

TELEGRAM

INCOMING

AMEMBASSY BRASILIA

Foreign Service of the
United States of America

POL-15

ACTION

CONFIDENTIAL

POL

Classification

CHRON

Control: SAO PAULO 264

RF

Recd: NOV 26, 1968
4:58 PM

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FM AMCONSUL SAO PAULO

TO RUESUA/AMEMBASSY RIO DE JANEIRO 1136

INFO RUESUZ/AMEMBASSY BRASILIA 313

STATE GRNC

BT

C O N F I D E N T I A L SAO PAULO 2648

ACTION COPY

ACTION TAKEN SL

SUBJECT: AIR OF GOB "CRISIS" AND RUMORS OF FORCIBLE CHANGE

AT LUNCH TODAY, WIFE SECRETARY FINANCE CITY GOVERNMENT (QUINTANILHA) SAID A CLOSE FRIEND (AND PRESUMABLY IMPORTANT PERSON) WHO HAD JUST RETURNED FROM RIO HAD INDICATED THERE WAS MUCH GENERAL DISSATISFACTION WITH COSTA E SILVA FOR HIS ALLEGED INABILITY "GOVERN"; SHE HINTED PRESIDENT MIGHT BE FORCED OUT. SHORTLY THEREAFTER, PAULO EDYDIO MARTINS, CASTELO BRANCO'S MINISTER INDUSTRY AND COMMERCE, MENTIONED "WEAKNESS" AND DISORIENTATION PRESENT GOB, LAMENTED ALSO THERE WAS FAIR AMOUNT CORRUPTION, BUT THOUGHT THINGS WOULD HAVE TO BECOME CONSIDERABLY WORSE BEFORE FORCIBLE CHANGE TOOK PLACE. HE EMPHASIZED, HOWEVER, MILITARY WERE FAR FROM HAPPY AND THAT IMPENDING SALARY INCREASE, IF UNACCOMPANIED BY BELT-TIGHTENING (HE SPOKE DISPARAGINGLY THIS CONNECTION NITEROI BRIDGE AND BUDGET DEFICIT), WOULD BE INSUFFICIENT PLACATE THEM.

GP-3

CORRIGAN

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DECLASSIFIED

Authority NNDS3155

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