

Race, Class and the Political Mobilization of the Poor: Ghettos in New York and *Favelas* in Rio de Janeiro

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Regardless of the historical processes that defined the settlement patterns of the poor in Brazil and the United States, recent changes in global economic processes have exacerbated racial segregation and class inequality in both places. What is worse, those segments of the labor force that lack the skills to compete for the jobs generated by the reconfigured business and financial systems have essentially been abandoned by the public and private sectors.

Despite the best efforts of community groups, national economic policies have withdrawn support for poor areas devastated by economic restructuring. In both the United States and the Third World, this process has fundamentally altered relations between capital and labor, placing the analysis of race and class in a new context. Problems believed to be unique to developing countries now occur in cities of the developed world. Increased numbers of homeless in the streets of Manhattan, teen-age street vendors at traffic lights in Queens and the Bronx, and a growing informal sector throughout New York City are developments clearly linked to rising poverty among some racial and ethnic groups.

This study compares the role that race and class have played in the formation of the settlements of the poor in Brazil and the United States. It focuses on the characteristics of their residential segregation in New York City ghettos and the *favelas* of Rio de Janeiro, and the impact such settlements have had on the political organization of poor communities. Although residential segregation by race and class are interrelated and driven by similar socioeconomic factors, the relative lack of racial segregation in the *favelas* of Rio de Janeiro has facilitated more effective political engagement around class issues, without eradicating racial identities. Therefore, spatial settlement patterns, while not determinant, have significant influence on the social interactions that form the basis of any political mobilization.

First, it is important to define ghettos and a *favelas*.¹ *Favelas* are squatter settlements that lack basic urban infrastructure, social services, and legal land titles. Although they are not exclusively African Brazilian areas, blacks represent a disproportionate share of their population. Ghettos are also poor areas in which minorities, especially blacks and Latinos, are overrepresented.² In the United States, however, the percentage of blacks concentrated in low-income neighborhoods is much greater than would be suggested by the percentage of blacks in the total population of poor people generally. Furthermore, unlike *favelados*, ghetto inhabitants live in legally sanctioned areas where housing originally conformed to administrative codes, even though they are now characterized by abandonment and decay.

The causes of the intensification of poverty among certain groups is the subject of much speculation among scholars and activists as well as in popular opinion. While the process of *favelization* and "hypersegregation" can be attributed to economic downturns and restructuring in both countries, the U.S. literature is marked by fierce debate over whether race or class is the critical determinant of poverty among the descendants of former slaves. There are several camps (with much overlap among all three): one stresses class and economic factors, another focuses on race and its historical and cultural underpinnings, and a third professes a culture of pathology among a societal underclass. The primacy of cultural values as a determinant of poverty is usually defended not only by conservatives (Glazer and Moynihan 1970; Murray 1984; Banfield 1970) but by a few liberals as well (Lewis 1966, 1968; Auletta 1982; Kasarda 1985). Structuralists tend to emphasize class and deny the significance of cultural values or race-based differences (see Wilson 1987; Gorman 1982; Burawoy 1974; Wright 1979; Tabb and Sawers 1984; Dolbeare 1986). Arguments defending race as a predominant factor are deeply embedded in the U.S. experience, giving little consideration to forms of race relations and oppression abroad (see Pinkney 1976; Omi and Winant 1986; Massey and Denton 1993). A few scholars attempt to demonstrate the interrelatedness of race and class, but they also diverge in their criticism. Franklin (1991), for instance, observes that racism does not always benefit production by reducing costs for the capitalist state. Marable (1985) argues that racism cannot be understood independent of an analysis of class exploitation, preventing any inquiry into the role of race itself.

Brazilian scholarship has devoted little attention to racial segregation, and less still to its impact on political mobilization, whether because of insufficient data, the apparent mix of the population, or the prevalent denial of racial problems. In the United States, data exist to demonstrate the large concentration of minorities, especially blacks, in specific inner-city areas, but in Brazil, claims about racial segregation are based largely on observations in the *favelas* and other settlements of the poor, in which blacks are seen to constitute the majority. In

Brazilian scholarship, issues of race (if not disregarded entirely) tend to be explained as a result of class conflict. It has even been suggested that distinctions of race might eventually disappear through miscegenation (Freyre 1953). Although more recent literature demonstrates unequivocally the existence of race-based differences (Silva 1993), some scholars still tend to consider race as an adjunct to class (Dzidzenyo 1971; Hasenbalg 1982). Winant's work (1989; Omi and Winant 1986) attempts to prioritize race in the Brazilian case, but its dependence on a theory constructed for the United States weakens its applicability.

A critical comparison of the urban settlement patterns of blacks in New York and Rio de Janeiro provides an opportunity to explore the role of race and class as ultimate determinants of poverty. More importantly, in examining the relationship between race and class in two types of settlements, *favelas* and ghettos, distinct differences are visible in the effects on the processes of political empowerment of their respective residents.

