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DEPARTMENT OF STATE

SUBJECT

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AMERICAN EMBASSY - RIO DE JANEIRO

July 21, 1967

BRAZIL'S NUCLEAR POLICY

RIO'S 560 of July 20, 1967

1. Attached are translations of columns written by Jornal do Brasil pundit Carloz Castello Branco on the role of Nuclear Energy in Brazil's new economic development policy.

2. It is understood that Castello Branco received the inspiration for his statements on this subject from high officials in the Brazilian Government. The Embassy's evaluation of the contents of the articles is contained in the referenced telegram.

EMBOFFICE
Brasilia

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TUHILL ✓

Enclosure:

As stated.

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Hm
POL - Harold M. Midkiff

DCM - Philip Raine ✓

ACTION TAKEN

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Rio de Janeiro

Carlos Castello Branco - Jornal do Brasil - Saturday - July 15, 1967

THE ATOM AS A BASIS FOR DEVELOPMENT

In declaring that the struggle for development is a struggle of the country and not merely of the government, and by calling for opposition collaboration in this effort, President Costa e Silva has struck the keynote of his line of action and has shed light on the Basic Plan which was approved yesterday. The attack on inflation and the measures being used to update economic and financial policies of the previous government are now regarded as short term rather than long term means of reaching the immediate objectives of the government. There is a single goal and everything is subordinate to it, including financial recuperation. The tactics for this recuperation may become malleable, subject to the demands imposed by the promotion of economic development.

Within the developmental doctrine, again set forth as the immediate and priority objective, the most salient aspect in the governmental area is technological progress and the entry of the country into the nuclear era. In view of this, the principle task during the current phase of the problem falls upon the Minister of Foreign Affairs because he has to assume the role of affirming the right of Brazil to conduct atomic explosions for peaceful purposes.

Minister Magalhaes Pinto has launched advanced positions which are doctrinally defended by the President of the Republic who, however, is moderate and prudent about things that pertain to the complex of practical measures related to the subject. The Minister -- who initially had difficulties in the military area which, still under the spell of the Castello Branco Government, quarantined his populist itchings -- appears convinced that the opinion of the Armed Forces in this area has evolved toward an effective nationalistic conviction, all the more so because, on this subject, the Brazilian Government does not confront American interests only, but rather the combined interests of the great powers, including the Soviet Union. The campaign for the Atom would not therefore be a communitistic campaign, but one with a typically nationalistic stamp.

The Foreign Office is inclined to believe that as Brazil's hopes coincide with those of numerous other nations, the battle at the international level will be won with relative ease. The problem, however,

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moves to the domestic scene where currents of opinion, hostile to the demands made by the new administration of the country are forming. It is up to President Costa e Silva personally to command the struggle for the creation of public opinion favorable to the thesis launched by the government. Internal success should precede more affirmative action abroad in order to eliminate political inconveniences.

The Marshal-President, inclined by temperament or tactics to let problems ripen and allow decisions to stem naturally from resulting situations, is still studying suggestions made in regard to unleashing an offensive of this type. While doctrinally committed to the campaign of the atom, the truth is he has allowed it to develop, for the time being, in the scientific and diplomatic sectors without committing to the battle the bulk of the troops and the command itself.

The Change in Foreign Policy

The atom has become the battlehorse for the change in orientation of the Ministry of Foreign Affairs under the stamp of the Costa e Silva Government. As a matter of fact, this change is widespread and generalized and reflects a change in the central doctrine of the Government stemming from the Superior War College, embracing military opinion and reconciling it with what is considered to be dominant note of civil opinion. To the extent that economic development involves a curtailment of the policy of financial order visualized by the International Monetary Fund, it is the practical translation of the new philosophy of the Government.

Externally, the new nationalistic tack implies that the "automatic positions" of Brazil along side the United States have been transformed into "coincidental positions". The Brazilian Government does not feel obliged to give automatic cover to the North American positions, reserving for itself the right to examine the facts in order to make decisions in the light of national interest and not in the solar light of western alliance interests.

Internally, the preachers of nationalism, including the hard-line military, believe that the measures foreseen are: still very timid, show fear of trying new courses, and are restrained by the aggressive dialectic of Mr. Roberto Campos. It would be desirable, they say, to challenge certain tabus of the struggle against inflation; increase salaries and raise the pay of public servants in order to strengthen the domestic market -- an essential condition for an effective surge of progress.

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Although, having the correct doctrine, which is development, the Government would show hesitation or lack of judgment by its attachment to techniques which are not compatible with this objective.

Under the caption "The Atom", Carlos Castello Branco said in his column of July 18, 1967:

Mr. Magalhães Pinto and his immediate advisors in the Ministry of Foreign Affairs appear to be convinced that in defense of the atom they are going to engage in a battle on the level of the petroleum campaign. They are sure that despite the lack of communist leftist interest, public opinion will be mobilized on the same scale to establish a nationalist nuclear policy.

It is alleged by those around the Foreign Ministry that Brazil's position is identical, at the international level, with that of India, Germany, Egypt and other countries capable of exerting influence. They say that even though a nuclear explosion is identified with the ability to manufacture war devices, this should not stand in the way of the position they seek for our country, a signatory of the non-proliferation of atomic armaments pact. The pacifistic characteristic of our country and the tradition of its governments to work systematically for peace would be sufficient guaranty of our future conduct. At a time when the Red Guard of China has an atomic arsenal, no risk can be seen in the possibility of Brazil's attaining the technical means of entering the atomic club.

The Seaborg trip to Latin America is regarded by the Foreign Office and by the nationalists as a mission specifically aimed at Brazil and Argentina, the only nations in the Southern Hemisphere capable of attaining the technical conditions to enter into nuclear era.

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