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TO : DEPARTMENT OF STATE

1965 APR 15

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BUREAU OF
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FROM : AmConGen RECIFE

DATE: March 24, 1965

SUBJECT : Natal Mayor Pleads for Aid to Save the Revolution

REF :

"A Policeman's Life is Not a Happy One," said Gilbert and Sullivan, and neither, it would seem, is that of an Admiral--- at least when he is trying to be a Mayor. When the Revolution threw out the leftist Mayor of Natal, Rio Grande do Norte, Djalma MARANHÃO, it installed instead Rear Admiral Tertius REBELLO, a choice which was ratified by the City Council.

Once the Revolutionary ardor (real or otherwise) of the first few months wore off, Rebello has had nothing but troubles. Instead of the excitement and activity of the popular, demagogic, and able Maranhão, he has had only austerity and responsibility to offer. The State Government, though friendly, has its own political problems to worry about, and has shown no interest in sharing its own prestige. The Federal Government seems to have forgotten about Natal. Thus an exceptionally shabby city hall contrasts with the spruce governor's palace, and signs announcing grand municipal achievements are limited to a few lauding the previous regime which noone has gotten around to removing. The City Council, though friendly to the Naval Mayor at first, has shifted over into generally negative opposition; it even voted a pension to the family of Djalma Maranhão. Rebello's term is due to expire this fall, and the electoral struggle to replace him is already under way.

So the Mayor is an unhappy man, and recently he has been letting his unhappiness be known. On February 10, 1965, he wrote a long letter to President Castelo Branco (Enclosure 1), pleading for Federal aid in order to prevent the Revolution from losing all prestige in Natal. The letter, parts of which have since been

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published, points out that Natal has always been a center of leftist agitation (e.g., the Communist mutiny of 1935, which took over the city for a few days), and that comparisons between the leftist regime of Djalma Maranhão and the "Revolutionary" regime of Rebello are being made and exploited to the disadvantage of the latter. Principally, Rebello bewails the fact that Federal aid, to all intents and purposes, has been cut off since the Revolution, though Maranhão had been a favored client of the Goulart regime. Indeed the only aid which he acknowledges with appreciation is a Cr\$ 14,000,000 USAID-SUDENE project which financed a study of the city administration with an eye to rational reorganization.

The projects for which Rebello requested Federal support and the agencies involved, are:

From the Presidency:

1) Reduction of the cost of salt production by providing Salt terminals in the ports of Natal, Areia Branca and Macau;

From the Education Ministry:

2) Aid in construction and equipment of schoolrooms. Natal, he says, has 13,000 primary school children in school, but only 17 real classrooms---the rest study in thatched huts or private rooms loaned by groups and individuals.

From the Agricultural Ministry:

3) Aid in reforestation of the Natal sand-dunes and installation of a permanent Forestry post.

From the National Housing Plan:

4) Study of the housing problem. In Natal, he says, out of 35,000 habitations, 10,850, or 31% are of mud and wattle (taipa) and thatch, while of the 24,150 masonry houses, 20% are essentially uninhabitable.

From SUDENE:

- 5) a. Resumption of paralysed work on the Natal by-pass.
b. USAID-SUDENE agreement on implementation of the Administrative Reform study.
c. Construction of a Fishing Port.
d. USAID-SUDENE-RGN agreement for construction of 77 classrooms.

From the Marine Ministry:

6) A new floating dock, repair of a dredge, dredging of the Naval Base canal.

From the Public Works Ministry:

7) Storm sewers and drainage; wells in outlying areas; road and street construction; harbor works.

