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DEPARTMENT OF STATE

INFO: **Ambassy, Rio de Janeiro and Brasilia  
Amcong, Recife**

*POL 7*

**American Consulate, SALVADOR March 12, 1964**

**Visit to Sergipe, February 26-29, 1964**

SUMMARY

The State Department Book has had a successful  
Relations between the Governor and Legislative  
Assembly in Sergipe have deteriorated badly over the  
Governor's policies for agrarian reform. Efforts of  
the Governor to get an agrarian reform program under  
way in the state have also caused the resignation of  
the Secretary of Agriculture and, it is believed, the  
Secretary of Public Security. Friction over this issue,  
and the apparent ineptness of the Governor in dealing  
with it, have resulted in a noticeable loss of prestige  
on the part of the Governor in the Aracaju area. Prop-  
erty holders are more concerned with the arbitrariness  
with which the authority to expropriate "undeveloped  
properties" may be applied should the Governor's pro-  
posal become law, than by the principle of expropria-  
tion itself. The SUPRA representative in Aracaju is  
apparently an enlightened, reasonable person who is  
trying to overcome prejudices against the SUPRA pro-  
gram in a rational manner. In private conversations,  
the Governor reveals himself as a much more conserva-  
tive person than would appear from his public pronoun-  
cements.

In the Governor's principal supporter in reform moves  
is the Secretary of Education, under whose direction  
the program of the Educational Agreement with USAID is  
moving along rapidly. The Governor was pleased with  
the progress in this program, and showed some concern

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over delays in a road equipment project which, he said, had been approved by the state and USAID. He did not seem to be aware of USAID programs within the state in the fields of health, water and public security.

A literacy campaign designed to teach 20,000 Sergipianos to read and write by the end of June has been initiated with the sponsorship of the Secretary of Education, utilizing the Paulo Freire Method. The constructive, revolutionary aspects of this program are acknowledged by the Secretary of Education, who characterized it as a program designed to make people the subject and not the object of history.

The State Development Bank has had a successful initiation and expects to get into developmental loans as soon as negotiations for a loan from the BNDE are completed.

The Peace Corps Volunteers in Propria are doing good work and are well accepted in the community.

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From 26 to 29 February 1964, the Branch Public Affairs Officer, Mr. Richard McCloskey and the writer visited Sergipe. In Aracaju contacts were made with Governor Seixas Doria; Secretary of Education Luiz Rabello Leite; Acting Secretary of Public Security, Military Police Chief Colonel Anatole Ettinger; the Mayor of Aracaju, Godofredo Diniz Gonçalves; Monsignor Luciano Duarte, Dean of the Catholic Faculty of the Law School; Sr. Orlando Dantas, Editor of the GAZETA DE SERGIPE and Director of the Economic Development Bank; Sr. Ariovaldo Figueiredo Silva, Director of SUPRA; Sr. Alfredo Rollemberg Leite, lawyer; Sr. Clodivaldo Alencar Filho, chief of the mayor's cabinet and Director of the Binational Center; State Deputy Gilton Garcia; representatives of the Communist newspaper and representatives of radio stations, a theatre group, and others.

In Propria we visited with members of the local Peace Corps unit. The Mayor and the Bishop, unfortunately, were out of town.

In order to abbreviate this report, only certain impressions and conclusions from the trip will be given.

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Governor Seixas Doria

very proud of his public works. He showed us being built on the outskirts of Aracaju, declined Newspaper accounts of developments in Sergipe had given us reason to believe that a situation of crisis was developing in the state government. While conditions are not critical at present, it is obvious that Governor Seixas Doria is not getting along well with his Legislative Assembly and that he has also been having trouble with members of his cabinet. Conservatives throughout the state are much opposed to him and it appears that he has lost considerable popularity since assuming office a little over a year ago. A cold analysis of his difficulties leads one to conclude they stem more from ineptness in administration and lack of tact than to misdirected effort or bad policies. One of the Governor's friends, Orlando Dantas, head of the Economic Development Bank and editor of the GAZETA DE SERGIPE said Seixas Doria continues to act like a Deputy rather than a Governor. His public stand on domestic issues, particularly on basic and agrarian reforms, while in line with the position of President Joao Goulart, is more extreme and alarming. However, in a private conversation during a lunch which he offered to us, it was apparent that his personal views are not as far left as his public pronouncements would lead one to believe. He considers himself a left-of-center progressive, along with Governor Antonio Lomanto Junior of Bahia, but well to the right of Governor Miguel Arraes and Deputy Brizola. Unfortunately, in his speeches he gives the impression he is very close to the Arraes/Brizola section of the spectrum.

Landed groups in the state very much oppose the administration's proposal to grant authority to the State Government to expropriate private properties within a 3 km stretch on either side of state highways. Although Governor Doria has stated that he does not intend to expropriate properties under active use, but merely those "static" lands being held for speculative gain, landowners are resisting placing in the hands of the Government so much power which could be utilized in a capricious and arbitrary manner.

