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1. UDN Moves Closer to Alliance with PDC.
2. Wood Industry Workers Threaten Strike.
3. Parana Awaits Federal Word on Governor's Mandate.
4. New Commander for the Fifth Military Region.
5. Proscribed State Deputies to Open Law Office.
6. Political Notes.

1. UDN Moves Closer to Alliance with PDC

Although the acting president of the Parana UDN personally opposes the re-entry of his party into PDC Governor Ney Braga's government, he indicated he will not oppose what appears to be the contrary wish of the majority of the state's UDN leaders. State Deputy João Vargas de Oliveira, now acting president, said last week that if Braga follows up his informal negotiations (see Weekly Summary No. 5, July 17, 1964) with an official invitation for the UDN to join the administration, it is likely that his party will return to the government with which it broke in April.

COMMENT: Beyond the natural desire to regain lost state patronage, UDN leaders are influenced by at least two additional considerations. First, the restoration of the PDC/UDN alliance would place them in a better position to work for the nomination for governor of Secretary of Agriculture Paulo Pimentel (independent) as opposed to Lacerda-baiting Vice Governor Afonso Camargo Netto, president of the Parana PDC. Second, participation in a successful gubernatorial campaign might gain the backing of the Parana administration for Carlos Lacerda's bid for the presidency.

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Since he has been able to count on UDN support - in or out of the government - Governor Braga's motives for dealing the party back into the game at the price of three cabinet positions and other state jobs, are not entirely clear. However, in addition to boosting Pimentel's chances for governor, Braga also would be adding to his own strength at the polls and, consequently, to his influence in national political circles.

2. Wood Industry Workers Threaten Strike.

Members of the Paraná Wood Industry Workers Union are threatening to strike if their demands for a wage increase are not met this week. The Union is asking an initial cost of living increase of 36 percent. Union President Oscar Cecilio Saraiva has rejected an industry offer of nearly 20 percent.

COMMENT: Existing public sentiment and unemployment in the wood industry area do not favor a strike at this time. Should one take place, it may be because the Wood Industry Workers are being used, knowingly or not, as a stalking horse for other state unions anxious to gauge government reaction.

3. Paraná Awaits Federal Word on Governor's Mandate.

With Congressional action on one year extensions of governors' mandates still pending, Parana politicians are indulging in an orgy of speculation. Governor Ney Braga, whose term would normally expire at the end of next year, has indicated nothing more than mild disapproval of extending his mandate to match that of President Castelo Branco. Braga's restraint is not matched by others whose proposals include (1) extending the Governor's term for another year, (2) having state elections as scheduled in 1965, (3) allowing Braga's term to expire and designating the President of the Legislative Assembly governor until a successor takes office in 1967, or (4) allowing the Assembly to elect an outsider for a one year term. In the event of (3), up to three Assembly Presidents could possibly serve as governor during the interregnum. In the event of (3) or (4), Braga's election to a full term as governor beginning in 1967 would be possible.

COMMENT: Should Congress not indicate a procedure to be followed it will be Braga and Braga alone who will make the decision on the mandate question in Paraná.

4. New Commander for the Fifth Military Region.

The press has reported that General Alfredo Souto Malan will be named Commander of the Fifth Military Region with headquarters in Curitiba. General Malan would replace General Dario Coelho who will face compulsory retirement if efforts in Congress to secure his promotion to General of Division are not successful soon (see Weekly Summary No. 7, July 31, 1964).

COMMENT: General Malan is said to be an old friend and associate of Governor Ney Braga. If his appointment is a fact, it may represent a victory for Braga who supposedly had been attempting to maintain General Coelho in command in order to block the appointment of an officer abnoxious to him (Braga).

5. Proscribed State Deputies to Open Law Office.

Two former PTB members of the Paraná Legislative Assembly whose mandates were canceled under Article 10 of the Institutional Act have announced plans to open a law office in Curitiba. They are Luiz Alberto Dalcanale, a former Assembly President, and ex-Deputy Leon Naves Barcellos. Not inappropriately, the two will specialize in labor and criminal law.

6. Political Notes.

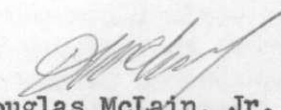
a. After naming a temporary state president to replace Senator Adolfo de Oliveira Franco (see Item 1, above), the Regional Directory of the Paraná UDN last week reaffirmed its support for Carlos Lacerda. The directory found nothing in any of Lacerda's recent statements to indicate that he is opposed to President Castelo Branco or the March 31 Revolution and found much to praise in Lacerda's pronouncements against inflation. Once again the directory called for a national convention to launch Lacerda as the UDN's official presidential standard bearer.

b. The President of the Paraná Legislative Assembly reportedly is sounding out President Castelo Branco for his views on the propriety of a group of Parana state deputies accepting an official invitation to visit Yugoslavia. The offer was made before the Revolution. Several deputies, including Assembly President Antonio Ruppel, would like to accept now or, perhaps, use the Yugoslav bid as a vehicle to elicit other attractive substitute or supplementary offers.

c. Paraná Vice Governor Afonso Camargo Netto will soon resign his position as national political secretary of the PDC. Camargo, also president of the state PDC, wants to spend more time at home and less in Brasília and Rio de Janeiro. For one last fling, the vice governor will attend a CEPAL meeting in Chile beginning August 23.

d. Suplente Renato Ramos da Silva assumed the seat of Santa Catarina Senator Atilio Fontana, who has taken leave of absence.

e. The Santa Catarina Legislative Assembly last week approved a constitutional amendment that would postpone all direct municipal elections scheduled this year until October, 1965, when state elections presumably will be held. The amendment specifies that city councils may select interim mayors.


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