Differences in the Settlements of Whites and Blacks

Whites have always constituted a majority in the United States, accounting for nearly 80 percent of the population, while in colonial Brazil they were a minority. Policies promoting European immigration in the late nineteenth and early twentieth centuries increased the number of whites in Brazil. Government policies encouraged European immigration by guaranteeing access to jobs and land at the expense of the black labor force recently freed from slavery, preventing access of blacks to the means of production, inhibiting their social mobility, and, with modernization, forcing many of them to seek work in urban areas. It is estimated that from four to five million Europeans came to Brazil in the nineteenth century alone. The total numbers of Europeans were approximately the same as the numbers of Africans imported during the period of slavery (1538-1850). Brazilian settlement patterns also displayed a stronger regional orientation of European settlement and a widespread distribution of slavery, in marked contrast to the United States. Although the relationship among race, class, and geographical dispersion is far more complex, these basic differences in regional location patterns contribute to disparate urban settlement patterns in the two countries.

The concentration of blacks in Rio de Janeiro preceded Brazil's industrialization. The *favelas* were formed prior to the dense occupation of the city and the domination of real estate interests, and they have been a visible part of the city's urban structure since the slavery era. The hill areas of Rio de Janeiro inhabited by slave maroons (*quilombos*) can be considered the precursors of today's urban *favelas*. Although *favelas* were initially comprised overwhelmingly of African Brazilians, they gradually came to be shared with the white poor, including not only national migrants but many European immigrants who arrived in the late nineteenth century.

This contrasts starkly with the United States, where North and South embodied distinct poles, and blacks never comprised a majority in the country. An estimated 3.6 million Africans were imported into Brazil as slaves over a period of three centuries; only about 400,000 slaves entered the United States between 1619 and 1860, a 240-year period (Curtin 1969).

Unlike the United States, where black migration was motivated by socioeconomic factors as well as a desire to escape racism (Osofsky 1971), the influx of slave descendants to Rio de Janeiro was largely due to economic motives (although racism existed there as well). The slavery system in Brazil was dismantled very gradually. Although abolition came after several internal conflicts, it can be argued that the gradual change helped or was intentionally used by the colonial government to avoid more serious impact on the social fabric of a predominantly black population.

Blacks were present in both the northeastern and southeastern regions of Brazil from the early colonial period. By contrast, U.S. blacks only began to move to northern cities after the Civil War, with the Great Migration and the onset of industrialization. This settlement pattern created an added obstacle for African Americans as they spread to urban areas; they established their housing arrangements in a competitive and hostile environment and over a shorter period of time than Brazilian blacks.

The Origins of Brazil's *Favelas*

The settlements of Brazil's poor have long been subject to government-led eradication campaigns. Rio de Janeiro's *favelas* were initially located in the inner city, close to employment, transportation, and urban services. *Favelas* spread to the city's northern and southern zones as jobs in service and manufacturing sectors became available in those areas and as European immigration and the migration of former slaves boosted demand for housing in the city (Abreu 1980).

By the mid-nineteenth century, the poor were increasingly concentrated in *cortiços* (tenement houses), where the harmful effects of overcrowding were felt, marked by cholera epidemics and other public health emergencies. The government responded by razing the slums, displacing the poor, and forcing the creation of new *favelas* on the outskirts of the city. While the upper middle class began to occupy the attractive seaside areas on the city's periphery, the lower class settled in the rugged hills and swamp areas, without infrastructure and other urban amenities, but still reasonably close to jobs and transport.

Although there is no evidence of zoning restrictions specifically targeting blacks, as in the United States, zoning regulations were used during the Vargas dictatorship in the late 1930s to prevent the creation of *favelas*. But neither this nor constant police intervention prevented the growth of *favelas* in the city. A 1940s program, *Parques Proletários*, was intended to raze *favelas*, clear the land in order to construct higher density public housing, and relocate *favela* residents to rustic temporary housing on the remaining land. Ultimately, little of the public housing was ever built, residents remained in temporary housing, and the cleared land came to be occupied by new informal settlements (Oliveira 1981). The populism inaugurated with Vargas permitted many *favelas* to form and grow during the 1950s and 1960s. During the 1970s the military dictatorship pursued slum removal programs under the rubric of a housing development program; many *favelas* located in valuable residential areas were eliminated and their residents displaced to the urban periphery.

The Origins of Ghettos in the United States

Harlem in New York City was built during the 1870s as an exclusive community for middle- and upper-class whites. However, with the collapse in the real estate market, maintaining the neighborhood as exclusively white would have meant a loss for the speculators, and opening the area to blacks made it possible to rent the units at higher prices. By the 1920s, Harlem was a predominantly black neighborhood, and the physical separation of blacks became more visible. This and other early U.S. ghettos did not include the white poor or other ethnic groups. (Even today, while Hispanics now occupy a large portion of the original Harlem and other New York ghettos, their communities are defined by geographic boundaries as well as by cultural and social diversification within neighborhoods.)

African Americans took up residence in existing housing, which had been abandoned by whites fleeing to the suburbs, with full infrastructure support. But the availability of housing alone does not explain the formation of Harlem or any other black ghetto in the United States. Rather, segregation was a direct result of

larger material and cultural conditions, particularly the virulent racism of Southern whites. In New York, as in several other U.S. cities, the middle- and upper-class exodus to suburbia facilitated the concentration of poor people, primarily blacks, in the inner-city. In successive waves of suburbanization, blacks and poor whites began to occupy the abandoned housing stock.

