Economist* (2009), Richard Bronk laments that Enlightenment thinking dominated Economics during its formation as a science. As counterpoint, the ‘Romantic Movement’ had much to offer but remained peripheral. Consequently Economics embraced the centrality of rationality and other Enlightenment precepts, leading to a ‘social-physics’. Meanwhile human characteristics such; as sentiments, imagination and creativity were eschewed. While Bronk fails to identify an in-the-flesh ‘Romantic Economist’, our inquiry seeks to establish that indeed Celso Furtado qualifies. Profoundly influenced by his sensitivities and attachment to place, Furtado relies upon an organic metaphor – o sertão nordestino – for insights into complex developmental processes.

KEYWORDS: Brazil; Celso Furtado; Richard Bronk; romantic movement; sertão.

JEL Classification: B15; B31; N96.

* Ph.D. Candidate, Centre d’Économie de la Sorbonne, Université Paris 1 Panthéon-Sorbonne, Paris, France. E-mail: jonas.rama@etu.univ-paris1.fr. Orcid: 0000.0003-4882-8125.

** Professor of Economics at Portland State University, Portland/Oregon , USA. E-mail : hallj@pdx.edu. Orcid: 0000-0001-9119-045X. Submitted: 29/January/2019; Approved: 14/March/2019.

In *The Romantic Economist* (2009) Richard Bronk offers insights into the founding of Economic Science and the emergence of the Discipline of Economics, though his perspective registers as a long-winded lament. What Bronk laments is that those exponents reflecting traditions of what we could collectively think of as ‘The Enlightenment’ established the foundation for what would later be identified as a distinct discipline within social sciences. This is *Economics* as many of us know it, have studied it, and applied it through policy. In the decades just prior to and after the start of 19th century, what is recognized as the ‘Romantic Movement’ arose to challenging the dominant but constraining and limiting, Enlightenment perspective. With the disjointed struggle between these two distinct and divergent views taking place, what Bronk laments is that the Romantic perspective remained peripheral and thus failed to generate influences that could challenge and alter key assumptions at the core of Economic Science and the emerging discipline during these formative decades.

THE ROMANTIC MOVEMENT VERSUS THE ENLIGHTENMENT

Even while taking a critical position, Bronk (2009, p. 103) acknowledges the importance of the many scientific gains achieved by a mainstream economics influenced by an Enlightenment orientation. Nevertheless, Bronk argues that today’s discipline suffers limitations by offering partial and incomplete perspectives when considering complex economic phenomena. What Bronk advocates is a more comprehensive view that could be achieved through the adoption of selected epistemological principles derived from Romantic Philosophy, with these principles effectively amending and then strengthening what he condemns as an excessively rationalist bias – continuing as legacy of Enlightenment influences from earlier on.

As a way to round out economic reasoning, Bronk (2009, p. 298) suggests that economic analysis also needs to focus on “[...] historically conditioned and creatively dynamics situations”. Getting specific, Bronk purports that language and use of organic metaphor can indeed play important roles, promoting clearer accounts of economic agents and events, while also serving as “cognitive spectacles” that can reveal specific historical, cultural and institutional situations. Bronk argues that language and use of metaphor can indeed affect outcomes. Furthermore, to understand different economic realities, Bronk suggests that researchers need to be fluent in particular narratives and discourses of the societies under consideration.

While Bronk goes to great length, stressing what he documents was lost and also what could be gained by embracing a Romantic approach to Economic Science, he fails to suggest that someone could actually fulfill his criteria and qualify as a Romantic Economist. True, he does consider Adam Smith in his two incarnations. There is the broadly inquiring and sensitive Mr. Smith, the author (Bronk, 2009, pp. 62-63) behind his less frequently read and pondered *Theory of Moral Sentiments* [1759], who focused, as the title suggests, on ‘sentiments’ – what we interpret as related to emotions and feelings. Then there is the latter-day and more widely

known Smith who lays out his enduring Inquiry [1776] in a manner fully congruent with Enlightenment, rationalist thinking; with Smith's approach systematically seeking to define the variables, dynamics and synergies that contribute towards a nation's wealth in the late 18th century. In addition, Bronk (2009, pp. 32-39) cites his appreciation for John Stuart Mill, elevating him to the level of 'patron saint' for Romantic-oriented economists. What Bronk emphasizes is that Mill considered a broad array of variables in his economic formulations, while simultaneously seeking to downplay the centrality of Jeremy Bentham's emphasis [1780] (1967, pp. 125-131) upon 'utility' in his understanding of the human condition as this relates to choice.

Bronk emphasizes that as a talented poet with a high profile in British Society in the early 19th century, Samuel Taylor Coleridge borrowed from and built upon ideas of the German social thinker, Johann Gottfried Herder; with *Outlines of a Philosophy of the History of Man* [1791] establishing his international reputation. Following Herder's lead, Coleridge composed some lines that Bronk (2009, pp. 90-91) interprets as crossing the border out of literature and epic poetry – to offer an organic vision of a nation state. Along with Coleridge, Bronk (2009, pp. 93-103) considers others designated as Romantics: like William Wordsworth, Percy Bysshe Shelley and John Keats; with selected parts of their musings and writings offering perspectives that could be interpreted as challenging Enlightenment dominance in the emerging Economic Science.

However, an issue emerges as Bronk fails to go further and consider whether we could actually identify an 'in-the-flesh' economist whose life and contributions conforms closely enough with his criteria, so as to deserve the designation of 'Romantic Economist' With this inquiry we shall seek to establish that Celso Monteiro Furtado (1920-2004), the Brazilian economist best known for his contributions to development economics, does indeed fulfill Bronk's criteria and should thus be considered as a bona fides Romantic Economist.

