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POLITICAL

1. PDC Convention Nominates CP

Sao Paulo Christian Democrats congregated on August 7 in a convention carefully contrived and skillfully managed to demonstrate complete party unity and concord. Delegates nominated the party's October 1966 state standard bearer, appointed a new Regional Directorate, selected some PDC candidates to compete in Federal and State deputy elections next year, and sanctioned a declaration of party ideology and objectives, all by acclamation without debate, dissent or reservation. When a slight problem developed concerning choice of a running mate for gubernatorial candidate CARVALHO PINTO, the new Regional

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Directorate whisked the matter backstage and emerged with a solution everyone finally accepted. All in all there was no drama, no dazzling oratory and precious little spontaneity or excitement.

As anticipated, ex-Governor Carvalho Pinto was unanimously ratified as PDC candidate for Governor of Sao Paulo. In his acceptance address CP, as usual, stuck to uncontroversial, highflown basic verities and patriotic cliches, not even once mentioning the word "revolution". The only interesting stand he took was endorsement of PDC's proclaimed middle position "against atheistic Marxism and uncontrolled materialistic capitalism".

Though convention delegates clearly wished a party man for Vice Governor, PDC finally agreed on Virgílio LOPES DA SILVA, Secretary of Public Security during CP's prior state government, who was CP's choice. According to press rumors, there was obviously an agreement that Lopes da Silva would gracefully withdraw if any other party nominating CP insisted on some other running mate.

To sidestep a threatened battle for party leadership, top jobs were apportioned by prearrangement, with moderate State Deputy Roberto CARDOSO ALVES replacing Franco MONTORO as Regional President and his rival, State Deputy Chopin TAVARES de LIMA, a party radical, stepping in as First Vice President. Another Leftist, João Carlos MEIRELLES, was re-elected Regional Secretary General. The statement of party objectives was circumspect in language and attacked the Revolution by indirections and innuendoes. Among other points, it urged PDC to fight for a foreign policy which respects the principle of self-determination, for democratic elections with participation of candidates without restrictive discriminations, for defense of national sovereignty threatened by concessions and restrictive accords, and for the integration of those parts of the population kept apart from the political life of the country.

Comment: Though serious internal tensions exist in Sao Paulo's PDC, the party convention was well-rehearsed in the interests of unity to paper over personal rivalries and ideological disagreements. The aim now is to unite behind a possible winner. While orators refrained from bombast and slashing attacks against the Government, it was apparent that the Sao Paulo wing of the party is prepared to capitalize on popular discontent with the present government. UDN candidate for Governor, Federal Deputy Herbert LEVY, was especially irritated at declarations that PDC represented a third path between capitalism and Marxism, and privately told Consulate General officers that he intended to hit hard against "such nonsense".

In Carvalho Pinto, PDC is convinced that it has found a candidate who is capable of drawing a big vote for its 1966 Sao Paulo tickets. Most Paulistas seem to agree at present. Even some sophisticated political observers who regard speculations about CP's presidential potentials with horror, because of his notorious indecisiveness and lack of political touch, are quite prepared to accept him as a desirable gubernatorial candidate. (LOU)

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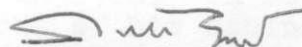
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Comment: It appears that the road toward merger may prove to be stony. Some ambitious PTN sharks hope that by procrastination they may soon be in a position to swallow their weaker Janista brethren, more clearly menaced by the new political parties law than they are. Timid MTR is really stalling for Jânio's return and for his advice and benediction. PR keeps a finger in the Janista pie, but, looking to the future, yearns to leech on to CARVALHO PINTO, who may be unacceptable to Jânio but who is the man to beat in the 1966 Sao Paul election for Governor. Despite these present obstacles, if Janistas can manage to draw together, they will represent a major force on the Paulista scene (WS 30). (UNCL)

7. High-level U.S. Group Visits Sao Paulo

During a stay of less than 24 hours, a high-level U.S. delegation of Senators and Government officials, led by Senator Fulbright, completed a busy schedule of activities in the city. Members of the group attended a luncheon with directors and officers of the American Chamber of Commerce, held a brief general discussion with Governor Adhemar de BARROS, met with a group of influential Brazilian business leaders at the home of Paulo AYRES Filho for a survey of present business conditions and future prospects, and were introduced to distinguished business, political and cultural figures at an evening reception given by the Minister Consul General. The visiting party received close attention from the local press. (Editorial comment on the delegation's stay in Sao Paulo will be reported next week.) Members of Codel Fulbright included Senators Hickenlooper, Symington and Simpson, Undersecretary of State Mann, Assistant Secretary of State Vaughn, Presidential Aide Jack Valenti, and Dr. Harold Linder, President of the ExIm Bank. Ambassador Lincoln Gordon accompanied the group to Sao Paulo. (UNCL)


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2. Student Election Boycott Falters

The election boycott called by the 27th Congress of the Brazilian National Union of Students (UNE) is faltering in Sao Paulo, and qualified observers are beginning to predict that at least half of the university students in the state will vote for new student unions (Directorias Acadêmicos or DAs) on August 16. These elections are the first step in the government's efforts to supplant UNE with a new student organization. At its 27th Congress (reported in A-18) UNE resolved to boycott the elections where possible.

