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1965 DEC 2 PM COPYFLO-PBR			Now that the political organization of Brazil, for the next year or so, has been decided, politicians are scrambling to pick their teams and secure control of the new organizations. Aside from the small handful of open anti-Revolutionaries (mostly ex-PTB), just about everyone would like to get into ARENA.  This, alas, poses serious problems. As a general rule, under the Brazilian proportional representation scheme, the more popular a party ticket is, the more votes individual candidates running on it must obtain to secure seats; it pays to be a personally popular candidate on a					
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relatively unpopular ticket. Everything indicates that getting elected to state assemblies or as Federal Deputy will be much more difficult on the ARENA ticket than on that of the opposition. Moreover, the number of struggling candidates is far larger than the number of places that will be available on the ARENA ticket, thanks to the reduction in the number of parties. One estimate is that it will take six thousand votes to get elected State Deputy in Pernambuco on the ARENA ticket, and maybe less than one thousand with MODEB. We can therefore expect some adherents to MODEB who are pro-Revolutionary, but value their seats more than their principles.

Another problem posed by the new political situation is that of political bed-fellows. Northeastern politicians are pretty tolerant of each other, but in many a town there are State Deputies engaged in historic feuds who find it difficult to conceive of joining the same party and running "together." Thus there is much preoccupation with the possibility of "Sub-legends".

More important, however, is the struggle for control of the new state ARENA organizations. In Pernambuco there are three principal competitors: Governor Paulo Guerra (ex-PSD), former Governor Cid Sampaio, and Federal Deputy João Cleofas, the latter two representing factions of the ex-UDN. The anti-Guerra forces have been seeking to operate by restricting control of the Pernambuco ARENA to Federal Deputies, led by Mons. Arruda Câmara (ex-PDC). Guerra (though ineligible for ARENA office himself) is seeking wider representation in local political circles. In the Pernambuco MODEB, to which all three Pernambuco Senators have adhered, struggle for control seems to be between Barros de Carvalho, the head of the former PTB, and José Ermírio de Moraes. The third Senator, Journalist F. Pessoa de Queiroz, is backing Barros de Carvalho.

With legislative Assemblies in recess until March or so, and everybody off for the Christmas holidays, the ARENA - MODEB alignment is likely to proceed slowly.

#### Possible Posse's

In Rio Grande do Norte, Governor-elect Walfredo Gurgel is due to take office on January 1, but is reportedly having difficulty in lining up a cabinet. Outgoing Aluizio Alves has returned to Natal after the crisis with the air force, which seems to have subsided, and is sitting behind the gubernatorial desk as if his term would go on forever. He says, however, that he will leave Natal after the posse and only return in the fall to run for Senate.

In Paraiba, Governor-elect João Agripino Filho will be installed on January 31; attempts by defeated candidate Rui Carneiro to overthrow the close election seem to have petered out. Agripino is working on assembling his cabinet, which reportedly may draw on able but leftist talent from SUDENE.

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Monvona Page 3, A-63,
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from RECIFE.

In Alagoas, no posse is in sight. The Regional Electoral Tribunal has blocked efforts to call a runoff election between Falcão and Palmeira, even though the Supreme Tribunal said the runoff could be held "if convenient." The forces that blocked Falcão's ratification in the State Assembly have so far convinced the TRE that a runoff would be most inconvenient. The State Assembly, despite the groans of Falcão and his supporters, is working on Constitutional schemes for indirect election, and all local antennae are tuned into Brasilia and Rio listening for helpful hints as to where to go from here. suitable te

# 3. Usineiros Plead Inability to Pay 13th Month

While the payment of the December installment of the 13th month was reported to have been made by the great majority of industrial establishments in Recife, no more than 6 of the 46 mills operating in Pernambuco had made any payment, however symbolical, of the legal and-of-the-year bonus. The president of the Cooperative of Sugar Mill owners, Armado Monteiro Filho, acting as spokesman for the usineiros of Pernambuco, declared that mill owners could not pay the 13th month, not because they did not desire to do so, but because of the financial straits in which they found themselves on account of the failure of the IAA to pay more than 80% of the legal price for demerara export grade sugar.

Comment: The IAA has done everything possible to ease the position of Northeastern producers by assigning to the region practically all of the export quota and agreeing to pay the difference between the depressed international market price and the IAA established price. In addition, IAA President Paulo Maciel has spoken of increasing the Northeastern export quota by 30%, anticipating exports to be made by Brazil to the United States in 1966-67 under the increased quota granted for those years. Moreover, production costs have dropped this year, one mill, for example, reported that, with 400 fewer workers, it has produced more sugar during the first three months of the crop year at an overall cost of Cr\$45 million less than during the corresponding period of 1964. Surely, a gesture could have been to demonstrate Christmas good will.

# 4. Pressures Build Up on Newly Appointed Labor Delegate

During the last two weeks, the Recife press has been reporting almost daily that the pro-forma resignation of Washington Luiz Campos, the Pernambuco Regional Labor Delegate appointed in November by outgoing Minister of Labor Arnaldo Sussekind to succeed Haroldo Velono Furtado, would be accepted by Peracchi Barcelos the new Minister of Labor.

The DRT was quoted as saying that he had been "subjected to pressures of all types, including to my person and to my integrity" by members of the classes produtoras. Campos was reported to have prepared an extensive account of conditions in Pernambuco which he had sent to Prosecuting Attorney Nateriça Silveira of the Departamento Nacional do Trabalho. In spite of his problems, the new DRT asserted that he was determined to go on following the same track.

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Comment: The problems of the new DRT appear to have arisen as a consequence of his determination to institute more effective system of inspection of factories and plantations to prevent continued widespread abuses of the labor laws. His predecessor had pleaded inability to carry out meaningful investigations for lack of funds, personnel and transportation.

## 5. Successful Brazilain Rocket Tests

December 15 marked the entry of Brazil into the space age, with the successful launching of a Nike-Apache rocket from the Barreiro do Inferno test site in Natal, Rio Grande do Norte. NASA observers watched the test which was reported as highly successful. A second successful test was held a few days later, and a program of meteorological research has been planned.

The launchings coincided and shared billing with the American Gemini 6-7 encounter. Brazilian appreciation of the American feat was heightened by their pride in their own accomplishments.

## 6. Padre Favors Birth Control

Padre Antônio Melo, vicar of Cabo and advocate of rural reform, described the Ecumenical Council as "a step forward" but said that it had "failed to take a courageous stand on birth control." Birth control, the Padre contended, would have been the correct stand for the Church to take in the face of the misery and hungerwhich result from the inadequate progress of agriculture and deficient social programs.

<u>Comment</u>: An iconoclast, Padra Melo has usually been at the forefront of church reform, and stripped his ornate parish church of most of the gilt and figures characteristic of Brazilian baroque in order to celebrate mass on a plain marble slab. Nonetheless, he has yet to abandon his trademark: a black cassock, worn winter and summer, and accompanied by a black unbrella.

#### 7. New Czech Consul in Recife

This week saw the arrival of Antonin Kaspar, the new Czech consul in Recife. He replaces Ferdinand Hadek, who had ably retained his position in Recife consular circles despite the political changes wrought by the Revolution of 1964.

Hyman Bloom American Consul

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