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MEMORANDUM

AMERICAN EMBASSY
BRASILIA, BRAZIL

April 1, 1968

To: Minister Van Dyke
Mr. Kleine
Mr. Kaufmann
Mr. Harrison
Mr. Heller
Colonel Hunt
Dr. Avery
Mr. Hilliker
Colonel Moura

Mr. Gahagen
Mr. Okun
Mr. Evans
Mr. Remy
Mr. Baker
Mr. Syvrud
Mr. Haendler
Mr. Brown (PSO)
Mr. Kubisch

ACTION COPY

ACTION TAKEN.....

From: Frank C. Carlucci

Subject: CASP: Part II - Political and Security

Attached is a third draft of Part II - Political and Security

EO50X1

Attachment:
Draft of Section II -
Political and Security

Declassified
Authority: 43265 By:
Amanda Weiner Date:
05-13-2015

EMBOFFICE
Brasilia

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PSO	
IRI	
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CF	

ACTION TAKEN

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3rd draft
4/1/68
EKEC:FCCarlucci
MILGP:WFRenny
POL:RShields
POL/R:CLVenable

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PART II - POLITICAL AND SECURITY

If Brazil were to enter into a period of serious unrest, or were to fall under the domination of elements hostile to the United States, the security of the western hemisphere would be jeopardized.

The greatest threat over the short run comes not from the likely strength of subversive elements, but the fragility of Brazil's political structure and the slowness of economic and social change. The Costa e Silva government continues to enjoy broad general military, political and business support. As long as it has this support the government will remain relatively stable, but since signs of dissatisfaction are mounting, potentially serious problems could develop.

The President has tended to rely mainly on military support, the "national security concept" and his strong constitutional powers. This in turn has alienated him from the politicians, including many in ARENA. Although his legislative initiatives have been strictly in accordance

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with the Constitution. He has seldom consulted his congressional supporters in advance or given them the tools they need to maintain their own support in their home states. He has also frequently resorted to the use of decree laws and exercised on bills of questionable urgency his right to establish time limits. The Congress recently made its dissatisfaction known by overriding by 263 to 69 the President's item vetoes on the multiannual budget, an unprecedented reversal during the first year in office of any recent Brazilian President. Belatedly, Costa e Silva is now showing some signs of recognizing his political weaknesses.

Although the Costa e Silva government has so far steadfastly maintained the previous government's development and stabilization program and has gained support in the private industrial and agricultural sectors by bringing the economy out of the recession it inherited, the President has not created an image of dynamic personal leadership. His gradualist, step by step, almost grandfatherly approach has failed to stir the country's imagination. The government seems well coordinated in certain sectors and poorly coordinated in others. His communication with labor and student

elements has been poor and his tight wage policies, primarily justified on the basis of financial stabilization,^{1/} have led to rising labor discontent. Relations with liberal Church elements pushing for greater social reform and more equitable income distribution have become strained, partly due to differences in philosophy and partly to the involvement of some prelates with avowedly subversive student groups. Student agitation has increased.

The strongly pro-American posture of the Brazilian government in the Castello Branco term can now be seen as an aberration in the secular trend over the period from 1945 to the present, a trend of increasingly assertive nationalist administrations. Anti-American students, the anti-American segment of the press, and anti-American politicians of various stripes are giving free vent to their feelings without the energetic

^{1/} The Labor Attaché would stress here the decline in real wages, but the Economic Section believes insufficient evidence exists to mention a decline.

The Ambassador's position is stated in A-

response they received under the previous government. While it generally cooperates with us in the foreign policy field, the present GOB has stressed its "independence."

Among the Brazilian rank and file, the traditional reservoir of good will for the United States probably continues to predominate, but the increasing volume of anti-American diatribes may well reflect a growing animosity and disillusionment with the United States among better educated Brazilians. Feeding this growth have been several issues during the year: the squabble over soluble coffee, the sharp differences over a non-proliferation treaty, the alleged plan of the U.S. to take over the Amazon under the Hudson Institute plan, the alleged participation by Americans in widespread birth control programs in Brazil, the charge that USAID is out to dominate the educational system and thereby brainwash the next generation, etc.

