

AIRGRAM

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DEPARTMENT OF STATE
BUREAU OF
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JUL 3 1967

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DATE: June 27, 1967

SUBJECT : BI-WEEKLY SUMMARY (June 10 - 23)

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PSYCHOLOGICAL

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POLITICALA. Dom Helder Attacks MEC/USAID

1. Adding his voice to those of university students throughout Brazil, Dom Helder Camara last week denounced the MEC/USAID agreement as Brazilian acceptance of a foreign educational model. The archbishop's remarks were made before a panel of Federal Deputies in Brasilia and extensively reported in Recife's Jornal do Comercio. To illustrate the scope of U.S. influence in the educational field, Helder cited 14 separate U.S.-Brazilian agreements ranging from adult literacy campaigns to a post graduate program in economics. The planning of higher education, he said, has been given over to foreign technicians who oblige the GOB to provide them with bi-lingual secretaries so as not to suffer the inconvenience of learning Portuguese.

2. The Archbishop expressed the hope that Brazil would open its eyes for "then and only then will we have the courage to invest in education...Then and only then will we understand and appreciate basic education and popular culture." Calling MEC/USAID an "unhappy incident," Dom Helder recommended a true educational reform carried out by Brazilian technicians and with the participation of Brazilian students.

B. Nilo Coelho Loses Another Aide

3. After only 4 months on the job, Pernambuco Chief of Civil Household, Nelson Saldanha, announced his intention to resign last week. Saldanha, a university professor, had been an unhappy and not very effective member of the Coelho team. He will be replaced with Edmir Regis, an ARENA state deputy and former director of the University Press. Regis is a personal friend of the governor's but a political supporter of Paulo Guerra, Coelho's predecessor.

4. COMMENT. Edmir's presence in the palace should significantly improve the governor's relations both with the State Assembly and with the Guerra-led faction which frequently opposes him.

C. Javelin Rockets Launched at Natal

5. The Barreira do Inferno rocket base in Rio Grande do Norte was the launch site for two Javelin rockets successfully

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tested on June 16 and 17. Part of a joint U.S.-West German-Brazilian program, the launches were designed to test instruments for a future German experiment in studying the Van Allen belt. Recife press coverage of the event was intensive.

ECONOMIC

D. New Refinery - No Refinery

6. After a feud of several weeks over which Northeastern state most deserves a GOB-planned petroleum refinery, Ceara and Pernambuco both lost out. The Ministry of Mines and Energy decided not to build another refinery at all, thus provoking irreverent comments from the local press that "concentration on the little skirmishes has resulted in our losing the war."

7. The Ceara-Pernambuco tiff was precipitated by a Pernambuco charge that a refinery was planned for Ceara only because of that state's connection with former President Castello Branco. Ceara countered by alleging that it simply offered better conditions than its southern neighbor. And Pernambuco jabbed back by saying the state which uses 55% of the Northeast's petroleum (Pernambuco) certainly deserves its own refinery.

8. Instead, the GOB communicated that the Landulfo Alves refinery in Bahia will up its production from 20 thousand tons daily to 67 thousand tons, a move that should take care of NE petroleum needs until 1970 when discussion of the new refinery can be opened again.

E. Andreazza Pledges Highway Construction Funds

9. The whirlwind Northeastern tour of Transport Minister Mario Andreazza ended with his setting a GOB "priority" on nearly every highway in the region. Andreazza, in Recife June 16, disclosed that President Costa e Silva had pledged to Andreazza personally to rush to completion North-South highway BR-101 and Pernambuco East-West highway BR-232 (Sao Caetano-Salgueiro), as well as to participate in a massive Recife port development scheme. In Maceio, Andreazza again mentioned BR-101 as well as possible assistance to the Port of Maceio. And in Fortaleza he told his hosts that BR-116 (Belem-Sao Luis-Teresina-Picoa) would be hurried along.

10. Andreazza was cagey about announcing in public from where the money would come and how much of it. Privately, he promised Pernambuco Finance Secretary Oswaldo Coelho that the

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GOB would commit NCR\$80 million to the expansion of the port of Recife alone. By revealing that GOB money for these projects would be funneled through SUDENE, he also gave a boost to SUDENE designs to act as coordinating agent for Northeast development.

SOCIALF. Social Service Expands into New Territory

11. Newspapers arriving from Natal brought word of a special Mother's Day ceremony sponsored by the Servico de Orientacao da Mulher. In attendance were 98 of the city's prostitutes who, after electing a board of directors and singing the hymn "Minha Maezinha Querida" got around to presenting the traditional awards. Maria das Dores de Oliveira won special mention as the prostitute supporting the most children (6) while another woman received a prize for being "the most skillful and the one who made the most beautiful work (fez o trabalho mais bonito) during the month of May."

12. COMMENT. Coverage of the Father's Day celebration in Natal has not yet reached us.

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