The United States is unique in its degree of upper-class suburbanization, and it is important that suburban residence became a central symbol of white bourgeois identity only after the marriage of government and real estate interests. Modernization of the transport system and strong incentives for real estate development provided by the public sector (including the extension of basic infrastructure) stimulated the occupation of the city's edge by high-income whites. Prior to industrialization, however, living in the suburbs had been considered inferior in every way. The word itself had a pejorative connotation. Suburbs were considered "slums, home to the marginalized denizens of urban society--ragpickers, junkmen, prostitutes, squatters--and places to be avoided by the upper crust" (Jackson 1985:16).

Prior to the 1920s and 1930s, most housing in the United States was financed by individuals. In the 1930s, Franklin Roosevelt created the Federal Housing Administration (FHA) as part of a set of measures intended to stimulate housing construction and fight the Depression. After the creation of the FHA, so-called garden city developers worked with local saving banks to obtain FHA mortgage guarantees. Federally mandated eligibility requirements were overtly exclusive and racist: developments were typically zoned to exclude blacks, Jews, and other minorities. The FHA only provided its federally guaranteed mortgages to real estate developments in suburban areas. Multifamily dwellings in urban areas were ineligible. As a result, very little owner-occupied, multifamily housing was built in urban America after the Depression.

The other federal government program that promoted segregated settlement patterns was the mortgage interest income tax deduction. The two policies combined to restrict government-supported home ownership to suburban areas. With huge public subsidies flowing only to the suburbs, people essentially had to move there in order to become homeowners. Private banks adopted regulations modeled on the FHA guidelines, making it extremely expensive if not impossible to finance home ownership in urban America. Black Americans located in the central cities found it very difficult to become homeowners as a result. In this way, U.S. government policy played a great role in excluding blacks from affordable housing, while serving the interests of the real estate industry that built the exclusive white upper-middle class suburbs.

Demographics and Income: Brazil and the United States

Brazil is a much poorer country than the United States, with greater distortions in its distribution of wealth. In 1988, the Brazilian per capita Gross National Product (GNP) was only 12.4% of America's. The number of poor in Brazil grew from 29.5 million in 1980 to 42 million in 1990. It is estimated that almost 6 million poor--27.9% of the total population--live in the metropolitan areas of the country (Rocha, 1995).³ The poverty rate of metropolitan Rio de Janeiro, whose population grew only 1% a year between 1980 and 1990, increased from 23.7% in 1981 to 33.2% in 1990 (PNAD, 1992).

In the 1970s, the poverty rate had tended to diminish. The general pattern during the 1980s was the the growth of poverty in urban areas as well as a concentration of poverty in the poorest sections of the country, especially the Northeast. Comparing family income by race and residence, the *pretos* and the *pardos*⁴ have, respectively, 55.9 and 59.4% of their rural population living below the poverty line, compared to only 36.7% for whites in the same region (PNAD, 1988). According to the last racial census data available for Brazil (PNAD 1988), 14.7% of whites are below the poverty line while the proportion for *pretos* and *pardos* is, respectively, 30% and 36%. The higher level for *pardos* is due to their predominance in the Northeast and rural areas, the poorest parts of the country. Relatively, urbanization benefits all racial segments in the country. Nevertheless, while only 4.5% of metropolitan whites live below the poverty line, the numbers for *pretos* and *pardos* are 13.5% and 14.6%.

Although the United States is wealthier than Brazil, it is full of inequalities, which have become increasingly visible in recent years. Physically, poverty is predominantly visible in urban areas, especially the inner-city areas of the great metropolitan regions of the country. While whites distribute more equally in the metropolis as a whole, 60.3% of blacks are concentrated in central cities with only 17.5% living in suburbs (Goldsmith and Blakely 1992). Income distribution in some larger urbanized areas of the United States appears to be closer to those of some developing countries. According to the U.S. Bureau of the Census (1992), a total of 33.6 million Americans lived in poverty in 1990, pushing the poverty rate up to 13.5% from 12.8% only a year earlier. Poverty is growing in the United States. It is estimated that in 1992 the rate grew to 14.5%. African Americans constitute approximately 12% of the U.S. population; however, while only 11.6% of whites are poor, the rate for blacks is 33.3% (U.S. Bureau of the Census, 1994).

Population Distribution by Race: New York and Rio de Janeiro Metropolitan Areas

Most of New York City's population lives in the suburbs rather than in the core of the metropolitan area, and it includes a large number of foreign immigrants; an impressive Latino population shows up in statistics about the city. While the black population grew from only 24.0% in 1980 to 25.2% in 1990, in the same period, the Hispanic population grew from 19.9% to 24.2% (see Table 1). Although whites were still the highest population group in 1990 (43.2%), blacks and Hispanics together accounted for almost half the population (49.6%).

