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HANDLING INDICATOR

TO : Dept of State

INFO: RIO DE JANEIRO, BRASILIA

FROM : Amconsul São Paulo

DATE: October 13, 1969

SUBJECT : General Albuquerque Lima.

REF : Attached Embassy Rio Comment and Memorandum of Conversation

SUMMARY.

During a conversation with Dr. Antonio Faustino PORTO SOBRINHO, a close advisor to General Affonso Albuquerque Lima, the Congen's local political assistant was told that Albuquerque Lima wanted to talk with an Embassy officer. Porto Sobrinho also said that the General was not anti-American; he was a nationalist in the positive rather than negative sense. He had accepted the High Command's decision to name General Emilio Garrastazu MEDICI as President-Designate. Albuquerque was aware of the business community's opposition to his candidacy. Brazil's problems had become aggravated because the Revolution of 1964 had lost its thrust. He had not opposed the release of prisoners to secure Ambassador Elbrick's release. It is clear from the circumstances surrounding the selection of a successor to President COSTA e SILVA, and from reports that the Congen received from a number of sources, that Albuquerque Lima did not recede into obscurity after he resigned from the Ministry of Interior earlier this year. Instead he expanded his influence among the lower-level officers and in many civilian circles where he became a symbol of the opposition.

1. Introduction. A Congen local employee, Manoel BEZERRA, who was visiting Rio de Janeiro on Friday, October 3, on private business was sought out by Dr. Antonio Faustino Porto Sobrinho, a close advisor to General Affonso Albuquerque Lima. The latter had instructed Porto Sobrinho to make the contact and try to arrange a meeting with a civilian Embassy official who was prepared to discuss, frankly and in depth, Brazil's current situation and United States policy toward Brazil.

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Drafted by: POL:JDBlackenbajg 10-10-69

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Clearances:

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Porto Sobrinho said that the General would have preferred a meeting with Ambassador Elbrick, but the General realized that this was impossible under the present circumstances. Initially, Porto Sobrinho wanted the meeting to take place on that evening; however, after a visit to the Embassy and a talk with Mr. William Walker of the Political Section, Mr. Bezerra returned to Porto Sobrinho and told him that a meeting on that day was impossible because all officers of the Embassy were occupied with the visit of the U.S. astronauts. Porto Sobrinho then requested that Bezerra attempt to arrange a meeting during the following week and inform him of the name of the Embassy officer who would meet with him. Sobrinho mentioned that Albuquerque Lima had recently talked with an AID official, but he now wanted to talk with an official of the Embassy proper who could discuss politics. A summary of what Porto Sobrinho described as Albuquerque Lima's attitudes and opinions on presidential succession, Brazil's problems, military attitudes, nationalism and Ambassador Elbrick follows:

2. Presidential Succession and Sources of Albuquerque Lima's Support. General Emilio Garrastazu Medici had been chosen by the Army's High Command despite strong opposition in the Army Troop Commands, the Air Force, and in the Navy. In the Army, the lower-level officers were solidly behind Albuquerque Lima; in the Air Force the support, while not total, came from all levels. In the Navy on the other hand, the older and more senior officers were supporting Albuquerque Lima, but the lower-level officers opposed him.
3. Albuquerque Lima had accepted the High Command's decision to make General Medici president. Albuquerque hoped that "God would illuminate Medici's vision and enable him to return to democracy and to reopen communication with the people." (According to Bezerra, Sobrinho's attitude implied that Albuquerque Lima's group was confident Medici would fail).
4. Business Opposition to Albuquerque Lima. The General was aware that Brazilian industrialists had exerted pressure against his candidacy for President. He "supposed" that American industrialists and businessmen supported the action of their Brazilian counterparts.
5. Brazil's Problems. Because of a lack of leadership in solving Brazil's problems, growing corruption, and a complete break in communications between the GOB and the people, the President Costa e Silva administration had become unpopular and isolated. The Revolution of 1964 had become

bogged down. The GOB's economic policy had placed the burden in the fight against inflation on the workers and salaried employees, whereas the wealthy classes were getting richer. The land reform decree of the past year was demagoguery. No constructive plans had been made for carrying out land reforms. Cooperation of the land-owners was necessary for the success of any land reform.

6. Nationalism. The General's nationalism was of the positive kind that every Brazilian should have. It was not narrow-gauged, aimed at excluding foreign capital or influence, but was much more positive. It was necessary to give Brazil a sense of national pride and unity in order to overcome the great problems facing the country. He did not agree with the kind of revolution which was being carried out in Peru.