THE EXTANT LITERATURE

Numerous scholars have considered the novel character of Furtado's writings, and have gone to lengths to detail and laud his contributions to Economic Science, in general, and to the field of Economic Development, in particular. However, rather than listing the numerous authors who have considered the importance of Furtado's efforts, we prefer to narrow down and focus in some detail upon three authors – who can also be noted for their prominence.

Though lauded as a specialist in the "History of Macroeconomic Thought", Mauro Boianovsky seeks to clarify details related to the contributions of Furtado. In his comprehensive article: "A View from the Tropics: Celso Furtado and the Theory of Economic Development in the 1950s", Boianovsky concerns himself with *originality* in Furtado's thinking. Namely, Boianovsky (2010, p. 225) identifies that Furtado sought to clarify the variables that led to the development of the countries

that industrialized initially. He also considers the requirements for a non-industrialized country to reach a similar stage. Boianovsky emphasizes that Furtado sought to understand how a newly industrialized country – including his native Brazil – could effectively catch up through a process of growth acceleration with those countries that industrialized earlier on.

Though rich in scholarly insights and analytically clear with selecting and interpreting Furtado's seminal ideas, Boianovsky fails to consider what precisely distinguishes Furtado and renders him as an economist whose works continue to be read and pondered, offering inspiration during his lifetime and in the years since his passing in 2004? In our judgment, what Boianovsky fails to recognize is that Furtado's deep insights into development processes suggest the epistemological qualities of a 'Romantic Economist'.

Similar to Boianovsky, James Cypher (2014) emphasizes that Furtado's thinking relates prospects for economic development to technological capacity. But different from Boianovsky, Cypher (2014, p. 15) places special emphasis upon what he terms as Furtado's 'historically contextualized approach'. Cypher stresses that Furtado researched and defended his doctoral dissertation in Economic History back in 1948, focusing upon sugar production, the main activity for generating output, employment and foreign exchange in the Portuguese colony of Brazil during the 16th and 17th centuries. What Furtado establishes with his doctoral dissertation is how the formation of these deep social and economic structures relates to this focus on commodity production under conditions of enslaved labor, generating attendant production and social relations that solidified over these first two centuries – with effects enduring to the present. Such inquiring led Furtado (Cypher, 2014, pp. 21-23) to identify what he terms as: *subdesenvolvimento econômico*, namely, economic 'underdevelopment'. The basic tenants of *underdevelopment* suggest that Furtado was willing to go against the key assumptions found in the mainstream of Economic Science, and its sub-discipline – or field – Economic Development. What induced Furtado to break out of the constraints that he found in the academy and take a novel, imaginative and creative approach?

What Cypher fails to emphasize and what our research suggests is that Furtado's intimate association with persistent poverty, human dislocation and hardly bearable levels of dread found in Brazil's *sertão* in the Northeast region where Furtado was born and reared, affected him, disturbed him, and left him with enduring emotional sentiments expressed as concerns for the people challenged by the harshness of their conditions. As he carried the hurt and pain derived from his childhood and adolescent experiences forward to when and where he studied, first in Rio de Janeiro and later at the Sorbonne in Paris, what he found in the texts endorsed by the academy could not effectively explain what he had seen and sensed in his formative years in Brazil's Northeast. Invoking Bronk's perspective – and noting what we think that Cypher missed – is that the rationalist, Enlightenment approach dominating Economic Science proved insufficient to account for the challenges and barriers that he and his kindred in the *sertão* of Brazil's Northeast faced in order to achieve real economic development. Our understanding suggests that

Furtado's first-hand exposure during his childhood and adolescence to these ongoing difficulties plaguing people of the *sertão* contributed towards his deep-seated passion not characteristically displayed by economists.

In their edited work, *A Grande Esperança em Celso Furtado*, [*The Great Hope in Celso Furtado*], Luiz Carlos Bresser-Pereira and Jose Márcio Rego (2001) rely upon wording in their book's title that suggests "hope" imbues the spirit underlying Furtado's efforts as an economist. Within this particular collection, Bresser-Pereira's chapter bears the title: "Method and Passion in Celso Furtado", and this chapter's emphasis on "passion" accurately describes Furtado's enduring commitment to the republican project of his life, namely, Brazil's development. For Bresser-Pereira, Furtado's understanding of "method" suggests Furtado's trust in reason and his adherence to scientific principles.

Some of the points that Bresser-Pereira emphasizes regarding Furtado's leanings and legacy back in 2001, appear to have anticipated several key ideas advanced in Bronk's book that appeared about eight years later. In our view, Bresser-Pereira observed the qualities and characteristics of Furtado and – wholly independently – Bronk would describe these as the qualities of a 'Romantic Economist'.

But one example of parallel thinking found in the epistemological and methodological approach of Furtado and Bronk's understanding of a Romantic economist can be noted in a passage. Bresser-Pereira (2001) emphasizes that the epigraph of Furtado's *Preface to New Political Economy* (1973) includes a quote from Karl Popper's *The Logic of Scientific Discovery* (1935). The quote of Popper (1935 [2005], p. 16) reads: "Scientific discovery is impossible without faith in ideas which are of a purely speculative kind, and sometimes even quite hazy". According to Bresser-Pereira, Popper's statement can be seen as congruent with Furtado's choice for combining scientific method and creativity. We can note that this quote from Popper also conforms nicely with Bronk's argument for the need of Romantic approaches within Economic Science.

THE SERTÃO AND BRAZIL'S NORTHEAST

At Eastertime in Year 1500, a fleet of twelve small caravels commanded by Pedro Álvares Cabral arrived on the shores of what would later become known as the Brazilian Northeast. For the occasion, Pero Vaz de Caminha composed a letter to then King Don Manuel announcing this find. His letter serves as the very first document applying the word '*sertão*' to refer to the yet to be explored Brazilian territories. The controversial historian Gustavo Barroso (1962, p. 11) states that "[...] [n]o other word is more intimately related to the History of Brazil, and especially to the Northeast, than the word *sertão*".