Following this plea, at the end of February, the Mayor gave an interview to a correspondent of the Recife Jornal do Comercio indicating his general disgust and frustration with his job. The interview covered much of the same ground as the letter to the President, but added the Admiral's statements that 1964 had been the worst in his life, that he was the

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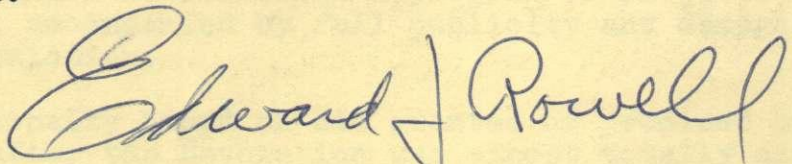
"sacrificial goat" of Natal politicians, and that upon his retirement in November he intended to move to Rio de Janeiro in order to avoid being bombarded with "rocks and rotten eggs." Later, the Admiral denied having used such "gross and vulgar" language in the interview but did not admit to differing sentiments.

On March 18, it was announced that the National Salt Institute had been authorized to use its profits on exports to finance improvement loans to salt producers, a move which may stem in part from Rebello's plea on behalf of the salt industry.

Comment: Natal, next to Recife, was the city with the heaviest leftist domination in the Northeast. Its leftist Mayor (arrested after the revolution but since released on habeas corpus) had proved able and popular as well as demagogic and subversive, and leftists at the Federal level sought to make Natal a showcase. Such soundings as we have made indicate that much of the population looks back on the Maranhão regime with nostalgia and that the Rebello regime is considered to be honest but to have accomplished little.

Admiral Rebello is obviously as aware of his problems as anyone else, and fully realizes that the relative failure of an administration so prominently stamped "R" for Revolution can only be a severe blow to the Revolutionary movement as a whole. Political regimes live by "pointing with pride" and "viewing with alarm." The alarm about Communist infiltration is now wearing off and Rebello is left with little at which to point.

It is noteworthy that the Admiral does not extend his strictures against the Federal government to USAID, with whose collaboration he seems to be satisfied and hopeful.



Edward J. Rowell
Minister Consul General

Enclosure: Letter to President Castello Branco (translation)

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Unofficial Consulate General Translation

Rio de Janeiro
February 10, 1965

His Excellency
Marshal Humberto de Alencar Castelo Branco
President of the Republic
Brasília, DF

Dear Mr. President,

Having been chosen by the Military Command of Natal and elected by the City Council to replace the Mayor ousted by the Revolution, and in view of my position of General Officer of the Reserve with no political-party obligations, I wish to express to Your Excellency the following:

Natal was the only Brazilian city which had, in 1935, a Communist government, being notorious for the exacerbation of political passions and the violence of party struggles.

Not being a militant politician, I have a completely special need for Federal political support (cobertura). I must stress that the previous administration was richly subsidized by the Goulart government, favoring the creation of a prestige which still exists.

On assuming the position of Mayor of Natal I found the city in a pitiable administrative and financial situation.

The previous administration had executed a program of projects with political objectives which, accompanied by full publicity and demagogy, had impressed the local population.

This program was principally based on aid granted or promised by the Federal Government, which after the Revolution was almost totally cancelled.

In fact, however, the chronic problems of the city remained untouched or did not receive correct treatment. Natal today, has a population of over 200,000 inhabitants, with a rate of growth which approximates the highest existing in the country. This explosive demographic growth results, principally, from migration from the country to the cities, a phenomenon noted throughout the country but aggravated in Natal by the restrictive absorption capacity of the local labor market, due to the economic stagnation of the region.

This population which constitutes a weighty portion of the inhabitants of the city, remains underemployed, in the lowest socio-economic conditions and was the object of the attentions of the past administration through a literacy campaign which, though characterized by an extremely low level of results, was an ideal vehicle for the transmission of political messages.

Immediately after the initiation of my administration, realizing

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that the organs of the City Administration were not sufficient, because of the existing chaotic administrative situation, I succeeded, by means of an agreement with the Alliance for Progress, through SUDENE, in having a study made of the general situation of the Municipality by the Brazilian Institute of Municipal Administration (IBAM).

