MEMO TO FILES & FILES STATILL BRAZIL

POL - Frank C. Carlucci

Opposition Convictions that Costa e Silva Will Not Become President of Brazil

- l. During the past week and a half the reporting officer has had lengthy conversations with four prominent local members of the opposition and believes it worth noting for the record that all spontaneously expressed the conviction that Castello Branco does not want Costa e Silva to be the next President of Brazil and will try to out-maneuver him after Costa e Silva leaves the War Ministry on July 2. These statements may represent wishful thinking on the part of the opposition but they were made in a positive and forceful tone unusual for Brazilian politicians. Guanabara Assembly MDB Leader Fault Elbeiro, for example, said that he is "absolutely certain" that Castello Branco would find a way to eliminate Costa e Silva's candidacy.
- 2. The specific scenario outlined by each of the opposition members varied slightly:
- (a) Guanabara State Deputy (ex-PSD) Luiz Gonzaga da Gama Filho, who plans to run this year for Federal Deputy, imagined a ploy whereby Castello Branco would name a War Minister personally loyal to him, who in turn would state publicly on the eve of the elections that the Army would guarantee the investiture of any candidate elected. Gama Filho anticipated that with such a guarantee a number of ARENA Deputies would side with the NDB if the latter could produce an acceptable candidate. He was somewhat vague on who such a candidate might be but suggested Carvalho Pinto as a possibility.
- (b) Candido Antonio Mendes de Almeida, a prominent leftist intellectual, formerly associated with Quadros, admitted that the biggest obstacle to derailing Costa e Silva was Castello Branco's moral commitment. But, he said, Castello Branco is being told night and day that Costa e Silva is unfit to be President of Brazil and that he, Castello, must stop him. Since Candido is a close personal friend of General Golberry, it can be assumed that the SNI chief is one of those feeding

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this line to the President.

- (c) Guanabara Assembly MDB Leader Paulo Ribeiro thought Castello Branco would postpone the elections and convene a constituent assembly late in 1967. He noted that the military had always supported democratic solutions in Brazil and that Costa e Silva would retain little of his influence in the Army once he leaves the War Ministry; hence on July 2 the President would be holding all the aces.
- (d) Former PTB President Lutero Vargas foresaw developments much along the same lines. He thought Castello Branco's maneuvers to undermine Costa e Silva's support within the Army had been initiated with the firing of General Justino Alves Bastos and the consequent weakening of General Kruel. If one looks at the Army today, Lutero said, it is apparent that the key commanders are loyal to Castello Branco and not Costa e Silva. He thought the elections would be postponed in order to give Castello time to eliminate Costa e Silva entirely. He thought this could be done by means of launching another candidate, such as Cordeiro de Farias, who could win support from the MDB ranks.
- 3. In connection with the above it is interesting to note that Costa e Silva, at a dinner party on June 17, said in the presence of the reporting officer that he considered it a great challenge (desafio) to resign from his position as Minister of War.
- 4. At the same time, however, it is also important to note that a split between Castello Branco and Costa e Silva is the MDB's only hope and the word being spread by opposition politicians and newspapers clearly has Machievellian motivations. At present the odds still appear to be against the success of such a tactic of desperation.

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