In what are now appreciated as historical documents, Hans Staden (1557), Gabriel Soares de Sousa (1587), Sebastião da Rocha Pita (1730), Ferdinand Denis (1837) and Couto de Magalhães (1876) refer to vast territories across Brazil dubbed '*sertão*' and '*sertões*' (as the plural form). Recent studies (IBGE, 2016; IBGE, 2009,

p. 8; Vidal e Sousa, 2010, p.108; Moraes, 2003, pp. 2-3; Teles, 2002, pp. 265-267) emphasize that with time this term ‘*sertão*’ was applied by explorers, naturalists and cartographers to refer to all of the, then, unknown territories throughout this vast country.

As the various Brazilian territories became known and settled, and their natural wealth tapped, the *sertão* designations and stigmas fell away. Yet even with the run of historical time, there remains one enduring *sertão* in Brazil. This connotes a vast territory composed of distinct hinterlands that are deemed synonymous with the term: ‘Brazil’s Northeast’. The IBGE classifies the semi-arid hinterlands found in the northeastern part of Brazil as a sub-region with the designation of ‘*Sertão*’. This remaining *sertão* blankets over several Brazilian states, offering a land surface equivalent to roughly two times the size of today’s France. It was within this remaining *sertão* found in Brazil’s Northeast that Celso Furtado formed his understanding of the world that could not be explained by what he later discovered as the narrowness of mainstream Economic Science built upon Enlightenment precepts.

Commencing with the Great Drought of 1877-78, the word ‘*sertão*’ was relied upon to officially designate this semi-arid zone located within this vast interior spanning much of northeastern Brazil. In his document *Os Sertões*, Euclides da Cunha (1902) offered a canonical understanding of *sertões*, describing them as rough-hewn hinterlands. In his book *A Invenção do Nordeste e Outras Artes* [*The Invention of the Northeast and Other Arts*], Durval Muniz de Albuquerque Jr. (1999) teaches us that during the second decade of the 20th century, Brazil’s government identified and officially designated a geopolitical region and termed it ‘*Nordeste*’ (or ‘Northeast’). Within this territory lies a sub-region that is designated and termed: *Sertão Nordestino*, marking a vast, semi-arid climatic zone that remains legend for cyclical droughts followed by devastating floods. This is the sub-region of the vast Brazilian *sertão* where our Celso Furtado was born and reared.

Back in 1919 – one year prior to Furtado’s birth – Brazil’s Northeast, with this sub-region of the *sertão nordestino*, was recognized and designated as a geographical area that could receive federal funds for infrastructure. We can note that the decades of Furtado’s childhood and adolescence coincided with the formation of the cultural and political identity of Brazil’s Northeast. Furtado was born around the time that this vast territory was becoming institutionalized for displaying distinct characteristics that helped to define the unique challenges that the local population faced – that spilled over and challenged the Brazilian nation as well.

Gilberto Freyre is widely recognized as a key intellectual behind the discourses that formed the national understanding of Brazil’s Northeast – with its immense *sertão* as a key feature. Freyre helped establish this territory’s cultural identity, while also relating its significance to Brazil as a whole. His contributions proved most influential during the decades of the 1920s and 1930s, and Freyre should be duly recognized as the leading intellectual behind the crystallization of the cultural identity of Brazil’s Northeast. Initially appearing as articles in local newspapers, Freyre’s ideas were compiled and published in 1937 in the book *Nordeste* [*Northeast*]. Relatedly, additional writings of Freyre seem to have exerted identifiable influ-

ences on Furtado's aspirations as well as his formation as a social scientist and development economist.

Freyre's *Casa-Grande & Senzala* (1933) weighed in as an important intellectual influence before Furtado departed his *nordeste* in 1940; in order to attend college and commence with studies in law in Rio de Janeiro. Furtado (1973, p. 31) claims to have read Freyre's book in 1937, when he was but seventeen years old. An excerpt from Furtado's journal dated 20th of August 1937, made available by Rosa Freire d'Aguiar (2014, p. 1), reads: "I would like to register today an idea that I have been cultivating for a while: to write a History of the Brazilian Civilization". If we fast-forward to 1959, then we might consider Furtado's *Formação Econômica do Brasil* as his concerted effort to author his own "History of the Brazilian Civilization"; however, as an economist might approach this subject matter.

BRAZIL'S SERTÃO AS FURTADO'S ORGANIC METAPHOR

In *The Romantic Economist* Bronk places special emphasis upon the use of language and metaphor at the core of scientific inquiry. He stresses that those contributing to The Enlightenment approach to Economics have favored mechanical metaphors, and the use of mechanical metaphors are congruent with thinking that the economy is governed by a tendency for supply and demand to achieve equilibrium and for unfettered markets to clear. This structure suggests that an economic harmony can result from interactions among seemingly incongruous variables.

It is our understanding that Furtado's early life experiences exerted influences that would later reflect on his intellectual tendencies as well as the subject matter he selected to consider. Historian Rosa Maria Vieira (2001, pp. 157-165) offers an insightful historiography that considers Furtado's 'intellectual self-portraits' and how these expressed his understanding of the social and environmental setting in which he was reared. As Furtado's was growing up he experienced firsthand numerous challenges associated with Brazil's *sertão*. We can emphasize that the recurring droughts and floods – as well as the levels of violence endemic to this territory – all played an important role in forming his understanding of the world and its attendant social reality. These early impressions can be identified and judged as affecting his approach to scientific method, inquiry and discourse, generally, and to his later contributions to development economics, specifically.