7. Army Opinion Remained Conservative. No Government of Brazil with its base solely in the Army could carry out far-reaching reforms in the social and political fields. Despite the dissatisfaction among the lower and middle-level Army officers concerning economic and social conditions in Brazil, there was no agreement concerning how to solve these problems; also, a majority of older officers were conservative and would not favor rapid change.

8. Attitude Toward U. S. Albuquerque Lima's views concerning the United States were being misrepresented by his enemies who wanted to turn the United States against him. He was not opposed to foreign investment that contributed to Brazilian development.

9. Ambassador Elbrick. According to Porto Sobrinho, the Ambassador's security guard presently included a number of agents from the extreme hard-line Air Force and Navy, whose task was to observe and report the Ambassador's movements to their superiors. The same Air Force and Navy officials who had opposed the exchange of the prisoners for the Ambassador were now creating pressure to have the GOB declare Elbrick "persona non grata." Albuquerque Lima, contrary to the reports which had circulated, had not opposed the prisoner exchange and he favored the Ambassador's continuance in Brazil.

10. Comment: We note that Albuquerque Lima's views as described by Porto Sobrinho differ considerably from the attitudes concerning the U. S. and Ambassador Elbrick's kidnapping attributed to him by other high-level Army officers. They do, however, appear to tally with the description of him contained in the Biographic Handbook (May 1967) which described him as "friendly toward the United States"

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Officers of the Consulate General have heard numerous reports about Albuquerque Lima's alleged anti-Americanism but these reports may well be exaggerated. The late ex-Mayor of São Paulo, Brigadiero FARIA LIMA, once told the Consul General that, although Albuquerque Lima was a nationalist, he was not a "nasserist." His present initiative in communicating with the Embassy is undoubtedly an attempt by him to improve his image with U. S. officials.

11. Albuquerque Lima has undoubtedly lost a round in his battle to become President. It may be too early, however, to count him out of the fight, unless the GOB takes definite action to destroy or neutralize him politically. We recall that, after his resignation as Minister of Interior early this year, it was widely believed that he was politically dead because he had no troop command, was only a three-star general, and his prestige among his colleagues had plummeted. Despite these predictions Albuquerque Lima's residual strength appeared to be sufficient to cause considerable difficulties for those members of the top command who recently selected a new President. Many in São Paulo believe that Albuquerque Lima's support among officers in this area grew rather than decreased during the past nine months and that he has gained a measure of support in the lower-middle class and in circles opposed to the GOB. The reasons for this development are varied. First, those people who were dissatisfied, for whatever reason, with the GOB policies sought someone to rally around. Secondly, an image of the General as a nationalist has been cast by his friends and enemies alike. Thirdly, the leftists began spreading favorable propaganda concerning Albuquerque Lima. The net effect of all this is that Albuquerque Lima, during the period since he left the Ministry of Interior, has expanded his base of political support and is today not simply a dissident hard-line Army officer but a symbol of opposition to the government. He has gathered support from those who favored the Revolution of 1964 but believe it has failed, as well as from people who were simply opposed to the GOB under President Costa e Silva and the military triumvirate that succeeded him.

12. If General Medici is able to implement meaningful reforms, reduce the level of dissatisfaction existing in the country, and broaden the base of support for the GOB, then the threat posed by Albuquerque Lima will probably recede. But if tensions remain and real improvement and progress are not effected, Albuquerque Lima could become a rallying point of forces seeking a change of direction. Or, if he were to fall into eclipse, some other ambitious General could emerge to challenge the Medici government.

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Embassy Rio Comment:

The question of Embassy contact with Gen. Albuquerque Lima as seen from Rio is treated in the following memorandum of conversation. For the past month, the Embassy has been in contact with the General through his brother-in-law, Jose Candido Moreira de Sousa, with whom a number of USAID and Embassy personnel became acquainted during his tenure as Director of SERFHAU (the Urban Planning Unit within the Ministry of Interior).

The Embassy is unaware that any AID official has recently met with Albuquerque Lima, per paragraph 1 of São Paulo's airgram. When Political Officer Walker received the feeler from Porto Sobrinho, it was developed that Porto Sobrinho already realized that a contact that very day was highly improbable. Walker and Bezerra agreed to resume contact a few days later. However, Bezerra had conveyed a certain sense of urgency for contact on the part of Albuquerque Lima. After internal discussion the Embassy decided to make a low-level contact through an existing channel, Albuquerque's brother-in-law, in Rio. That approach was chosen because Bezerra's Rio residence was unknown and no recently used channel to Porto Sobrinho existed. (See enclosed memcon.) Such contact was made the following day, and no indication of immediate desire for contact was discovered.

