## INCOMING TELEGRAM Department of State POL 14 BRAZ

Action

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USIA DATE: October 24, noon

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RMR

Reference: Our telegram 56 repeated Rio de Janeiro 57, Sao Paulo 1.

- 1. In his bid for UDN PRES candidacy at forthcoming party convention, Carlos Lacerda is playing on fears currently permeating certain segments of Brazilian civilian sector. These have mounted in the past week among elements of congress. The PSD in particular tends to interpret charges of corruption raised (without published evidence as yet) against eminent PSD members Ranieri Mazzilli and Moura Andrade, Presidents of the Chamber and Senate respectively, as efforts undermine authority of Congress. Congressmen from Piaui, Maranhao, Amazonas and Rio are concerned about requests to try state deputies or mayors in their home states. Recent charges against state deputies in Ceara and new flurry of rumors concerning involvement in subversive activities of PSD Governor Mouro Borges of Goias have also added to climate of concern. Many congressmen fear that gubernatorial elections scheduled in 11 states for October 1965 will not take place, raising question on probability FRES elections in 1966.
- 2. Lacerda may share these qualms but is also taking profit from them in pushing his candidacy at this time on grounds it will assure that elections take place. Lacerda lieutenant and UDN leader in chamber, Ernani Satiro, told EMBOFFS that most important factor in current Brazilian political life is that Castello Branco government has not yet chosen its candidate for PRES. He implied that UDN strategy in declaring Lacerda candidacy now is attempt to close the door on government search

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for candidate other than Lacerda.

- 3. Congressional spokesmen for Gastello Branco government in their turn are engaged in effort to calm fears, declaring that all is rapidly returning to normal and that democratic processes are guaranteed. They are accelerating drafting of new electoral law establishing rules on game which they intend discuss widely with political parties before presentation to congress for vote before and present session. They evidently believe this discussion and passage new electoral law will guarantee orderly electoral processes and dispel current fears. Government also engaged effort explain routine necessary nature completion inquiries into corruption and subversion which they emphasize involve individuals and represent no threat to Brazilian legislative and judicial institutions. In note to press today PRES Castello Branco gave assurance that results of investigations would be turned over to courts for processing.
- 4. Comment: The military investigations in various states, aimed frequently at political figures, have created uneasiness in congress about "military presence" in Castello Branco's administration and have led to questioning about future of "civilian institutions." Most congressmen recognize, however, essentially civilian nature Castello Branco government and, although quick to protest excesses of military investigations, also ready to support PRES as main defense against military "hard line".

GP-3.

**DEAN** 

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