What is interesting about Furtado, and confirms in our minds that he is best understood as a 'Romantic Economist', is that he relies upon the *sertão* that he knew so intimately and to which he remained emotionally connected over his lifetime. Brazil's *sertão* served as the organic metaphor upon which he constructed his contributions to development economics. The *sertão* led him to identify and penetrate the dynamic nuances attendant to economic 'underdevelopment' in his home region. But his understanding was readily expandable for interpreting world economic history, stretching over a span of many centuries.

THE MAKING OF A ‘ROMANTIC ECONOMIST’

Noted as a reserved man of few words, Furtado hardly touched upon his childhood and adolescence in his own writings. There are, however, a few brief passages that can be found in his three different books also considered autobiographical (Furtado, 1985; 1989; 1991). In addition, we have located a few key pages in the article “Adventures of a Brazilian Economist” that was published in 1973 in the UNESCO *International Social Sciences Journal*.

Furtado’s memories of the *sertão nordestino* offer insightful reflections as well as vivid images, elucidating how life there taught him valuable and lasting lessons – that also found their way into his development economics. Of lessons he claims to have learned, what stands out is the importance of ‘power’ and its seemingly arbitrary uses that lead towards oppressive and even cruel acts of violence. Furtado also considers out-of-control forces of nature, as well as the abject poverty that appeared not only enduring, but also ubiquitous around him throughout his *sertão*. Though it may seem a bit out of the ordinary when considering the intellectual biography of an economist, he designates a role for ‘mysticism’. Furtado (1973, p. 29) explains that in this “[...] world of uncertainty and brutality, the most common form of reassurance [...] [is] to escape into the supernatural.” To us, this suggests his Romantic orientation; that includes an acceptance that in cases rationalist approaches prove too limited for understanding forces at work shaping our world.

In Furtado’s *sertão nordestino*, power was often exercised arbitrarily and expressed with applications of violence. Furtado writes that his childhood was impregnated with narratives and testimonies of violence inflicted upon victims whom he knew personally. Rivalries between local families – or even groups of allied families – could be expressed through brutal acts of aggression and retribution. Furtado (1973, p. 28) explains that the *sertanejos* were faced with seeking protection from local leaders who were often referred to as ‘colonels’. Typically this meant landholders with ranches, who not only offered employment but also provided accommodation to land laborers. The sorts of relations for work and living arrangements that emerged as migrants moved and resettled, contributed towards forming paternalistic relationships – straying far from market relations – between prominent and oftentimes powerful colonels and land laborers. Leaders of the lower-ranked landowning colonels were often allied and carried out their obligations under the protection of more powerful, higher-ranking colonels operating at the regional level as well as at the national level, with some of the colonels having successfully gone into politics and public administration.

Furtado (1973, p. 29) stresses that the local power structure revealed people’s political positions. The notion of an individual with autonomy and agency and basing decisions upon rational calculation and a ‘felicific calculus’ – core tenets of neoclassical Enlightenment social-physics – proved out of the ordinary. In fact, for a person to exercise independence and autonomy based upon an optimized, rational calculation on a given national political issue defied the obligations that came with belonging to a social network. In the *sertão* of Furtado’s youth, the *sertanejos*

were faced with supporting positions of their protecting colonel. Otherwise, members of this community could await accusations of disloyalty and be dealt with as declared enemies. In our understanding, this setting that deemphasized the importance of the individual as a rational agent facing choices helps us to understand why later, as a theorizing and practicing economist, Furtado overlooked methodological individualism. Instead he favored social groups as his unit of analysis.

Another revealing example offered by Furtado relates to a cold-blooded murder of an important, local politician. The homicide took place on Furtado's tenth birthday, that is July 26th of 1930. Furtado (1973, p. 29) acknowledges that the assassination of João Pessoa Cavalcanti de Albuquerque, Governor of his home state of Paraíba, caused such collective grief for members of the population that he could not recall and recount the event without feeling deep-seated emotions. Furtado (1973, p. 29) writes:

The event caused such general distress that even today I cannot think about it without emotion. The deep impression which I gained from listening to the stories told during these processions offered a sense of bewilderment in the face of overwhelming forces.

At the time of his assassination, Governor Pessoa was also the political running mate of Getúlio Vargas, a candidate competing in Brazil's presidential election in 1930. Pessoa's death at the hands of his political detractors effectively triggered the *coup d'état* led by Vargas later in that same year. This event and episode exposed the fact that, despite the secular decline and diminishing degrees of political and economic power, Brazil's *Nordeste* continued to wield powerful influences that affected national political outcomes. This is an important lesson that Furtado carried with him.

In Furtado's writings on the economic history of Brazil, he focused precisely on the synergies and unchaining of events taking place within different regions. Furtado sought to account for how events taking place in Brazil's Northeast – what was widely accepted as a backward and peripheral region with relatively low levels of educational attainment and marginal contributions to national output – could affect political outcomes as well as the prospects for economic development of the national unit as a whole.

Furtado highlights the fact that Governor Pessoa's policies that worked in favor of the popular masses of the *sertão nordestino* rendered him as a political leader who had, in the eyes of the *sertanejos*, achieved a status on the order of 'sainthood' within the Roman Catholic pantheon. Furtado (1973, p. 29) can be quoted as commenting on Pessoa's qualities: He was "[...] [l]eading the people as if he was their protector, surpassing all legal formalisms, the way he was able to mobilize the population was only comparable to those of religious movements". In our interpretation, what Furtado recognized is that in this social milieu attendant to Brazil's Northeast, especially to the sub-region of the *sertão nordestino*, local leaders could transcend beyond the secular realm, also performing as spiritual and

religious authorities. Offering another example of an especially popular colonel who took on religious overtones, Furtado (1973, p. 29) stresses that: “[n]ot far from our home, there reigned the famous ‘Father Cícero’, whose miracles attracted crowds of pilgrims”.