The Embassy agrees that throughout this year Albuquerque Lima has grown into a leading symbol of opposition to the GOB and to its dominant ethic. Our soundings indicate a high level of enthusiasm for Albuquerque Lima among followers of ex-Governor Carlos Lacerda. Those who openly identify with him include a broad range of civilians in small business and the professional fields. Even some student oppositionists look upon him as the best alternative. However, at this transition point we are unable to quantify the extent of his support, or to offer judgments about its intensity and durability. Our reading of the General's attitude toward the kidnapping of Ambassador Elbrick, based upon statements by Moreira de Sousa, differs considerably from that presented in São Paulo by Porto Sobrinho. On several occasions, Moreira de Sousa has strongly implied that his views on this question were identical with those of the General, namely, that submission to the kidnapers' demands was an act of weakness. The USG would never have done the same for a Brazilian Ambassador, and Ambassador Elbrick will always be remembered as "the man who humiliated us." It is possible, of course, that Moreira de Sousa could very well distort the General's thinking to conform with his own prejudices.

Another apparent point of divergence between Albuquerque Lima's views as presented by Porto Sobrinho and as presented by his brother-in-law is the matter of business opposition to Albuquerque Lima. In paragraph 4 of São Paulo's airgram, Porto Sobrinho places blame for business opposition principally on Brazilian industrialists. Moreira de Sousa emphatically

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holds responsible for Albuquerque Lima's inability to become President now the opposition of the American business community. To the limited extent that the latter source was willing to concede that much of the native Brazilian business community had also opposed Gen. Affonso, he insisted that this was ancillary to the conscious decision of an informal council of big American investors to use every means to oppose the General.

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October 20, 1969

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MEMORANDUM OF CONVERSATION

October 6, 1969

PARTICIPANTS: Jose Candido Moreira de Sousa (Albuquerque Lima's brother-in-law)
Richard E. Johnson, Political Counselor, American Embassy, Rio de Janeiro
Richard E. Schwartz, Political Officer, American Embassy, Rio de Janeiro

PLACE: Jose Candido's apartment in Rio de Janeiro

SUBJECTS: (1) Albuquerque Lima's Position
(2) Contact between Albuquerque Lima and American Embassy

REF: Rio's 8164

This conversation was arranged after Jose Candido requested a meeting with the Embassy's new Political Counselor. While he had previously expressed interest in such a meeting without setting a definite date, over the weekend of October 4-5 it became apparent that an early meeting was needed in order to abate growing uncertainty about Albuquerque Lima's intentions and desires in regard to contact with the Embassy. Such uncertainty was generated by a visit which Sao Paulo's local political assistant paid to the Embassy's political section on October 3 (see Sao Paulo's A-218).

The conversation was very cordial in tone and lasted nearly two hours. Jose Candido explained that the visit by the São Paulo local employee had been made at the behest of Dr. Antonio Porto Sobrinho, although he, too, had been in touch with the person from São Paulo. Any impression which may have been conveyed that Gen. Affonso sensed any urgency for high-level Embassy contact was incorrect, according to Jose Candido. He attributed such a misimpression either to misunderstanding on the part of the São Paulo employee or to overanxiety on the part of Porto Sobrinho.

Jose Candido asserted that, while Porto Sobrinho was the General's right-hand man during his incumbency as Interior Minister, Porto Sobrinho is no longer so close to the General as is Jose Candido. Jose Candido made it clear that he wants to be the channel for any communications between Albuquerque Lima and the Embassy, claiming

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that he sees Albuquerque daily. That very evening he would double-check with the General to determine if he did wish to enter into contact with the Embassy immediately. In response to all these feelers, Mr. Johnson carefully explained that he was, of course, willing to meet with the General at an appropriate time, and to listen to his views as we do to those of others, but that we were not seeking such contact.

Jose Candido reiterated that we could count on him to reliably convey ideas to and from Albuquerque and implied that there was no need for us to have contacts with Porto Sobrinho. Mr. Schwartz stated that we wished to explain the circumstances to Porto Sobrinho so that he would not feel that his initiative had been rebuffed. (Comment: The Embassy intends to arrange a casual contact with Porto Sobrinho and hopefully to verify at that time whether, in fact, Jose Candido's thinking is a faithful reflection of Albuquerque's.)

Most of the conversation was devoted to a rather intensive pitch by Jose Candido in which he attempted to rebuff widely circulated charges that Albuquerque Lima is anti-capitalist and/or anti-American.

