

MEMORANDUM OF CONVERSATION

SUBJECT

Date: Nov. 7, 1967

SUBJECTS: General Situation; Frente Ampla; Congress and Opposition

PLACE: Okun's Office, AmEmbassy Office Brasilia

PARTICIPANTS: Federal Deputy Joao Herculino (MDB, ex-PTB, Minas Gerais), Deputy Leader of Opposition in Chamber of Deputies

Herbert S. Okun, Political Counselor, Brasilia

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1. **HERCULINO** dropped by to pick up some books (USIS translations) that we had been discussing and that I had recommended to him. Following were the chief items of interest discussed.

2. General State of Affairs. Herculino said that things were going badly in Brazil, and launched into a generalized discussion of this theme that centered on (a) the continued rise in the cost of living; and (b) the failure of wages to keep up with this rise. He noted that, as a former union official, he made it a point to visit industrial workers during his travels and he was continually depressed at the standard of living they had, even though he had grown used to seeing it. He said that he was surprised at the passivity shown by working people in the face of this situation. The unions themselves, according to Herculino, are not of much use at present since they still are fearful of some military reaction if they press working class demands too vigorously. This poor economic situation, Herculino said, would be reflected in the country's politics in the future, beginning, he thought, sometime next year.

3. Frente Ampla. Herculino commented that he had no sympathy with the Frente Ampla movement. He said that the LACERDA-led movement lacks both "ethics and reason" and that GOULART was induced into joining Lacerda only by desperation and a desire somehow to return

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to Brazil. Herculino said that these opposition congressmen who had expressed support for the Frente were doing a great disservice to the opposition cause in general, since by following the Frente they weakened the MDB, which was never too strong to begin with.

4. Congress and the Opposition. Herculino said that Congress was in a low phase, and that there was very little real activity on either side of the aisle. He blamed the President for this, and said that ARENA congressional leaders, since they were often not consulted on matters by the executive, took out their frustrations on the opposition. The result was, he said, that the Chamber was unproductive as an institution. Herculino acknowledged that the MDB opposition in the Chamber was also not very helpful. He said that Deputies Marcio Moreira ALVES and Hermans ALVES spoke for the headlines, and implied he had no use-- for them both. He said that recently he had exchanged words with them-- they had accused him of being too pliant towards the administration and had said that he might just as well be Deputy Leader of ARENA, rather than of the opposition. Herculino said that he had replied he would rather be Deputy Leader of ARENA than of "a mess" (baderna).

5. Herculino's Business Plans. Herculino said that together with other congressmen and businessmen he was founding a brewery in Brasilia. He commented that he thought the brewery would be very successful financially.

Comment

6. The normally volatile Herculino was unusually apathetic in his general manner (as he has been on several other recent occasions) in the above discussion, and this reflects the malaise with which Congress is afflicted at present. His interest in the brewery shows a turning from public to private pursuits, which is also a product of that malaise.

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