Table 1 also compares the racial distribution of the central city and the suburbs. In 1990, blacks were 25.2% of New York City's population, but only 13.4% of the suburbs; the distribution is similar for the Hispanics--24.4% in the central city but only 9.2% in the suburbs. In contrast, whites--although they included other minorities--were 43.2% of the population in the central city in 1990 but 88.6% of the suburban population. The percentage growth in suburban population between 1980 and 1990 was up 69% for Hispanics and 35.7% for blacks. The white population decreased 13.8% in the central city but grew 14.1% in the suburbs.

In the last decade the percentage of growth in the suburban population has been many times greater than in the central city for all races, and the percentage of growth of minorities in the suburbs is especially great, with the number of blacks and Hispanics growing by 35.7% and 69.0%, respectively. By comparison, in the same period, the white population in the suburbs grew by only 14.1% (see Table 1). Population growth in the central city slowed for all racial groups, with whites actually losing population (506,000 people) in the decade. Further analyses need to be made, but the growth of minorities in particular suburban areas of New York could indicate the suburbanization of poverty similar to that of cities in developing world.

Table 1
NEW YORK CITY AND SUBURBS- POPULATION GROWTH BY RACE
(In thousands)
1980-1990

Race	1980						1990					
	New York City		Suburbs		NY CMSA		New York City		Suburbs		NY CMSA	
	Number	%	Number	%	Number	%	Number	%	Number	%	Number	%
White	3,669	51.9	8,354	92.3	12,023	74.6	3,163	43.2	9,536	88.6	12,699	70.2
Black	1,694	24.0	1,063	11.7	2,757	17.1	1,847	25.2	1,442	13.4	3,289	18.2
Hispanic*	1,406	19.9	588	6.5	1,994	12.4	1,784	24.4	994	9.2	2,778	15.4
Total**	7,072	100.0	9,049	100.0	16,121	100.0	7,323	100.0	10,764	100.0	18,087	100.0

Race	% Growth 1980-1990					
	New York City		Suburbs		CMSA	
	Number	%	Number	%	Number	%
White	(506)	-13.8	1,182	14.1	676	5.6
Black	153	9.0	379	35.7	532	19.3
Hispanic**	378	26.9	406	69.0	784	39.3
Total	251	3.5	1,715	19.0	1,966	12.2

Source: U.S. Bureau of the Census 1980, 1990

* Hispanic of any race ** Included all other races

NY-NJ-CT CMSA = Consolidated Metropolitan Statistical Area

According to the Brazilian Census Bureau (IBGE, 1991), Brazil has more than 146 million inhabitants of whom 55.8 percent are white⁵, 38.6 percent *pardos* (mulattos), and 5.1 percent *pretos* (exclusively blacks). The population of metropolitan Rio de Janeiro is predominantly white--60.5% in 1980, decreasing to 57.4% in 1988, the last racial data available for the metropolitan region (see Table 2). Within metropolitan Rio, the white population was concentrated in the wealthy and central areas where in 1980 they constituted 72.7% and 64.5% of the population in the municipalities of Niterói and Rio de Janeiro, respectively, which form the central core of the metropolitan region (in 1988, the white population in Niterói declined to 69.8%; no 1988 data are available for the city of Rio de Janeiro). Municipalities outside the central core reflect the trend towards the suburban migration of blacks to the more populated peripheral municipalities of the *Baixada Fluminense* (Table 2).⁶ In 1988, cities such as Nova Iguaçu, Nilópolis, and São João de Meriti were predominantly black. These municipalities have a public transportation system linked to the central city. Though inefficient, the system facilitated the occupation of these peripheral municipalities by the predominantly working class population as well as migrants.

Table 2
POPULATION DISTRIBUTION BY RACE
RIO DE JANEIRO METROPOLITAN REGION
SELECTED PLACES 1980-1988

Place	Total	1980		Total	1988	
		White	Black		White	Black
Rio de Janeiro	5,090,700	64.5	34.8	5,480,768		
Niterói	397,123	72.7	26.6	436,155	69.8	30.2
Nova Iguaçu	1,094,805	47.3	52	1,297,704	46.9	52.2
Nilópolis/São João	550,414	52.4	45.8	583,864	30.5	69.5
Metropolitan Region*	8,772,265	60.5	38.9	10,389,441	57.4	42.4

Source: IBGE 1980; PNAD 1988

* Included all municipalities

An analysis of disaggregated data for the core municipality of Rio de Janeiro indicates that blacks, despite being a minority, are concentrated in the outlying districts of the city, while whites comprise a large majority (more than 80%) in the districts of the wealthier ocean front in the South Zone of Rio de Janeiro (PNAD, 1988).

Race and Income: New York

New York's minority population is characterized by poverty, particularly in the central city. While the poverty rates for the country and for New York City in 1990 were 13.5% and 25.2%, respectively, for blacks it was 31.9% overall and 33.1% in New York City (U.S. Bureau of the Census, 1990). For Hispanics, the figure for the city was 43.1%. The figures in Table 3 would be more racially polarized if Hispanics were not included in the figures for whites. In that case, the poverty rate for whites would have dropped to 11.6% in 1990. However, for the non-Hispanic blacks, the poverty rate of 33.0% is very similar to the 33.1% considered for all blacks, Hispanics and non-Hispanics (Rosenberg, 1992).