Jose Candido read from a 16-page summary of Albuquerque's thinking on a wide variety of issues. He said that document is a resume of 32 volumes of policy studies and recommendations which were compiled by a task force of experts during an 18-month period between early 1968 and August of this year. Mr. Johnson asked whether Carlos Lacerda had seen the document. (Many rumors have circulated about an Albuquerque-Lacerda alliance.) Jose Candido replied that Lacerda had not, that Lacerda was of no interest to the Affonso camp, and that he personally had not seen Lacerda in over a year.

According to Jose Candido, those studies were intended for use in the General's presidential campaign in late 1970. He frankly admitted that Affonso's team had been caught by surprise with the illness of Costa e Silva and that they had not been fully prepared to do battle during the September-October presidential competition. (Comment: The Embassy has received a report that some of the advisers who were part of Albuquerque Lima's task force--reputedly civilians affiliated with the SNI--also played a role in the drafting of General Medici's October 7 speech which has attracted widespread acclaim for its reformist sentiments.)

The document, which he said had been privately circulated in both military and civilian circles, refers to capitalism as the "mainspring of development." It specifically states that foreign investment is necessary for Brazil's development but attaches a number of reservations about foreign business' duty to accept all the obligations and responsibilities of domestic investors. The document emphatically states that the very highest priority must be given to education. It

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calls for a reopening and reconstruction of civilian political life and institutions, including political parties. However, it hedges a bit on the question of reopening Congress. Jose Candido at several points referred to a recent interview in "Veja" magazine as an essentially accurate synthesis of Albuquerque's thinking (see Rio A-612).

Jose Candido emphatically denied that either he or Affonso are in any way anti-American. He cited his long-standing personal affection and cultural orientation for the U.S. and referred to exchange and study visits by himself and members of his family to the U.S. However, he also complained bitterly about the alleged intervention of American businessmen against Gen. Affonso in the recent presidential maneuvering. He put forth the proposition that in the absence of any countervailing moves by the Embassy, the actions of American businessmen were being construed as representative of U.S. Government thinking. He clumsily tried to give a friendly warning that the actions of such men were embittering many younger Army officers. According to Jose Candido, while he and the General had attempted to dispel such ideas, the hard fact is that the U.S. Government may, within a few years, be faced with a highly unfriendly Brazilian Army, an altogether new phenomenon.

Jose Candido attempted to avoid specific discussion about Gen. Affonso's chances for the Presidency or his future role in a Medici government. He was unwilling to admit that the Armed Forces High Command had that day finally designated Gen. Medici as the new President. When he finally faced the issue, he expressed confidence that Medici would prove unable to govern effectively and would not last more than a short period as President. He was unwilling to offer any specific estimates as to exactly how soon Medici might fall, but alluded to the high level of discontent prevailing within the officer corps over the selection of Medici.

He candidly admitted that the young officers are not especially attracted to Albuquerque Lima per se, but are highly motivated by the programs he espouses and were deeply impressed with his performance as Interior Minister. Jose Candido claimed that when General Sarmento had conducted his soundings about presidential preferences, all the way down through the officer corps in the First Army, 90 per cent preferred Affonso. In no unit was he the choice of fewer than 80 per cent of the officers and in some "key" units he was preferred by as many as 94 per cent. According to him, Army Minister Lyra Tavares and the other "old and conservative generals" were so astounded by this show of pro-Affonso sentiment that they suspended plans to make a similar canvass of the officer corps in the other three armies. (Comment: The Embassy is unaware that the High Command or other Army Commanders ever contemplated making a similar canvass. Embassy is unsure as to how much credence should be given to this claim of 90 per cent support, even within the

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First Army. Other sources have cited the 90 per cent figure as the combined total of those who preferred either Affonso or First Army Commander Sarmento. Still others deny that even the two of them together had nearly so much support.)

Jose Candido clearly raised the possibility of a coup d'etat at some point in the future, even while he asserted that Albuquerque Lima could have already become President if he had wanted to do so by force. He denied any specific knowledge of maneuverings and then-current disciplinary problems within the military (see, for example, CAS report HBR-6717). He wanly offered the suggestion that neither he nor Albuquerque Lima had ever actively engaged in agitation among younger officers. In general, his vagueness created the distinct impression that he himself was unsure how and if Albuquerque Lima's generally conceded popularity among younger officers might be transformed from mere preference into the breaking of discipline and, ultimately, into revolt.

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October 20, 1969

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