The relative isolation of Costa e Silva from civilian political forces has created a vacuum into which Brazil's charismatic and peripatetic agitator, Carlos Lacerda, has moved with considerable skill and publicity but as yet only limited organizational success. His attacks on the regime, particularly

its military aspects, have stung and irritated the armed forces, but have helped to activate latent military dissatisfaction with the administration's lack of dynamism. They have also irritated the volatile Costa e Silva, and a few more such attacks could push him to the point of taking direct action against Lacerda.

The Brazilian military is unified in its military functions but is not and never has been united on political matters. It is a middle-class institution which responds to societal pressures. Growing discontent among Church figures, workers, students and politicians could dangerously widen existing military fissures. To a degree this has already happened (Section I).

Costa e Silva, in our judgment, will only tolerate pressures to a certain point and may well over-react to their further buildup by seeking to relieve them through arbitrary measures. This in turn could lead to greater dissension within the military, not all of whom would agree with a move toward greater authoritarianism, particularly if it were not

accompanied by tangible demonstrations of what they ^{would} consider a more dynamic approach to Brazil's development. Aside from political considerations, the armed forces might become a source of instability within the time frame envisaged by this CASP through such other detonators as concern over the military image resulting from such factors as governmental corruption, military salaries, equipment frustrations, election procedures, Lacerda, etc.

While the renowned Brazilian power of accommodation might produce a felicitous outcome after a brief period of political turbulence, the possibility of such turbulence represents the greatest present risk to Brazil's security. We see little chance of successful guerrilla movements in a country whose people tend to avoid dramatic and violent solutions and whose armed forces are professionally oriented toward dealing with this threat. Political unrest would, however, enable communist and other radical forces to operate more effectively.

The March 31st movement immobilized leftist leaders so thoroughly that a major resurgence of leftist extremism is unlikely over the short period.

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Communist efforts will continue to be aimed at control of student and labor groups, infiltration of key government areas and the mass media, undermining the government's prestige and spreading communist influence through diplomatic, trade and cultural missions. Since several attempts at rural guerrilla activity last year ended in almost total failure, a shift to urban terrorist activities, which are more difficult for the security forces to handle, is likely.

The pro-Moscow Brazilian Communist Party (PCB) is the largest of the communist groups in Brazil with a membership between 13,000 and 15,000. The Party recently expelled dissident pro-revolutionary elements and appears to have achieved at least temporary unity in support of a non-violent line.

Several smaller groups advocate violent tactics. Perhaps the strongest inside Brazil is led by Carlos Marighella who, with a number of his adherents, was expelled from the PCB during 1967 and is reportedly receiving money from Cuba. The pro-Chinese Communist Party of Brazil (CPB) was reportedly weakened during late 1966-67 both by arrests among its

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leaders and a schism within its upper echelon. The Popular Action (AP) youth group, although of limited strength, has a hard core of extremely capable, intelligent leaders and has shown itself able to promote and direct agitation in the student field. Outside Brazil, Leonel Brizola heads the largest violent action movement. Recent reports indicate efforts are being made to establish anti-GOB guerrilla training camps in Uruguay. There is a strong indication that the pro-Cuban MRO (Uruguayan) group is connected with these efforts; however, there is no clear indication of a connection with Brizola or Marighella. The Marighella, Brizola and CPB groups in total have probably infiltrated about 100 guerrillas each into Brazil.

Miguel Arraes, ex-governor of Pernambuco, continues to plot against the Brazilian government from exile in Algeria and is considered a top potential leader of the extreme left should conditions for a leftist comeback become propitious within Brazil.

While Brazil's security forces are hampered by obsolete equipment and lack of resources to meet modernization needs, they are competent to deal with currently foreseen threats. It is conceivable, however, that

well-organized, simultaneous and widespread insurgency efforts in outlying regions could overstrain the security forces in view of limitations imposed by lack of mobility and communications.

The MAP-supported airborne and infantry brigades constitute Brazil's principal ready security forces. They are well-staffed, trained in counter-insurgency, riot control and counter guerrilla operations, and can be air-lifted to any part of the country. All other Army units have internal security missions but are hampered by inadequate communications, insufficient mobility, a logistical system inadequate to support modern forces, and the still unfulfilled need to reorganize and redistribute current forces. Ongoing MAP training and FMS programs are directed against these weaknesses.