Father Cícero registered as a particularly controversial figure during Furtado’s youth. Behaving as a powerful colonel, Cícero also served as an ally to Lampião, the leader of feared nomad bandits known for attacking villages and towns to rob and pillage; often ransoming captives, engaging in extortion, raping, killing and torturing – that included fire branding – as well as mutilating their foes. The timeframe from 1920 to 1938, roughly the years of Furtado’s childhood and adolescence in the *sertão nordestino*, is recounted as an epoch plagued by ubiquitous and intense social banditry. Furtado ([1985] 1987, p. 132) mentions that on more than one occasion he, with his family members, fled and disappeared into the bush in the area of their family home – in dreadful anticipation – as Lampião’s roaming bandits made incursions into their settlement. In a synthesis Furtado (1973, p. 33) states: “[t]he idea that power is a source of corruption and violence has never left me”.

In addition, the harsh climatic conditions found in the *sertão nordestino* left strong and enduring impressions. Furtado (1989, pp. 17-19) emphasizes that erratic rainfall is but one feature that renders the *sertão* legend. Besides an annual dry season wholly void of precipitation, the other tendency is for the lingering of severe, pluri-annual droughts that typically stretched from two to four years. What is more, in the *sertão* this drought pattern is noted to reoccur about every twenty-five years. These severe and lingering droughts plaguing the *sertão nordestino* tended to end with torrential rains that generated challenges associated with catastrophic flooding and erosion of precious topsoil. Even relatively well-off families – such as the Furtado’s – experienced the dire circumstances associated with droughts, followed by widespread flooding across their expansive *sertão*.

Furtado offers a narration of a first-hand experience of the climatic challenges associated with the *sertão* where he lived with his family. Furtado (1973, p. 29) can be quoted: “When I was four years old, part of our house caved in as a result of a flood, and I narrowly escaped death (I was in bed for a few months recovering from burns).” Other dire consequences of drought affected the organization of production as well as patterns of human settlement in the immense expanses that make up northeastern Brazil’s *sertão*.

During droughts, farms and even entire settlements could lose their populations to death from malnutrition and/or movement. During extended droughts cattle herds sharply diminished in number. As a way to escape death from starvation, the *sertanejos* would take to intra- and inter-regional migration. Large groups of migrants arriving at areas with relatively more resources were known to turn to ransacking, or entrusting themselves to local colonels and landlords in hopes of paternalistic aid. In such dramatic and pressing situations, humiliation – often coupled with violence – became norms in social relations: typically leading to migrants falling into arrangements akin to serfdom, or even falling back into social and economic relations reminiscent of slavery that had been legally ended in 1888.

FURTADO'S INTELLECTUAL BIOGRAPHY FROM AN ECONOMIST'S PERSPECTIVE

Facing this environment of brutality as well as cyclical swings in climate, Furtado received the very best education that his parents could offer. Mauricio Medeiros Furtado, his father, served as a local magistrate. Maria Alice Monteiro Furtado, his mother, stemmed from a family of established landowners. Along with his eight siblings, the young Celso benefited from home lessons in languages that included Latin, French, Spanish and English. His father's library featured many famous titles in world literature, as well as encyclopedias and books on history and social theory. Furtado realized early on that literature and history were his two intellectual passions. In his youth, Furtado (1973, p. 30) was privileged to read novels from authors such as Robert Louis Stevenson, Jonathan Swift, and Daniel Defoe. Furtado also read his father's Cesare Cantù's *Storia Universale* [Universal History] (Vieira, 2004, p. 35).

In addition, the young Furtado was exposed to social theory over the course of these formative years within the protective confines of the family home. Furtado (1973, pp. 30-32) notes being powerfully influenced by Auguste Comte's formulations on 'positivism', as well as Karl Marx's understanding of 'historical materialism', and Gilberto Freyre's insights into cultural anthropology.

Of these perspectives, Comte's ideas on positivism contributed enduringly towards his understanding and view of the world, at large, as well as his understanding of the importance of knowledge. On the influence of positivism in his intellectual development, Furtado (1973, pp. 31-32) writes:

The primacy of reason, the idea that the highest form of all knowledge was scientific knowledge, the conviction that knowledge and progress went hand in hand were graven into my mind as self-evident truths. [...] my positivist conviction [was] that human behavior, individual and social, can to a large extent be the subject of scientific knowledge in the same way as the external world.

Furtado also emphasizes influences that thinkers such as Karl Marx and Austrian, Marxist-historian, Max Beer had in forming his teleological understanding of history. Gilberto Freyre's unique synthesis offered Furtado intellectual inspiration through a cultural interpretation of the historical formation of his nation's society.

Even though Furtado would later battle against Freyre's perspective (Godoy, 2013, pp. 82-86; Calazans 2007, pp. 79-80), still this Brazilian social thinker seems to have exerted a powerful intellectual influence during these formative years. Important to note is that later on Furtado departs from Freyre's influences by emphasizing his fully-formed economist's perspective, following a framework that systematically deals with origins, identity and his conjectured destiny for the Brazilian economy.

There are signs of Freyre's profound influence on Furtado for a span of time

stretching over decades. Roberto Pereira Silva (2011, p. 113) registers the “constant presence of [Freyre’s] *Casa Grande & Senzala* throughout [Furtado’s] doctoral dissertation”. Furtado ([1949] 2001, p. 14) affirms that Freyre’s work offered an innovative interpretation on “[...] the importance of patriarchal slavers and latifundia owners in the formation of the Brazilian society”. Freyre’s emphases upon the roles played by powerful social groups in shaping Brazil’s society runs close and could be considered to parallel the importance that Furtado assigned to the role played by similar groups in the formation of Brazil’s economy. Furtado (1991, p. 91) also acknowledged Freyre to be one of the first to understand the importance of the public-private partnerships after the Portuguese arrived in Brazil.

