

TELEGRAM

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Latest round PSD-PTB negotiations on an agrarian reform constitutional amendment which began October 20 (Weeks 43, 45, 47) ended November 29 when caucus of PTB deputies rejected latest proposal authored by Vieira de Mello (PSD-Bahia). Main point of disagreement was de Mello's suggestion that an agrarian judiciary, establishment of which was first suggested by the PTB, be empowered to decide which lands would be expropriated. Leftist grupo compacto leader Almino Afonso (PTB-Amazonas) presented argument accepted by large majority of PTB deputies that the de Mello proposal would be a step backward since it would transfer power of expropriation from Executive to Judiciary. In Almino's view, agrarian courts should have powers limited to arbitrating price to be paid for expropriated land. Minority PTB viewpoint favoring acceptance de Mello's proposal was presented by Chagas Rodrigues (PTB-Piaui) who pointed out that for first time PSD had accepted idea of reimbursement in public bonds instead of cash. Grupo compacto retorted that de Mello proposal represented nothing more than "personal" effort to arrive at solution, since PSD had not endorsed proposal.

COMMENT: Fencing between PSD and PTB on details of agrarian

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reform reflects mounting friction and distrust between two major parties in government coalition. PTB believes PSD is dragging feet on this key effort Goulart administration, while bulk of PSD views PTB emphasis on agrarian reform as demagoguery or effort to penetrate rural electoral strongholds of PSD. Recent defection of six Maranhão federal deputies from PSD to PTB, giving latter unprecedented numerical superiority over PSD in Chamber, has added to friction. In addition, evident aversion of PTB leader Goulart to support PSD candidate Kubitschek for 1965 presidential race has not improved relations. Kubitschek in turn contributed to PSD-PTB friction by his moderate position on agrarian reform announced in Belo Horizonte November 9 and Brasilia November 11 (Weeka 46). However since open break is desired by neither Goulart nor PSD leadership, talk about agrarian reform, no matter how bleak are prospects for effective legislation, is likely to continue between the two parties.

PTB caucus also revealed that grupo compacto, despite numerical inferiority, continues harbor much of leadership ability in that party.

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