Table 3
POVERTY RATE BY RACE/ETHNICITY
NEW YORK CITY
1979-1990

Year	Total		Whites		Blacks		Hispanics*	
	Number	%	Number	%	Number	%	Number	%
1979	1,391,981	20.2	550,332	12.9	520,634	29.5	498,011	35.7
1990	1,838,545	25.2	1,091,138	23.1	663,960	33.1	826,201	43.1

Source: Rosenberg 1992

*May be of any race

Table 3.1
FAMILY INCOME BELOW POVERTY LEVEL
NEW YORK METROPOLITAN REGION 1990

Families	NY-NJ-CT CMSA		Suburbs*		New York City	
	Number	%	Number	%	Number	%
White	159,330	4.8	73,157	3.0	86,173	9.2
Black	147,638	19.5	39,911	14.8	107,727	22.1
Hispanic**	163,720	25.4	33,962	13.7	129,758	31.2
Total	470,688	10.2	147,030	5.3	323,658	17.9

Source: U.S. Bureau of the Census, 1993

* Consolidated Metropolitan Statistical Area minus New York City

**May be of any race

Table 3.1 gives the number and percentage of families living below the poverty level in the city, suburbs, and metropolitan region of New York. There were, in 1990, 470,688 families living below the poverty level in metropolitan New York; of this total, 69% (323,658 families) lived in New York City. While families in poverty in the consolidated metropolitan area are racially diverse, Hispanics comprise the highest percentage group, with poverty rates about five times that of whites (the black rate is over four times that of whites): however, they live predominantly in the city (31.2% versus 13.7% for the suburbs). Poverty rates are higher for all groups in New York City, including whites. Thus, poverty in metropolitan New York is clearly a non-suburban phenomenon; this is the opposite of metropolitan Rio de Janeiro, where the poor live predominantly in the suburbs (see Table 6).⁷

New York not only has the highest poverty rate, compared with the rest of New York State and the United States, but the rate of extreme poverty (75% below the poverty line) is also higher than the poverty rate of the nation (City of New York, Human Resources Administration, 1995). While 1.7 million New Yorkers were living in poverty in 1992, 1.2 million were living in extreme poverty. Overall, the poverty rate in New York City increased from 15% in 1975 to 24% in 1992. In the same year, 18% of the population of New York City received public assistance or other forms of welfare. Around 1.2 million city residents received some type of public assistance in 1992. However, the increase in public assistance in New York City since 1975 has not kept pace with the increase in poverty.

An analysis of the distribution of poverty by boroughs in New York City can also give us some useful insights. The Bronx, Brooklyn, and Manhattan all have large numbers of poor black and Hispanic families (see Table 4), yet per-capita income for Manhattan (40,497 dollars in 1991) is more than twice that of Brooklyn and the Bronx (see Table 5). A look at the poverty rates by race in Manhattan (Table 4) shows the extremely uneven distribution of income, with the poverty rates of black and Hispanic families four times that of whites (especially considering that the island has 20.5 % of its population living below the poverty line; 18.1% living in ghettos (census tract with more than 40% living below the poverty line); and a 52% minority population) (New York City Department of City Planning, 1993).

Table 4
FAMILY POVERTY STATUS BY RACE (%)
NEW YORK CITY 1990

Borough	White	Black	Hispanic
Bronx	15.5	25.7	38.7
Brooklyn	12.8	23.0	35.3
Manhattan	7.7	29.5	33.9
Queens	5.8	11.4	14.5
Staten Island	4.4	25.1	14.1
Total	9.2	22.1	31.2

Source: U.S. Bureau of the Census, 1990

Table 5
PER CAPITA PERSONAL INCOME
NEW YORK CITY 1991

Borough	Income \$
Bronx	15,995
Brooklyn	17,415
Manhattan	40,497
Queens	21,048
Staten Island	23,486
Total	23,184

Source: U.S. Bureau of the Census, 1993

Race and Income: Rio de Janeiro

There are indications that impoverishment was the pattern throughout Brazil in the last decade, but the State of Rio de Janeiro suffered more from the economic downturn than did other states. The poverty rate of Rio's metropolitan region grew from 23.7% in 1980 to 33.2% in 1990 (Table 6). While the growth of poverty is visible in both the center and the periphery in 1990, only 23.4% of the population of the central city are poor, while in the periphery, where the poor population increased 81.4% in just the last decade, 45.7% are in this category. Higher levels of poverty appear when considering semi-rural areas of the metropolitan region, where the poverty rates were close to, or exceeded, 50% (IPLANRIO, 1991). There are no recent racial data available for the center and periphery of the metropolitan region. However, it can be assumed that blacks tend to live in the poorer and more distant districts of the city as well as in the municipalities outside the central city (see Table 2).