In 1959, Furtado offered two main contributions – one theoretical and one practical – that further defined Brazil’s Northeast as a geographic area with an attendant and distinct social formation. One of the key theses of Furtado’s magnum opus, *Formação Econômica do Brasil* (1959), is that the underdevelopment of Brazil was rooted in the ‘Northeast’s economic complex’. The socio-economic structures that emerged and solidified around the herding of cattle across the sertão, adjacent to the the sugarcane monoculture economic area running along the Atlantic coast, served as foundation for understanding the ‘economic complex of the Northeast’. Furtado (1959 [1963a], p. 66) adds that these attendant socio-economic structures became institutionalized and “[...] were the basic factors in the formation of what was to become the Brazilian economy of the 20th century”. Furtado opens the second volume of his *A Fantasia Desfeita* (1989), what is judged as an autobiographical book, with a chapter entitled: “The Foundations of Underdevelopment”. To Furtado (1989, pp. 15-23) underdevelopment was the result of a dynamic that included environmental, economic, social and political variables coming into play.

Furtado’s dedication (1959b) toward his home in the sertão nordestino can also be related to one of his practical contributions: the creation and formation in 1959 of the ‘Superintendence for the Development of the Northeast’ (Sudene). We can note that Furtado cared so much and remained so attached to this territory – that he admits helped to form his personality, character and scientific orientation – that he returned and directed this organization from 1959 through 1964. In Furtado’s (1989, p. 197) own words: Sudene assisted that Brazil’s Northeast could finally “[...] emerge as a [distinct] political entity”.

To close this section, we would like to cite a reflection offered by Furtado that synthesizes some of the effects upon his upbringing drawn from a reality ruled by climatic challenges, mass poverty, migration, malnutrition, arbitrariness, dread associated with uncertainty, brutality and early death. Furtado (1973, p. 29) can be quoted:

These facts may help to explain certain permanent tendencies of my nature from which it would be hard for me to free myself without upsetting the whole structure of my personality – the key ideas which influence both my practical activity and my creative, intellectual work. The first is the con-

viction that the world we live in is in general dominated by tyranny and violence; the second, that this state of affairs cannot be dealt with by oversimplified theories; and the third, that the struggle never ends with a lasting victory or defeat because, like a flowing river, it is perpetually renewed.

THE *SERTÃO* IN FURTADO'S DEVELOPMENT ECONOMICS

In “The Historical Process of Development”, appearing as Chapter Three of his book *Development and Underdevelopment*, Furtado (1961 [1964]) presents his understanding of how development – as an actual historical phenomenon – first took place in Western Europe. Following the lead of scholar Henri Pirenne (1923 [2006], pp. 7-10), Furtado relates the importance of geopolitical events as well as geographical and economic conditions to socio-economic phenomena and the development of economic systems. The proto-stage of development began as early as the 10th and 11th centuries, and through exogenous economic growth processes that Furtado suggests were initiated by Byzantine trade with Italian city-states that flourished at key locations. In his doctoral dissertation Furtado (1948 (2001), p. 20) accepts Pirenne’s (1923 [2006]) understanding that the emergence of these trade centers was related to the enduring Muslim control and effective blockading of Europe’s eastern and southern ports on the Mediterranean Sea. In addition, Pirenne (1914, p. 259) advances the notion that material surpluses, or profits, generated by the feudal economy presented the basic, necessary conditions for commercial exchange with the Byzantine Empire, while simultaneously forming west European trade centers as new economic players. As mutual benefits from these interactions between trade centers and the Byzantine Empire were realized, production and trade expanded in tandem across the European continent in the following centuries.

In Furtado’s view, the European, capitalistic system formed in two acts. The initial act relates to the mercantilist expansion that began in earnest in the 16th century. Furtado defines the industrial revolution taking place from the 17th and 18th centuries onward as the second act. Furtado explains that both acts were guided by identifiable human aspirations based upon fundamentally different principles. In the view of Furtado (1964, p. 111), the human “desire for wealth and power” drove the Mercantilist Era. The industrial revolution, on the other hand, resulted from “[...] the yearning for understanding and interpreting the [physical] world we live in”.

The historical process of development was rapidly accelerated by the advent of the Grand Navigations, commencing in a major way at the start of the 16th century. As the emerging European nation states solidified, their principals carried capitalistic enterprises across the globe, searching out opportunities for expanding and increasing their wealth and power. The challenge for the mercantilist economy involved expanding the economic frontier. Furtado (1961 [1964], p. 85) articulates:

“Thus development in its initial stages is a process of geographical expansion of the economic universe”.

In contrast, the industrial revolution included the deconstruction and then improvements upon and refinements of selected tasks of production that advanced the industrial economy, offering opportunities for gains through endogenous growth. As territories operating under systems with differing logic carried on, ‘underdevelopment’ began to simultaneously emerge in parts of the world both as byproduct as well as complement to this outward European expansion.

Furtado (1964, p. 142) advances the view that these two economic systems, one developed and the other classifiable as underdeveloped, were formed autonomously but through their interrelations and interactions. Some territories, colonies and nations were able to keep on expanding their economic domains while transforming their productive forces measurable in terms of increases in volume of output and efficiency – production and productivity. Economies in other territories proved less successful and were integrated into the expanding world economy as suppliers of raw materials, benefiting from transfers of capital, technology and know-how – to limited degrees – in exchange for a fraction of the economic surplus derived from their activities. While the former group of economies had their productive structures transformed and became fully industrialized, the later group failed to successfully follow the same path and achieve real development gains.

