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DEPARTMENT OF STATE
ASSISTANT SECRETARY

2694

February 15, 1968

TO: The Secretary

THROUGH: S/S *GWR*

FROM: ARA - Covey T. Oliver *C.T.O.*

SUBJECT: Brazilian Political Scene Displays Danger
Signals - INFORMATION MEMORANDUM

Director	<input checked="" type="checkbox"/>
Dpty. D.	<input checked="" type="checkbox"/>
Ast. D.D.	<input checked="" type="checkbox"/>
Dpty. D.	<input checked="" type="checkbox"/>
Pol. Off.	<input checked="" type="checkbox"/>
Eco. Off.	<input checked="" type="checkbox"/>
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Action	<input checked="" type="checkbox"/>

As the Costa e Silva Government nears its first anniversary in office, it increasingly demonstrates authoritarian tendencies. The honeymoon Costa e Silva enjoyed during his first months in office has ended. Opposition attacks on the Government's lackluster performance, spearheaded by increasingly vituperative and telling thrusts from Carlos Lacerda, now seem to be severely stinging the Brazilian Military.

Although Costa e Silva can have no fear that his opposition has any chance of overturning his Government, his reactions to charges of weak leadership, corruption among some of his ministers, and "military tyranny" may well be to clamp down unwisely on the Congress, the press, or opposition leaders themselves. He is being pressed by key military advisors to act more firmly against Carlos Lacerda and other gadflies in the civilian opposition. We have reports of a generalized unrest among military officers over the performance of the Costa e Silva Administration to date, and some evidence of a

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possible plot among extremist officers to assassinate Lacerda, should he continue his outspoken attacks on the Military as an institution. While we doubt that this will occur, some moves of a more authoritarian nature are distinctly possible in Brazil during coming weeks.

I have been in touch with Ambassador Tuthill about these reports and he is deeply concerned. He fears that the Costa e Silva Administration, which has conspicuously failed to build a credible civilian political base, or to give any real role to its majority supporters in the Congress, will fall back all too readily on military means to deal with its civilian opposition. Should the Brazilian Military allow itself to be so provoked, the Ambassador foresees very serious consequences for U.S.-Brazilian relations in light of the violent press reactions in both Brazil and the U.S. which would occur, and the attitudes of key U.S. congressional leaders toward "military governments" in Latin America.

Ironically, our bilateral relationship with Brazil has developed more favorably in recent weeks. The soluble coffee issue seems to be headed toward a satisfactory outcome; the climate for negotiating additional economic assistance this year is favorable; and the Brazilian Foreign Minister, Jose de Magalhães Pinto, has recently been making obvious efforts to improve his relations with the U.S., probably reflecting his hope to build U.S. support for him as a successor to Costa e Silva. It is, therefore, possible that the next few months could see contradictory trends in the political and diplomatic scenes.

Although there are no immediate actions required, I thought you should be apprised of this new set of concerns.

Concurrence:

ARA-LA/BR - Mr. Kubisch (draft) ^{Sub}

ARA-LA/BR:SWLewis:ds, Ext. 5159, 2/14/68 ^{Sub}

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