Table 6
NUMBER OF POOR AND POVERTY RATE
METROPOLITAN RIO DE JANEIRO 1980-1990
(Population in Thousands)

Region	1980		1990		1990/1980 Growth %
	Number	%	Number	%	
Center	991	18.6	1,278	23.4	28.9
Periphery	1,090	29.6	1,977	45.7	81.4
Total	2,081	23.7	3,255	33.2	56.4

Source: PNAD 1992

The city of Rio de Janeiro, capital of the state with the same name, is the second economic pole of Brazil. With 5.5 million inhabitants in 1991, Rio (together with Niterói 's 440,000 inhabitants) is in the center of the second largest metropolitan region of the nation with a total of 10 million persons living in 13 municipalities. It is estimated that 2 million people in the city of Rio de Janeiro (36% of the population) live in substandard housing. Impacted by the economic decay of the state, metropolitan Rio has an annual population growth rate of less than 1%, one of the smallest among the metropolitan regions of the country.

Looking at salaries by race, blacks earn only half of the metropolitan region mean salary (Table 7). Mean monthly salary for whites in 1987 (14,250 cruzados) was about three times that for blacks (*pretos* and *pardos*) The data regarding the further breakdown within "black" are also relevant. *Pardos*, or mulattos, earn slightly more than *pretos*, which indicates that there may be further discrimination in the workplace based on color. Nevertheless, there is still a significant difference between the salaries of mulattos (*pardos*) and whites. As shown in Table 7, 28.42% of white workers earn more than five minimum salaries monthly, while only 5.03% of the *preto* work force is at that level. The contrast is even greater at the higher salary levels (those who earn more than ten minimum salaries monthly): 14.68% of whites are in this category, but only 2.61% of the *pardos* and less than 1% of the *pretos*. At the other end of the scale, while 37.56% of the *pretos* and 28.72% of *pardos* in the job force earn one minimum salary or less (around 100 dollars a month at the time of research), only 15.64% of whites fall into this category.

Table 7
RIO DE JANEIRO METROPOLITAN REGION
SALARY INCOME BY RACE 1987

Race	Workers*			Monthly income in Minimum Salaries (%)			
	Number	%	Mean salary**	<0-1/2 M.S.	>1/2-1M.S.	>5-10M.S.	>10 M.S.
Whites	2,539,275	55.8	14,250	4.89	10.75	13.74	14.68
Pretos	555,409	12.2	4,701	9.09	28.47	4.07	0.96
Pardos	1,450,361	31.9	5,914	8.66	20.06	6.64	2.61
Total	4,553,018	100	10,418	6.60	15.86	10.30	9.19

Source: PNAD 1988

M.S. = Minimum salary (1/2 Minimum Salary per capita is used as a measure to define the line of poverty)

* Population working at the time of research

** Monthly salary in cruzados at the time of research

Favelization and Ghettoization

Favelization in Rio de Janeiro and ghettoization in New York City increased in the last decade. This process, despite the opposite trends in the location of *favelas* and ghettos in the respective cities, does not exclude other dislocations taking place in the urban fabric. The peripheralization of the poor in the city of Rio de Janeiro has been followed by the peripheralization of some segments of the lower-middle class. The *favelization* of Rio is occurring not only in the spaces available in the more centralized and urban areas, but is also becoming visible farther from the center of the metropolitan region.

Favelas today are not only defined by their proximity to middle- and higher-income areas of the central city, they now spread throughout other metropolitan regions of the country. Although the figure is considered low, the National Census Bureau (IBGE) estimated in 1991 that five million people in Brazil lived in *favelas*, primarily in metropolitan areas such as Rio de Janeiro. Of the 5.42 million residents in the Rio municipality, 17.3% live in *favelas*. There are also indications that some new forms of squatter settlements, on "irregular" or "clandestine lots", are forming on the periphery, but they differ physically from the old *favelas*, especially in density and accessibility.

It is estimated that, in 1991, 32.9% of the households within Rio de Janeiro's boundaries were located in *favelas* (15.3%), on illegal subdivisions of land in the periphery --the irregular or clandestine lots --(5.5%), and in public housing (12.1%); thus, more than 20% of the households (*favelas* and irregular lots) in the city are illegally (albeit legitimately) constituted (IPLANRIO, 1992). As in the past, the growth of *favelas* follows city growth patterns. While the total *favelado* population increased 33.3% in the municipality (from 721,217 inhabitants in 1980 to 961,175 inhabitants in 1991), the total population increased only 7.5% (from 5,090,700 inhabitants in 1980 to 5,472,967 in 1991).

The spatial concentration of poverty in the central area of New York, more specifically in the central district of Manhattan, coincides with the location of the wealthy in many parts of the same nucleus. This is intensifying a process of gentrification in some central places, as in the past: poverty in New York City is more accentuated and concentrated in the Bronx and northern Manhattan, and some of the central parts of the city are also inhabited by higher income population. As with the *favelas* in Brazil, the location of the poor in the ghettos of New York is related not only to the availability of affordable housing, but to the accessibility to jobs. The New York subway system provides greater mobility to commuters and is more effective than the transportation system in Rio de Janeiro. This facilitates the location of the poor even in more faraway districts of the city, if not on the island of Manhattan. At the same time, the poor are barred from suburban cities by exclusionary zoning laws and discriminatory practices in the private housing market.