In this sense, Furtado offers an erudite, macro-historical perspective, elaborating upon how – over the span of about one thousand years – the world slowly but steadily became divided into those economies classified as developed and others as underdeveloped. What proves especially interesting is that we can trace his thinking and perspective on world economic history back to his roots in Brazil, and to the *sertão* that also serves as his organic metaphor from which he drew his inspiration for theorizing on a grand scale. In sum, Furtado’s insights into patterns of global development and underdevelopment should be understood as reflecting complex relationships and linkages back in his home territory.

Founded by the Portuguese in the early colonial era, profitable sugarcane enterprises up and down along Brazil’s Atlantic coast interacted with trade partners in the larger world economy, as well as in the interior. Cities such as Salvador, Olinda and Recife served as *entrepôts* focused on international exports of sugar products, while their hinterlands just to the west – in the arid *sertão* – concentrated on products for regional markets.

Integrated into the world economy, the Atlantic sugarcane producing areas of coastal Brazil generated surpluses that were reinvested in advancing production. Simultaneously, the hinterlands of the *sertão* – within the interior to the west of this coastal strip – settled into supplying draft animals to sugarcane mills. Relatedly, the peasants of the *sertão* also provided the leather needed for fashioning into harnesses for the draft animals, and the flexible but durable belts needed for turning the wheels in the sugar mills. As the coastal areas prospered and the surpluses were reinvested into productive capacity, the cattle-based economy suitable

for this arid territory of the sertão failed to generate surpluses and thereby sank into a persistent state of social and economic backwardness.

However, over the extended decline of the sugarcane industry, stretching from the 18th to the 20th century, the sertanejo economy also displayed a form of resilience. That is, the subsistence economy of the sertão functioned as a labor sink, absorbing vast numbers of slaves dispensed from the declining sugar economy, as well as laborers rendered redundant as the Brazilian gold rush petered out in the late 1800s.

With these points in mind, this remaining sertão needs to be recognized as cultural-linguistic and formative concept for Brazilians. The sertão of Brazil's Northeast not only serves as an organic metaphor suggesting of Furtado's 'Romantic' orientation, but it also registers as impetus for his novel approach to theorization on complex and integrated processes underlining development and underdevelopment.

CONCLUSION AND DISCUSSION

Our inquiry has sought to convince the reader that indeed Celso Furtado should be considered as a 'Romantic Economist' – certainly according to the criteria that Bronk advances in his book. Clearly Bronk goes to great length, offering an unambiguous understanding that an economist with a 'Romantic' classification would bear special traits: that is, would be imbued with sentiments and would rely upon imagination and creativity when undertaking economic inquiry. Bronk emphasizes that a 'Romantic Economist' would prefer the explanatory power of an organic metaphor to one that is inherently mechanical.

While Bronk avoids getting specific by advancing names of candidates, we have taken the step and identified Celso Furtado as qualifying on all of Bronk's counts. In this inquiry we have placed special emphasis upon Furtado's deep-seated emotional connections with Brazil's *sertão* – what we define as his organic metaphor – as well as an important linguistic concept for the expanding Brazilian territory and economy. The *sertão* is also the place where Furtado was born, reared, and also returned later in life to lend his professional talents.

Over his lifetime Celso Furtado harbored deep-seated sentiments to Brazil's *sertão*; the hinterlands that he admits helped to shape his personality and character. Along with sophisticated reasoning, Furtado invokes imagination and evokes creativity that renders his inquiring novel and refreshing for a contributor to a 'dismal' science still dominated by precepts harking back to the decades when Enlightenment thinking initially wielded its dominance. When asked by Rosa Maria Vieira (2004, p. 40) whether Brazil was his biggest passion, Furtado answered: "[...] [i]t is my destiny. I was born in the *sertão*"