The Governor's position on invasion of lands by squatters has led to the resignation of the Secretary of Agriculture. The Secretary of Public Security, Army Colonel Arisvaldo Fentes, also is leaving his post reportedly because he does not support Doria on this issue. (He has been given a grant by the Minister of Education for a 3 - 4 months' stay in the United States to study education methods, and it is believed that he will not return to his post in Aracaju.

The Governor was not well acquainted with USAID projects in his state. He spoke favorably about the development in the Educational Agreement, saying that the state was ahead of its schedule, and mentioned a road construction equipment project which, according to him, was approved but not being implemented. We promised to look into the status of this and of other possible projects in the state, and have since written to the Governor, bringing him up to date on the road equipment project as well as on projects in the field of health, water and public safety which he had not mentioned.

The Governor is very proud of his public works. He showed us a "satellite town" being built on the outskirts of Aracaju, destined for public servants. It consists of 182 houses placed in concentric circles and will form a self-contained unit with a theatre, supermarket, church, health clinic and school. The Governor said he spends part of each day in visiting his works.

He expects to increase paved roads in the state from 36 to 320 kms by the end of his term. Most paving is being done with the help of SUDENE on the N/S federal highway, BR-11.

Magalhães Pinto of Minas Gerais is Governor Doria's choice for the presidency in 1965. He is a bitter opponent of Governor Carlos Lacerda, but is favorably disposed to Caravelho Pinto. Ademar de Barros has no chance at all, according to Governor Doria, and he does not give Arraes much better odds.

#### Secretary of Education

Governor Doria's Secretary of Education, Luiz Rabello Leite, appears to be the mainstay of the Governor's Cabinet. While Sr. Rabello's political orientation is probably not as far left as the Governor's, he interprets Pope John XXIII's encyclicals liberally, as an authority on the social doctrine of the Church, and has strong views on basic institutional reforms needed to modernize Brazil.

During his impassioned speech on the evening of February 26 before a group of some 700 young men and women who had volunteered to become teachers in the Paulo Freire-style literacy campaign, Secretary Rabello spoke of the necessity of making citizens aware of the "realidade Brasileira" and of having them become "politically conscious." The Secretary's most cogent statement of the aims of his educational activities in the state and of the literacy campaign is that he hopes to make the people "the subject -- and not the object -- of history." In the next election, he said, the people "will not be led to the ballot box like sheep by a political boss."

#### The Economic Development Bank

Sr. Oriando Dantas, Director of the Economic Development Bank, and the bank Superintendent, a Sr. Moura (an employee of the Bank of Brazil assigned to administer the Economic Development Bank) stated the Bank is doing quite well, having surpassed the most optimistic expectations. At present it is operating as a commercial bank only. Its capital consists of some CR\$600 million, mostly in deposits of private firms and individuals. The BNDE has been approached for a loan of CR\$800 million, and the impression given us was that the application was progressing very satisfactorily. When this additional capital is received, the bank will inaugurate its agricultural and industrial development loan windows. Its commercial loans are granted at 2 and 2-1/2% per month. This has forced a reduction in the rates of private banks operating in Aracaju from 4% to 3%, according to Sr. Dantas.

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SUPRA Office little doubt that Sergipe Security Forces need help not only in equipment but in training, organization, records, etc. Sr. Ariosvaldo Figueiredo Silva is the Director of the SUPRA office in Aracaju. He is often addressed as "professor" and aside from teaching, he has been an employee of the Federal Ministry of Agriculture. The Sergipe SUPRA office has been very active in organizing rural syndicates or labor unions, and in preparing the way for the agrarian reforms visualized by the Goulart administration. Sr. Figueiredo has a daily column in the CAZETTA DE SERGIPE in which he comments on the SUPRA program, answers questions put to him through correspondence or in conversations, and tries to explain the features of the program in palatable terms. He finds that it has been very difficult to overcome the prejudices against the SUPRA program. People relate the program to President Goulart, but "Brazil is not Jango," said Sr. Figueiredo, implying that the program was one for which the country assumed permanent responsibility. He belittled the worries of property owners over the possibility of the Government expropriating their lands capriciously, and said "after all, only 4% of the properties are subject to expropriation." Pending authorization to expropriate properties, the SUPRA office is surveying federal and state public lands and dividing them into plots. One state property we saw on the drawing board had plots of about 90 acres each.

