



EMBASSY OF THE
UNITED STATES OF AMERICA
Rio de Janeiro

January 25, 1969

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OFFICIAL - INFORMAL

Jack B. Kubisch, Esquire
Country Director
ARA/LA/BR
Department of State
Washington, D.C.

Dear Jack:

I thought you would be interested in knowing that I feel that the United States is in a remarkable and unusually happy position with regard to its public image in Brazil as related to the events flowing from the Institutional Act No. 5. Usually when things of this nature happen in Latin America, we are being actively cussed for our participation or non-participation in some aspect of the matter. At this time, there is no body of opinion in Brazil of which I am aware which is upset with the United States because of its actions or lack thereof. There are certainly some Brazilians who would have been happy to see us take a crack at the Brazilian government, and I know there are Americans within our own Embassy who feel that way. To the best of my knowledge, however, none of the traditional critics of the United States are complaining at us because we haven't been more outspoken. They are undoubtedly pleased and presumably satisfied by the fact that we still are known to have the AID program under review. None of our traditional critics other than a few of the most extreme seem to feel we had anything to do with the issuance of IA-5.

In spite of all this quietness on the one side, the Government doesn't seem to be irritated with us either. There is so far a reasonable degree of understanding of

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what we have done and why we had to suspend action on some of the pending business between us.

It would be nice if this situation could continue, and our present reading is that it can do so until after Carnaval. By then the absence of the \$50 million Tranche may be more noticeable and we will begin to feel pressures and complaints from the Government side. On the assumption that we eventually act, we will then have to face the criticisms from the other side for having done so. In the meantime, however, I remain amazed that we seem to have preserved an image of appropriate non-involvement for so long.

Best regards.

Sincerely,



William Belton
Chargé d'Affaires a.i.

P.S. January 27

Frank Carlucci tells me that we are being blamed for Albuquerque Lima's resignation. It was too good to last!



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