Although complete figures are not available, it appears that almost all the faculties of the three universities in this state will have students running for office in the new DAs. In addition, students are campaigning for the presidencies of the three university-wide student unions (Directorias Centrais de Estudantes), and there is no doubt that a Directoria Estadual de Estudantes (State Student Union) will be formed as required by the Suplicy de Lacerda law. (UNCL)

Comment: Although the UNE Congress' decision to boycott the August 16 elections was ratified by almost all the UNE-affiliated student unions (Centros Acadêmicos or CAs), not all the slates campaigning in the elections are anti-UNE. Some of these slates were formed by CAs in response to anti-UNE slates that otherwise would have swept the elections. These CAs argued that it was better to contest the elections than to let the new DAs fall into the hands of ministerialistas (a new term of student opprobrium). (LOU)

3. PR Backs Down Again

Last week, after months of frittering, Sao Paulo's fickle, flexible Republican Party (PR) set August 6 as the date for its State Convention and announced that popular, likely winner, CARVALHO PINTO would be its pick for State Governor in 1966. In retribution Governor Adhemar de BARROS promptly froze PR out of his cabinet (WS 30). This week with hardly a blush PR suddenly proclaimed that its long-awaited convention would not take place after all. According to a party communique, leaders wished to promote absolute support for CP throughout all levels of the party. (UNCL)

Comment: Where the chameleon PR is involved, no schedule is firm, no announcement is final, and no position is definite. No one believed the implausible official explanation for the last minute sine die postponement. Some political second guessers believed that PR's Janista wing, in response to urgent letters from Jânio QUADROS, insisted on shelving all decisions until the ex-President returned from his foreign wanderings. Others more cynically suggested that, having been cut out of the State Government, the party wanted still one more try at prostituting itself to Dr. Adhemar, if the price was right. (LOU)

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4. Union Elections: One Question Mark and One Loss

To the surprise of some observers, the unity slate in the key Sao Paulo City Local Union of Metalworkers election easily achieved the required two-thirds quorum on the first try. Before April 1, 1964, this union was the cornerstone of the local Communist labor apparatus. As noted in WS 27, the unopposed slate included one dissident Communist in a relatively minor position and several Socialists, some of whom reportedly have cooperated with the Communists in the past. One official of the Regional Labor Delegate's office and a union source claimed that the orthodox Communist Party (PCB) tried to block the quorum. We have not yet been able to verify this claim. The democratic president-elect has announced an ambitious and basically positive program for the next two years with no apparent subversive undertones. It is not yet clear whether the four factions (two democratic and two extremist) comprising the unity slate will maintain relative harmony or whether an internal power struggle will develop for control of this largest local union in Brazil (and probably in all Latin America).

The democratic interventors' slate in the Sao Paulo Local Union of Carpenters lost to a reportedly Communist-supported opposition slate by 977-688 on the second vote. This union was also Communist-dominated prior to the Revolution. (LOU)

5. Mato Grosso: The Battle Lines Drawn

At its State Convention on July 31, Mato Grosso's PTB voted to join in a coalition ticket with PSD. In return for supporting PSD's gubernatorial nominee, Pedro PEDROSSIAN, PTB is providing the unity slate's candidate for Vice Governor, Lenine POVOAS. Though tiny Mato Grosso splinter groups, such as PSP and MRT, have not as yet indicated their state election preferences, no additional candidates are expected to enter the race. (UNCL)

Comment: PTB is small and disorganized in Mato Grosso, but without its help PSD could not hope to challenge the surging UDN and its nominees, COELHO and ALCANTARA. Though UDN appears to be way out in front (WS 30), the opposition has not yet begun to campaign and may have a slight chance of success if it manages to exploit popular dissatisfaction, known to exist against the present UDN state regime of Governor Fernando CORRÊA DA COSTA. (LOU)

6. Janistas Adjourn Unity Talks

After several conferences to probe possible formation of a "populist front", Sao Paulo parties usually identified with former President Jânio QUADROS--PTN, MRT, PR--agreed to defer fusion negotiations at least until after the October state elections. (UNCL)