

Pol 13 LACERDA

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BRASILIA, BRAZIL

SUBJECT

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MEMORANDUM OF CONVERSATION

February 8, 1968

Subject: Carlos Lacerda
Place: Mesbla's Restaurant
Participants: Sergio Lacerda, Son of Carlos Lacerda
Frank C. Carlucci, Amembassy, Rio

EMBOFFICE
Brasilia

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Sergio Lacerda is in business with his father and serves as sort of an informal political adviser to him. His views can generally be taken to represent those of Carlos Lacerda.

The Costa e Silva Government

Sergio was marveling at the inability of the Costa e Silva government to maneuver in the political field. He cited the alert during the week end of his father's speech, the handling of the government's plan to declare a number of municipalities as security areas, and Costa e Silva's failure to use Rafael de Almeida Magalhães (who Sergio says will not join the Frente Ampla despite his estrangement from ARENA) as examples of Costa e Silva's political ineptness. He noted, however, that Costa e Silva did have a warm personality and got on better personally with politicians than Castello Branco.

GROUP 3

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Costa e Silva's basic trouble is that his government has no political base, Sergio said. Thus it must resort to nationalistic rallying cries to generate political support. This is essentially what is happening with the Hudson Institute study, the NPT and soluble coffee. Sergio said his father was very impressed with the U.S. position on the NPT and wished to discuss it with us further. On soluble coffee, he thought it disgraceful that the Brazilian government was playing on emotions with an issue which was so vital to the economic interests of Brazil.

According to Sergio, Magalhães Pinto is just "hanging on." "Even his phones are tapped and he knows it." Sergio also commented on Passarinho's tendency to use the Americans as a scapegoat in order to promote his own political position.

The GOB Response to Lacerda

Sergio said that his father anticipated a violent response from the GOB to his activities, but he could not predict to what level this violence would reach. His father was aware of the talk of assassination, but the military had spoken in similar tones when he had attacked Goulart. Such talk was common in Brazil but usually nothing happened. He didn't think anything would happen this time.

Sergio thought a more likely response would be for the GOB to take action against his father under the National Security Law. Of course if it did this, there would be an outcry both here and abroad.

Lacerda's Tactics

In the light of this, I asked Sergio what his father expected to achieve, noting that he now seemed to have the capacity to provoke government action against him. Sergio replied that his father was not inclined to provoke the government into violence. His present tactics were those of a "guerrilla" -- attack in one place, submerge for a while, emerge in a different location and attack again. Sergio said that the stories that the Frente Ampla intended "to go into the streets" were simply press speculation with no foundation. Nor was his father under any pressure from the PTB elements to elaborate publicly on his charges of corruption. Sergio confirmed that his father had Andreazza in mind in charging corruption, and noted that the proof

was "not hard to come by." He said his father had concrete evidence but did not intend to reveal it in the foreseeable future. §/

The Real Goal

I said I assumed that a direct election in 1970 was Lacerda's target. Sergio said that this was only the "ostensible target." His father had now concluded that there was no chance for him to be elected in 1970. Albuquerque Lima, for example, was already setting up his military-political organization in the states. Without going into greater detail about his father's plans, Sergio said that he didn't think the Costa e Silva government would last. It is true that Costa e Silva has military support, but so did Goulart and you could tell in the faces of the people that Goulart would not last out his term. Sergio felt that the same attitude is beginning to prevail today.

Comment ?

§/ Sergio said that he could even give me an example from his own personal experience. He had a friend whose fazenda was being taken over by IBRA. IBRA was offering 280,000 cruzeiros and his friend wanted 300,000 cruzeiros. One night several high ranking military figures appeared at his friend's home and told him he could get 800,000 cruzeiros if he would kick back 500,000 cruzeiros to them. Sergio said such corruption was inevitable when you take the military "out of the barracks and put them into the fields with which they are not familiar."