Even though the poverty rate in New York City is higher than in Metropolitan Rio de Janeiro, the figures are not readily comparable (see tables 3 and 6) due to differences in their respective national and local economic contexts, as well as the ways in which each country officially defines poverty.⁸

Space and Political Mobilization

Harvey (1990) contends that classical Marxism fails to explain the significance of spatial organization in urban social movements and the politics of collective consumption. I argue that the likelihood of popular resistance is affected not only by political opportunity or availability of the resources necessary for mobilization, but also by the possibilities or constraints posed by the spatial concentration. This is not to say that spatial concentration is sufficient in itself to bring about social mobilization, but it is a necessary factor.

Cities are an arena in which intense struggles over race, ethnicity, and class are played out. For more than a decade, community organizations in both New York's ghettos and Rio's *favelas* have mobilized around issues connected to these larger struggles (Leavitt and Saegert 1990; Perlman 1977). Movements in both countries demonstrate the intensification of struggle at the point of consumption rather than production, in the community rather than the workplace.

The efficacy of urban movements based on collective consumption is disputed, but they are generally acknowledged as integral parts of urban social struggle in both countries. Castells (1983) views them as independent of class struggle, arguing that such movements tend to be organized in a relationship

subservient to dominant economic and political structures, hence insignificant as agents of social change. Katznelson (1981) attempts to wed a structural account of urban crisis to an understanding of the relationship between work and home as the cultural legacy of the American working class. Fainstein (1987) emphasizes the fruitful tensions generated by urban social movements--for instance, between communities and local political actors or the state--and the attendant potential for both delegitimizing authority and empowering grassroots constituencies. Here, I want to stress the process by which *favela* and ghetto residents consolidate a degree of power through spatial concentration and its relationship to race- and class-based identification.

For historical and socioeconomic reasons the concentration of the black poor in *favelas* did not result in a race-based social movement like the American civil rights movement. Instead, Brazilians have formed a system of regional and national associations whose primary goals are to guarantee community stability and obtain basic infrastructure. This development was inspired by government inaction or the hostile displacement programs of government and real estate interests. Fontaine (1985:61) argues that these associations contain "a detectable amount of interstitial or residual power, temporary perhaps, furtive or ephemeral, but not less real in those sectors (the *favelas*) of Brazilian society."

Several authors have noted the intensive and sophisticated political machinations of *favela* residents, especially during elections (Machado 1967; Valladares 1976; Leeds and Leeds 1978). At these times political involvement is not defined in terms of race but is based exclusively on securing improvements in service delivery and infrastructure. Land ownership has become a critical part of the *favela* residents' political agenda, for this would guarantee their right to settlement and ensure the *favelas*' continued existence.

The initial concentration of diverse social classes of African Americans in inner-city communities facilitated the development of a social movement based on racial identity. Racial solidarity, as passed down from the civil rights movement, and the historical role of the black church are key elements in mobilizing communities in the United States. *Favelas* differ from ghettos in this respect. Racial identity is constructed throughout the African-Brazilian cultural and religious entities of the *favelas*, but they do not form the basis for political engagement around race. The *Movimento Negro* (Black Movement) is almost exclusively comprised of blacks who have attained a higher educational level and economic status, not necessarily those living in *favelas*.

Political Empowerment

Historically, political activism in Brazil's *favelas* has followed the contours of broader social currents and been assimilated into them. Participation in community organizations has proven the most effective way for low-income communities to influence policy, especially policies specifically addressed to service delivery. Participation in more conventional modes, such as electoral politics, is also useful. Both forms of involvement are shaped by the national political climate, and *favela* residents have pursued a markedly different course with bureaucrats and politicians under the 1970s dictatorships.

In the United States, ghetto politics have produced more economically independent forms of local organization, although limited by the constraints of the dual party system. These local organizations perform some of the duties previously undertaken by the private sector or the state, a positive development as it does not indicate a withdrawal of social responsibility by the state. Although "community control" has become an axiom of progressive and equitable planning, its underside is revealed in the depoliticization of social struggle as community organizations are absorbed into the establishment. While local organizations in Brazil do not have the same resources at their disposal, they conduct their struggle in a more politicized way.

Land ownership is an increasingly common demand on the agendas of Brazil's local low-income organizations. The *favela* communities, conscious of the country's more democratic atmosphere, now pursue their goals more effectively, and the political manipulation of *favela* communities by opportunistic candidates appears to be more myth than reality. The means of communication and a relatively free political environment lead us to interpret the *favelas'* political action neither as marginal nor as exceptionally different from other social community groups.

In the United States, African Americans have succeeded in placing relatively large numbers of blacks in political offices at local, state, and national levels, suggesting a more active voting constituency of blacks in the United States than in Brazil, where only a small number of blacks hold political office. However, increased black representation in U.S. politics has not led to the development of a class-based agenda, but instead to a greater emphasis on specific racial issues. Public intervention in U.S. communities is determined primarily by the community's racial or ethnic makeup. The high level of residential segregation in the United States leads to an understanding of poverty as exclusively based on race, an understanding shared by many blacks and whites alike.

