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Castello Concedes; Costa's Election Certain

The successor to President Castello Branco is to be elected by the National Congress on October 3, 1966. However, the real contest for the presidency ended early last month when the President publicly announced his support for the candidacy of War Minister Arthur Costa e Silva. Later in May, the nominating convention of the National Renovation Alliance (ARENA), which is the Government's political party, selected Costa by an overwhelming margin. Barring some unforeseen political catastrophe, the Congress will elect Costa on October 3. Not only does ARENA have a solid majority in Congress, but the armed forces would probably not tolerate the election of any other candidate. The opposition party--the Brazilian Democratic Movement (MDB)--is still split over whether it should run a presidential candidate, in view of the certainty of Costa's victory.

Costa e Silva won the nomination in a campaign launched informally about a year ago and declared publicly in January 1966. He conducted that campaign partly in public and partly within the ranks of the regime that has been ruling Brazil since the revolution of March 1964. Although there has been no outright opposition to Costa's presidential aspirations, the President and some of his military and civilian advisers engaged in passive resistance. Castello hoped that a younger, better educated, less obviously military successor might somehow appear on the scene.

The Now and Future Presidents United

Castello's acquiescence in Costa's ambitions marked the end of a long period of uncertainty that divided the country's two most powerful figures. Costa is no longer knocking on the door; he is inside. Castello has given up any hopes that another candidate will come along, and his advisers have given up hope that Castello might agree to continue in office.

Now that the present and future Presidents are on the same wave-length, the office of the Presidency is stronger than it has been for some time. During the period in which the President was withholding his support from Costa, various military pretenders to regional power were able to nurture their ambitions and plans, sensing that Costa needed their support and hoping that he would, in return, respond to their claims, with the implicit threat that they might support Castello instead. Now that Castello has joined the Costa-for-President camp, Costa's need for the support of individual leaders in the Army has substantially lessened. Denied Costa's encouragement, several of these leaders have seen their political ambitions struck down in the last few weeks, while the unity of the military establishment has been strengthened.

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Muricy, Alves Bastos, and KrueI Thwarted

In the northeastern state of Pernambuco, General Antonio Muricy, commander of the Seventh Military Region, had pressed his campaign for the ARENA gubernatorial nomination so hard that on-the-scene observers believed that he was an almost certain winner. However, when the party directorate was polled on May 15, Muricy finished eighth in a field of nine. Although local issues and maneuvering probably played some part in this result, a significant underlying cause was the Castello-Costa detente, and its consequences for the ambitions of subordinate military commanders. Pernambuco politicians apparently realized that they could choose, within reason, whomever they pleased rather than being obliged to accept a military figure.

General Justino Alves Bastos pursued the ARENA gubernatorial nomination in Rio Grande do Sul where he commanded the Third Army. Denied the nomination by the Government's refusal to alter the two-year domicile requirement, the General in a mid-May speech accused the Government of "dictatorial" tendencies. He was promptly removed from his command by Costa. Alves Bastos had frequently criticized the Government, i. e., Castello Branco, on prior occasions in terms almost as strong, with impunity.

An almost identical situation prevails in Sao Paulo, where Second Army commander Amaury KrueI's gubernatorial ambitions have been frustrated by the domicile requirement. Although vocally bitter about the President in the recent past, he has swung silently into line since Alves Bastos' fall. He knows he continues to hold his command only at the sufferance of the Government.

Adhemar de Barros Powerless

The ouster from office of Sao Paulo Governor Adhemar de Barros on June 6 was instigated by his maneuvers to thwart ARENA's gubernatorial candidate in favor of a candidate to be agreed on between Adhemar and former President Janio Quadros. The dispatch with which the ouster was accomplished, and the total absence of resistance from the state police, nominally under Adhemar's control, was due to the fact that his two main military supporters and occasional co-conspirators, Justino Alves Bastos and Amaury KrueI, rather suddenly found themselves powerless due in great measure to the new unity of Costa and Castello. Alves Bastos, KrueI, and Adhemar de Barros, each a luminary in the Brazilian political constellation, had their lights dimmed by the coalescence at the center.

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Problems Later this Year

We estimate Costa and Castello now to be in an approximately equal power relationship, although Costa will defer to Castello to the maximum extent possible. This duo is not likely to continue harmoniously indefinitely. By the time of the presidential election on October 3, Castello's lame duck character may be painfully apparent, especially since there is an unusually long stretch until Costa's inauguration--March 15, 1967. Important presidential decisions will have to be made before then, particularly with regard to the direct elections for Congress in November, wherein a whopping opposition victory is a definite possibility. But for the time being, the Presidency is strong and can be expected to exercise effective national control.

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