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DEPARTMENT OF STATE

Memorandum of Conversation

DATE: June 13, 1967

IR POL BRAZ

SUBJECT: The Brazilian Political Scene

PARTICIPANTS: Ex-Vice Governor Orlando Moscozo Embassy Executive Officer Frank Carlucci Consul H. Reid Bird

Place: Moscozo's business office

During a call on June 6, I introduced Orlando Moscozo to Mr. Carlucci as a man who knows Bahia politics intimately and who served an ARENA governor (Lomanto) while being the titular head of MDB. Moscozo laughed and said it was a paradoxical situation because both he and Lomanto were ex PSD, but Lomanto was very pro-Goulart and should have gone over to MDB while he was in the group opposing Goulart and should have joined ARENA. He said Lomanto had to declare himself loyal to the revolution to keep the governorship, and if the army had not accepted Lomanto, they would have been stuck with him (Moscozo), which they did not want.

On the question of political parties, Moscozo said he favored the formation of five parties which would provide cover for the differing shades of philosophy both within ARENA and MDB. In discussing the various prospects for the Bahia gubernatorial elections of 1970, Moscozo indicated that he might run for the office. In reply to Mr. Carlucci's question regarding the attitude of Brazil's armed forces towards future direct presidential elections, Moscozo said he thought the military is eager to have it come about. He cited the progressive attitude of the rising young colonels and suggested that the influence of the linha dura would fade.

On the subject of Brazilian-American relations, Moscozo said irresponsible journalism is perhaps the greatest problem in Brazil. He opined that the United States should not pay too

HRBird (Drafting Office and Officer)

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much attention to these anti-American campaigns because "everyone" knows that the Diários Associados bears a grudge against the United States for refusing to give financial assistance to the chain which is unable to compete successfully with good, responsible newspapers,

<u>Comment</u>: Orlando Moscozo has consistently shown that he is a good friend of the United States. When some Bahia newspapers failed to condemn the student rioting of June 7 against the Consulate, Moscozo personally visited the <u>Jornal da Bahia</u>, which frequently follows an anti-US line, to protest the newspaper's complacency about student defiance of law and order. The result was an excellent editorial on June 9 calling the students to task.

Moscozo is an astute politician who is universally respected for his honesty and reasonableness. He holds no public office at present, and his decision not to run for office in November, 1966 can be attributed in some degree to his distaste for MDB strategy as currently executed. He was recently invited to take over the presidency of the MDB party of Bahia but told me he will probably decline because the opposition party does not permit an adequate articulation of his own political philosophy.

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