In Brazil, with the growing strength of the political power of the *favelados*, *favela* resettlement has been greatly reduced. A few more progressive governments in some local jurisdictions have begun directly to address poor conditions by upgrading infrastructure and quality of services in some settlements. Although these programs are not being replicated on a national level, and despite continued attempts by some local governments to remove certain *favelas* near high-income areas, the danger of relocation faced by some more consolidated *favelas* is considerably lessened. This improved security of tenure is largely the result of the increasing power of a growing number of local neighborhood associations in poor communities.

This only applies to those communities with more highly evolved levels of political organization. New *favelas* are being formed on a daily basis that want for such political and managerial organization. But the manner in which these *favela* residents create and incorporate their space into their lives serves as an indicator of their political organization. They will always depend on their political capacity to at least define their living spaces.

The sharp differences between the way *favelas* and ghettos carried out their political agendas are related to the way these communities developed. It is clear that the circumstances of the *favelas* in squatter areas allowed their residents to develop political skills in their specific relations with the state. The “illegal” aspect of the occupation of *favelas* made the life of the *favelados* very insecure. To obtain services, infrastructure, and legal land rights, the *favelados* had to negotiate intensely with government representatives to maintain their precarious (but positive in many ways) lives in the *favelas*. Although this may be considered by certain groups or *favelado* associations as a positive outcome of their engagement in politics, the “illegal” occupation of the land in the *favelas* is used to justify the state’s provision of benefits to other settlement groups. This process may even have exacerbated the economic disadvantages of the poor in these settlements.

In the ghettos the opposite prevails, especially because they are “legal” occupations of public or private housing in communities, albeit often lacking in infrastructure as in Brazil. In their case, local economic development, a strategy which directly affects the income level of their residents, is central in several programs and theories, and is even on the agenda of the ghetto residents. Progressive theoreticians of community development argue that the economy in the poor black communities should be enhanced by state policies and investment.

Ghettos are places in decline, characterized by abandonment and decay, while the *favelas* are vibrant places. Poor black squatter settlements in Brazil's urban areas required greater organized political action than did the occupation of ghettos in the United States. Indeed in Brazil, being able to remain in squatter settlements greatly depended on political mobilization. Although U.S. black settlements depended on political action as well, their isolation was primarily result of white flight rather than an active choice of blacks.

The organizational strategies developed in *favelas* and ghettos and the particulars of their successes and failures suggest that no appropriate framework yet exists for recognizing and responding to culturally based differences and needs and developing universal policies of equitable income distribution. Only through such a framework could wide-ranging benefits be guaranteed. The struggle against class and race oppression must be placed in a context that does not deny or equalize different cultural manifestations. In practical terms, this means that political mobilization based solely or primarily on either racial or class identity is incapable of overcoming inequality. The only way community movements can transcend the race-class dichotomy is to incorporate strategies that combat inequality in all its forms.

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¹ The term “ghetto” may stigmatize residents and may be considered an offensive stereotype because the usage draws negative inferences about the residents of these neighborhoods. In contrast, the term *favela* does not carry such strong (negative) connotations about race or ethnicity. However, the term may also serve to disparage and stereotype the *favelados* (*favela* residents) in similar ways. I use both terms here in the sense of general references to residential enclaves of the poor in the metropolitan areas of Brazil and the United States, and without the negative connotations that have been attributed to them.

² Due to the specific socioeconomic characteristics of New York City, I will concentrate on the black and Hispanic populations of the ghettos. According to these measurements (40% or over living below the poverty line), other racial or ethnic groups could also form specific ghettos in the city. However, the historical isolation of blacks (and more recently of Hispanics) has led to the popular identification of ghettos with these two groups.

³ The poverty line in Brazil is measured by families with a per-capita income to equal or less than one-fourth the minimum wage. The minimum wage corresponded to \$103 dollars per month in December 1995.

⁴ Data on Brazilian blacks are not so readily available as in the United States, and they are collected differently. Brazil’s Census Bureau defines population categories by color: *brancos* (whites), *pretos* (exclusively blacks), *pardos* (browns or mulattos), and *amarelos* (yellow, referring to those of Asian descent). In the racially derived U.S. classification system, both *pretos* and *pardos* would be considered black. Thus, in the text I use blacks to define *pretos* and *pardos*.

⁵ Due to the characteristics of race assimilation in the country, there is a tendency for many *pardos* (mulattos or browns) to define themselves as whites; thus, some consider the percentage figure for whites to be overestimated.

⁶ The *Baixada Fluminense* is formed by several poor municipalities north of the metropolitan region: Nova Iguaçu, Nilópolis, São João de Meriti, Duque de Caxias, Belfort Roxo, and Paracambi.

⁷ To create standard patterns of analysis in the study, the denomination as suburbs, or periphery, was made for all the areas inside the Consolidated Metropolitan Statistical Area except New York City.

⁸ In the United States, national poverty thresholds are updated annually for price inflation and so are not changed in real dollar terms. In Brazil, the poverty measure is based on the official minimum wage, which is frequently manipulated by the Federal Government.