Sr. Alfredo Hollenberg Leite, a lawyer in Aracaju and brother of Sr. Figueiredo there are some thirty peasant groups organized in Sergipe, totalling approximately 1500 laborers. This includes groups which were organized under the auspices of Bishop Tavora (who, unfortunately, was not in Aracaju during our visit). There is good collaboration between SUPRA and the Bishop, Sr. Figueiredo said. Fifty laborers can petition to become organized and once their petition is approved by SUPRA representatives, they elect a president, a secretary, and a treasurer and are on their way. So far their activities have been mostly connected with organization and administrative matters. Some effort be made through the Embassy's contacts with the DIANOS ASSOCIADOS and that would be to have the Acting Secretary of Public Security in Recife publish a section on Sergipe, and have it mailed to Aracaju for distribution. Colonel Anatole Ettinger, Chief of the Military Police, is the Acting Secretary of Public Security. He was very interested in the possibility of USAID help in obtaining equipment for the security forces of the state, and deplored the lack of vehicles and of communication equipment. There is no "paddy wagon", for example, in the whole state, and the few vehicles which the security forces have are in very poor shape. Colonel Ettinger did not know the status of the state request for AID assistance, although he had the impression it had been approved by COGAP and had been sent on to SUDENE. (If this is the status of the request, it may be a long time in reaching agreement stage, since it is understood that SUDENE is not particularly happy with USAID assistance in this field.)

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There is little doubt that Sergipe Security Forces need help not only in equipment but in training, organization, records management, and communications. The Delegate of Public Safety has seen what is being done to help Bahia's Public Security Forces and is very anxious to have a similar program in Sergipe.

Peace Corps at Propria

Our visit to the group of four Peace Corps Volunteers in Propria coincided with the arrival of an evaluation team from the Rio and Washington offices of the Peace Corps. Nevertheless, we had the opportunity to speak briefly with all members of the group -- a carpenter, an electrician, a communications specialist and a nurse -- and obtained a generally favorable impression of their work. The carpenter and electrician are instructors in the Industrial Arts School sponsored by the Bishop of Propria. The nurse has established a crèche for infant children of rice field workers.

From comments of various townspeople, it appears that the Peace Corps group is well established and well liked. The term of this group will be coming to an end in June or July of this year.

Talk with a Conservative

Sr. Alfredo Rollemberg Leite, a lawyer in Aracaju and brother of a former governor who is now the head of the State Road Department, called on us at the hotel. He said he had been the representative of IBAD in the city until the IBAD offices were closed. The burden of his conversation was an expression of alarm at the developments within the state and, in particular, the program and policies of Governor Seixas Doria. He indicated that conservative groups were organizing themselves to resist the changes that are being fostered by the Governor's policies, but was not able to report on any positive, constructive action by the conservative forces. His own specific request was that some effort be made through the Embassy's contacts with the DIARIOS ASSOCIADOS and Chateaubriand to have the Sunday edition of the DIARIOS ASSOCIADOS in Recife publish a section on Sergipe, and have it mailed to Aracaju for distribution. He claimed that some 2000 subscriptions could be placed in the state. So far DIARIOS ASSOCIADOS have not complied with this proposal, he said.

Sr. Leite reported that he is a lawyer for the State Vocational Training School in Aracaju, which has some 600 students and a very good reputation. He said that the school was not enabled to move from its old quarters to new installations, consisting of some four very nice large buildings, for lack of funds to execute the move. The new installations, while not complete in their layout, are very impressive. The buildings have been ready for occupancy for some three years!

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Newspapers

We dropped by the offices of the GAZETA DE SERGIPE, the CORREIO DE ARACAJU, and the FOLHA POPULAR. The CORREIO DE ARACAJU is published by Gilton Garcia, the 25-year old son of Luiz Garcia, the governor who preceded Seixas Doria. The paper is published irregularly and takes a strong anti-Doria line. It is reported that Gilton Garcia, who is also a UDN Deputy, is a liberal whom some conservatives place in the "red" camp. We had a brief and pleasant talk with him.

After considerable searching, we found the offices of FOLHA POPULAR, the Communist newspaper of Aracaju. A cool, but courteous reception was given us. Our objective was to make arrangements to receive copies of this weekly regularly at Salvador. While we were told that arrangements would be made to have the paper come to us regularly, it has not yet been received.

...assembly in Sergipe have deteriorated badly over the Governor's policies for agrarian reform. Officers of the Governor to set an agrarian reform program under way in the state have since caused the resigning of the Secretary of Agriculture and, it is believed, the Secretary of Public Security. Harold M. Midkiff's leave, and the apparent suspension of American Consulate dealings with it, have resulted in a noticeable loss of prestige on the part of the Governor in the Aracaju area. Regrettably, the Governor and his associates with the authority to appropriate "undeveloped lands" may be applied should the Governor's proposed agrarian law, then by the principle of expropriation. The UDN representative in Aracaju is reportedly an enlightened, reasonable person who is trying to overcome prejudice against the UDN program in a national matter. In private conversations, the Governor reveals himself as a man who does not wish to spread what would appear from his public pronouncements.

The Governor's principal supporter in Aracaju is the Secretary of Education, who is working to bring the progress of the Agrarian Agreement with UDN to moving along rapidly. The Governor was pleased with the progress in this program, and hopes some concrete

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