The Navy has a limited capability to accomplish its internal security mission. The number of effective destroyers, minesweepers and patrol and landing craft is not sufficient to conduct surveillance operations over the 4,600 miles of Brazilian coastline. However, the Brazilian Navy's own efforts and MAP credit and technical advisory assistance will significantly improve its capabilities for in-country construction programs currently

underway to provide vessels for intercepting clandestine traffic and landing troops and equipment along the coastline and river estuaries of Brazil.

The principal contribution of the BAF to internal security is tactical air support and airlift. Four C-130 aircraft acquired with MA credit plus an additional five C-130 aircraft purchased commercially provide limited airlift, with backup provided by C-119, C-54 and C-47 type aircraft. Training type T-33 and T-6 aircraft provide limited tactical close support. Six UH1D helicopters, plus two which are to be provided by MAP, will increase mobility for ground security forces. Procurement of close support fighter aircraft and COIN aircraft is planned when resources are available. The Air Force maintains counterinsurgency flights on ready alert, with their ground support activities closely coordinated by the Air Force and Army Zone Commanders. Principal weaknesses are obsolescence of a major part of the aircraft inventory, poor communications, and inadequate organizational and command structure.

With the exception of some of the least populated and more vulnerable

areas, the state security forces -- the first line of defense against insurgency -- have the capability to perform their missions. They can be federalized in an emergency. Further training is required in all aspects of police work, particularly civil disturbances and crowd control techniques to cope with inevitable student demonstrations, as well as in proper reaction to urban guerrilla or terrorist activities. Shortages of transportation and communications equipment exist in nearly all states. The Public Safety Program has provided technical and commodity assistance to 15 states, but delays in U.S. dollar funding and local Brazilian cruzeiro support have contributed to the probable extension of project implementation time schedules.

Under current local conditions it is not feasible to prepare and implement an integrated MAP/AID Public Safety Program. However, U.S. Military and U.S. Public Safety representatives closely coordinate their plans and activities.

The Brazilian security forces' alertness to the various types and degrees of threats which might affect the internal security of the country

represents a major strength. The armed forces, particularly the Army, are effective in combination civic action/intelligence type operations in the outlying areas. This makes it difficult for subversive groups to gain necessary logistic or ideological support and greatly increases the probability of detection of subversive and/or guerrilla activities.

With the possible exception of the Navy, the manpower and resources of the security forces could be better utilized. Progress is being made in reorganization and redeployment of personnel and units, and in revision of logistic and management practices. Defense management studies and a very effective MAP-sponsored seminar at the University of Pittsburgh have made significant changes in military budgeting methods. Public Safety programs have done much to improve para-military and civil police systems, but more attention is necessary to the effective use of men and the acquisition of modern police equipment.

Intelligence techniques and operations are fairly effective but are hampered by lack of continuity between succeeding regimes and by poor coordination between agencies. All three armed forces show growing

interest in this field, and the Army is establishing a new intelligence center and training facility.

The armed forces strength is approximately 220,000, of which nearly 100,000 are conscriptees. We consider this to be appropriate in light of Brazil's size and the very considerable civic benefits derived from armed forces activities. The cost of maintaining this force amounts to approximately ten percent of total governmental expenditures.

The strength of the para-military and civil police forces is approximately 209,000, ranging from 67,000 in São Paulo state to 850 in the state of Mato Grosso. The cost of these forces is estimated to be an average of seven percent of the budgets of the individual states. This figure also appears appropriate in the light of security needs.

During the decade prior to 1964, the security forces of Brazil acquired few or no major items of equipment for internal security or other purposes, aside from those furnished by MAP and AID public safety. Since 1964 armed forces acquisition of end items through FMS and commercial sources have largely been in the field of transportation and training aircraft,

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communications equipment and small arms. Obligations in 1967 are estimated to have been \$31.2 million, which constituted two percent of Brazil's export earnings. We do not expect any upward trend in military expenditures; on the contrary, the present GOB budget projection will probably mean a reduction in the acquisition of military equipment.

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