This study, of which I annex a copy, made patent the undelayable necessity of an administrative reform which would provide, besides a general restructurization of the municipal administration, an increase in the efficiency of tax collecting organs in order to obtain the means necessary for a serious program of government.

This reform, however, which will be implemented during this year, will not produce short term results, especially in the area of municipal finance.

During the fiscal year 1964, the payment of municipal employees, at very low wages moreover, which absorbed 70% of the Municipality's receipts, plus the debts of more than 230 million cruzeiros contracted by the Municipality during the previous administration caused an almost total paralysis of municipal services, resulting in a noticeable erosion of my administration and serving as a base for an intensive campaign of discredit promoted by low-level interests linked with the Counter-Revolution.

During this fiscal year a deficit on the order of 45% of budgeted receipts is anticipated, and it will be aggravated by an inevitable raise for public employees, which we have been postponing but which cannot be put off beyond the first half of the year without a risk of serious consequences for the administration.

The state government, in the face of the precariousness of its resources, despite existing good relations, can but little aid the municipal government in solving its specific problems.

Nevertheless, Governor Aluizio Alves has given decisive support by the adoption of sound legislative measures, recommending to the city councilmen that they follow his political orientation and vote the laws toward this end which the Mayor of Natal has sent to the legislative branch.

During the year 1964, we regret to state that there has been no action of any consequence in the municipal area, on the part of the Federal Government.

In the educational sector, exceptionally vital, since it was here that the campaign "The Barefoot Can Also Learn to Read" was conducted, the absence of Federal incentives was most felt.

Except for two parcels from the Road Fund, no other Federal aid was received in the unequal struggle against a growing and systematic opposition which uses a thousand and one techniques to erode the confidence of the people in the administrative capacity of the men of the Revolution.

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After April 1st, all Federal services which were being executed in agreement with the City Administration stopped; and this is exploited so as to compare the "populist" administration of the Communist Djalma Maranhão with the "Santa Catarina Ship" of the Admiral.

Thus, I sought help from SUDENE and USAID/Brazil, obtaining, because of the gravity of our situation, a donation of Cr\$ 14,000,000 from the Alliance for Progress, for a study of the administrative situation. Now I am fighting to obtain the financial means necessary for the implantation of such a restructurization, SUDENE and USAID having agreed to sign the indispensable agreement.

The only way of consolidating my reputation as the Mayor of the Revolution, without discrediting the past of an Officer of the Armed Forces who has with success occupied posts of command several times in Natal, is the exercise of an efficient administration. One of the basic points is the correct and efficacious application of resources.

The forces opposed to the Revolution which would like to demoralize my government are trying to do it, applying various techniques to attain this objective. From these machinations, already done and surreptitiously existing in Natal, we are defending ourselves with ever greater success.

I have not up to now appealed directly to Your Excellency because I can imagine the difficulties of aid to municipal areas.

Nevertheless, I know the interest of the Federal Government in focal points in the areas in which the Revolution can be and is being tested, as is the case of Natal where the Mayor was ousted and the administration installed by the Revolution has been forced to take unpopular measures.

The socio-political difficulties will increase as the struggle for the succession to the Mayor takes on outlines, since the present government remains in an uncomfortable and difficult position because it is taking sound measures which are not always understood and are frequently contrary to the interests of others. As I am not subsidizing the spoken or written press and not making expenses on behalf of my government in the sphere of public relations, to a degree consonant with the obvious needs, I feel I have the duty to appeal to Your Excellency in order to solicit aid in the struggle and disturbances which surround this focal center of state political agitation which has always had, and not always in a positive sense, national repercussion.

By this I solicit, Mr. President, the special attention of the Federal Government, in order to provide the means which are indispensable to the City Administration of Natal, in accord with the annexes of this exposition.

I present to Your Excellency my assurances of high consideration and profound respect.

Rear Admiral R. Rm. Tertius Cesar Pires de Lima Rebello
Mayor of Natal

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