REFERENCES

- Aguiar, Rosa Freire de (2014) “A Memória do Futuro” available on <http://www.centrocelsofurtado.org.br/interna.php?ID_S=46>
- Albuquerque Jr., Durval M. de (1999) *A Invenção do Nordeste e Outras Artes*. São Paulo: Cortez.
- Boianovsky, Mauro (2010) “A View from the Tropics: Celso Furtado and the Theory of Economic Development in the 1950s”, *History of Political Economy*, 42 (2): 221-226.
- Barroso, Gustavo (1962) “Vida e História da Palavra Sertão” in *À Margem da História do Ceará*. Fortaleza : Imprensa Universitária do Ceará.
- Bentham, Jeremy. (1780 [1967]). Of the Principle of Utility, found in *An Introduction to the Principles of Morals and Legislation*. Oxford : Basil Blackwell: 125-131.
- Bresser-Pereira, Luiz Carlos. (2001) “Method and Passion in Celso Furtado”, *A Grande Esperança em Celso Furtado*. Org. Luíz Carlos Bresser-Pereira and José Márcio Rego. São Paulo: Ed. 34: 19-43.
- Calazans, Rejane (2007) “Ambivalências. O Nordeste nas obras de Gilberto Freyre e Celso Furtado”, *Revista Brasileira de Ciências Sociais*, 22 (64): 75-80.
- Caminha, Pero Vaz. 1500. Carta de Pero Vaz de Caminha a El-Rei D. Manuel sobre o achamento do Brasil. (Transcrição paleográfica e contemporânea). Lisboa: Torre do Tombo, Gavetas, Gav. 15, mç. 8, nº 2 .
- Cantù, Cesare. (1844-1847). *Storia universale*. 72 vols. Torino: Ed. Pomba
- Couto de Magalhães, José V. (1876 [1940]) *O Selvagem*, São Paulo: Cia. Editora Nacional
- Cypher, James M. (2014) “The Origins of Developmentalist Theory: The Empirically Based, Historically Conceptualized Political Economy of Furtado”, *International Journal of Political Economy*, 43 (4): 15-32.
- Denis, Ferdinand. (1837) “Brésil”. *Collection L’Univers ou Histoire et description de tous les peuples, de leurs religions, moeurs et coutumes*. Paris : Firmin Didot.
- Ferreira, Jerusa P. (2004) “Os segredos do sertão da terra: um longe perto”, *Légua & meia: Revista de literatura e diversidade cultural*. 3 (2): 25-39.
- Freyre, Gilberto (1946) *The Masters and the Slaves: A Study in the Development of Brazilian Civilization*, trans. by S. Putnam. New York: Alfred A. Knopf.
- Freyre, Gilberto (1937 [1989]) *Nordeste*. Rio de Janeiro: Record.
- Furtado, Celso (1959a) *Formação econômica do Brasil*. Rio de Janeiro: Fundo de Cultura.
- Furtado, Celso (1959b) *A operação Nordeste*. Rio de Janeiro: Inst. Sup. de Estudos Brasileiros.
- Furtado, Celso (1959 [1963a]) *The Economic Growth of Brazil : A Survey from Colonial to Modern Times*. Trans. by Ricardo de Aguiar and Eric Drysdale. Berkeley : U. of California Press.
- Furtado, Celso. (1961 [1964]). *Development and Underdevelopment*. Trans. by Ricardo de Aguiar and Eric Drysdale. Berkeley: U. of California Press.
- Furtado, Celso. (1973) “Adventures of a Brazilian Economist”. *International Social Science Journal* (UNESCO) 25, nº 1-2: 28-38
- Furtado, Celso (1983) “Auto retrato intelectual”, *Celso Furtado: economia*. Org. Francisco Oliveira. São Paulo: Editora Ática: 31-41
- Furtado, Celso. (1985) *A Fantasia Organizada*, Rio de Janeiro, Paz & Terra
- Furtado, Celso. (1989) *A Fantasia Desfeita*, Rio de Janeiro, Paz & Terra
- Furtado, Celso. (1991) *Os Ares do Mundo*, Rio de Janeiro, Paz & Terra
- Furtado, Celso (2001) *A economia colonial no Brasil nos séculos XVI e XVII*. São Paulo: HUCITEC.
- Furtado, Celso. (2014) *Anos de formação 1938-1948 : o jornalismo, o serviço público, a guerra, o doutorado*, org. Rosa Freire d’Aguiar, Rio de Janeiro : Contraponto.
- Godoy, José Henrique A. de (2013) “Os Nordestes de Freyre e Furtado”, *Política & Sociedade*, 12 (24): 61-88.
- Herder, Johann G. (1791 [1966]) *Outlines of a Philosophy of the History of Man*. New York: Bergman Publishers.
- IBGE (2009) *Atlas das representações literárias de regiões brasileiras – Vol. 2: Sertões Brasileiros I*. Rio de Janeiro: IBGE.

- IBGE (2016) *Atlas das representações literárias de regiões brasileiras – Vol. 3: Sertões Brasileiros II*. Rio de Janeiro: IBGE.
- Lapierre, Georges (2006) “Prophets and Outlaws of the Sertão”, in *Millenarian Rebels : The Writings of Cangaceiros – Vol. 2*. Trans. by Wolfi Landstreicher. Portland : Eberhard Press.
- Moraes, Antonio Carlos Robert. (2003) O Sertão. Um ‘outro’ geográfico, *Terra Brasilis* vol. 4 – 5. <<http://terraBrasilis.revues.org/341>> ; DOI : 10.4000/terraBrasilis.341
- Pirenne, Henri (1914) “Les périodes de l’histoire sociale du capitalisme”, in *Bulletin de l’Académie royale de Belgique, Classe des Lettres*, n°5.
- Pirenne, Henri (1923 [2006]) “De la méthode comparative en histoire” in Des Marez, G.; Gangshof, F. L. *Compte-rendu du cinquième Congrès international des Sciences historiques*. Bruxelles: M. Weissenbruch.
- Pirenne, Henri. (1917 [2011]). *Histoire de l’Europe, des invasions au XVIe siècle*. Paris: Éd. Les Perséides
- Pita, Sebastião R. (1730 [1958]) *História da América Portuguesa*. São Paulo: Brasileira
- Popper, Karl. (1935 [2005]) *The Logic of Scientific Discovery*. London/New York: Routledge.
- Silva, Roberto Pereira. (2011) *O jovem Celso Furtado*. História, política e ideologia (1941- 1948). Bauru: EDUSC.
- Smith, Adam. (1759 [2006]) *Theory of Moral Sentiments, Sixth Edition*. São Paulo: Meta Libri. <http://www.ibiblio.org/ml/libri/s/SmithA_MoralSentiments_p.pdf>
- Smith, Adam. (1776 [2007]) *An Inquiry into the Nature and Causes of the Wealth of Nations*. Lausanne: MetaLibri. <https://www.ibiblio.org/ml/libri/s/SmithA_WealthNations_p.pdf>
- Soares de Souza, Gabriel. (1587 [2013]) *Tratado Descritivo do Brasil*. Salvador: CDPB.
- Staden, Hans. (1557 [1974]) *Duas viagens ao Brasil*: São Paulo, EDUSP.
- Teles, Gilberto M. (2002) “O Lu(g)ar dos Sertões”, *O Clarim e a oração: cem anos de Os Sertões*. Rinaldo N. de Fernandes, editor. São Paulo: Geração Editorial: 263-302
- Vidal e Sousa, Candice (2010) “O sertão amansado”. *Sociedade e Cultura*, , 13 (1): 101-110.
- Vieira, Rosa M. (2001) “Celso Furtado: Auto-retrato e retórica”, *A Grande Esperança em Celso Furtado*, Bresser-Pereira and Rego, org. São Paulo : Editora 34: 157-165.
- Vieira, Rosa M. (2004) “Entrevista com Celso Furtado”, *História Oral*, 7: 21-40.

