

INCOMING TELEGRAM

Department of State

ACTION COPY

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54

F770005-1983

SECRET

Action

Control: 14181
Rec'd: JULY 17, 1963
3:32 PM

001

56

R10
106SS
ARA
Info

FROM: RIO DE JANEIRO

TO: Secretary of State

NO: 106, JULY 17, 2 PM (SECTION ONE OF TWO)

PRIORITY

LIMIT DISTRIBUTION S/S

1. DURING MY LONG INTERVIEW WITH GOULART TUESDAY AFTERNOON, I POINTED TO UNCERTAINTIES CREATED IN WASHINGTON BY CLEAN SWEEP OF PREVIOUS CABINET, ESPECIALLY BY REMOVAL OF DANTAS WHO HAD COME TO WASHINGTON IN MARCH WITH ALL APPEARANCES FULL GOULART BACKING. HE SAID HAD BEEN UNABLE EXPLAIN CHANGE TO PRESIDENT KENNEDY IN PRESENCE SO MANY OTHERS DURING ROME MEETING, BUT WOULD GIVE ME EXPLANATION ON MOST CONFIDENTIAL BASIS.

2. SAID BASIC REASON FOR BOTH TIMING AND NATURE OF CHANGE WAS MILITARY. CLIMATE IN ARMY HAD BECOME INCREASINGLY TENSE, WITH MANY DECLARATIONS OF SOLIDARITY WITH KRUEL (ALTHOUGH GOULART DID NOT SAY AGAINST WHOM, IMPLICATION WAS AGAINST OSVINO AND BRIZOLA). EARLY IN JUNE, SAN TIAGO DANTAS HAD ATTENDED A MEETING OF HIGH MILITARY OFFICERS, AND HAD RETURNED CONVINCED THAT THINGS NEAR BREAKING POINT IN KRUEL-OSVINO-BRIZOLA TENSIONS. GOULART DESCRIBED VIVIDLY EARLY JUNE TALK WITH DANTAS IN LIVING ROOM AT TORTO WHERE WE WERE SITTING, DANTAS LYING ON COUCH BECAUSE HEALTH KEPT HIM FROM SITTING UP, AND SAYING THAT GOULART COULD CHANGE WHOLE CIVIL CABINET, BUT HE DANTAS SERIOUSLY DOUBTED FEASIBILITY REPLACING KRUEL WITHOUT MILITARY UPRISING AGAINST GOULART. GOULART HAD RESPONDED THAT COULD NOT CONTINUE AS PRESIDENT UNDER THOSE CIRCUMSTANCES. WOULD HAVE EITHER TO RESIGN OR REACT, SINCE UNWILLING KEEP JOB AS PRISONER OF MILITARY GROUP. HIS NATURE WAS TO REACT, AND HE INTENDED FORTHWITH TO REPLACE ALL THREE MILITARY MINISTERS, FOLLOWING THIS BY CHANGES ON CIVIL SIDE. DANTAS REPLIED SKEPTICALLY "I HOPE TO GOD YOU CAN DO IT WITHOUT A VIOLENT REACTION."

3. GOULART

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ACTION ASSIGNED TO. ARA:LA/BR	ACTION TAKEN. None		
NAME OF OFFICER R. Burton	DATE OF ACTION 9/9/63	DIRECTIONS TO RM/R	File

GPO 930 500

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Authority NND 939529

F770005-1984

SECRET

-2- 106, JULY 17, 2 PM (SECTION ONE OF TWO) FROM RIO DE JANEIRO

3. GOULART THEN WENT TO RIO, AND BEFORE CALLING KRUEL TO INFORM HIM OF DECISION TELEPHONED THREE GENERALS WHO WERE OLD GAUCHO FRIENDS -- OROMAR OSORIO AND TWO OTHERS (I BELIEVE BUT AM NOT CERTAIN THEY WERE GALHARDO AND ENIO GARCIA; SIGNIFICANTLY DID NOT INCLUDE OSVINO). THESE THREE SAID ALL WAS QUIET IN BARRACKS. IF HE DISMISSED KRUEL THEN, THERE WOULD BE NO REACTION, BUT POSITION WAS DETERIORATING AND BY ANOTHER WEEK REACTION MIGHT BE ORGANIZED. GOULART HAD THEREFORE MOVED AT ONCE, AND IN FACT THERE WAS NO SUBSTANTIAL REACTION, ALTHOUGH THERE WERE SOME FEEBLE EFFORTS AT ORGANIZING ONE.

4. WITH RESPECT TO DANTAS, GOULART SAID THAT HEALTH HAD MADE CONTINUANCE IN FINANCE MINISTRY IMPOSSIBLE. HIS DOCTORS HAD TOLD GOULART THAT WOULD KILL DANTAS TO STAY AS MINISTER. MONTH VACATION WAS INDISPENSABLE, AFTER WHICH COULD COME BACK TO TEST DEMANDING JOB, PERHAPS FOREIGN MINISTER. GOULART ALSO REMARKED THAT, WHILE HE STILL COUNTED DANTAS AMONG HIS VERY CLOSEST FRIENDS, DANTAS HAD BEEN GIVING SIGNS OF BECOMING MORE MINISTER FOR A PARTICULAR MILITARY GROUP THAN MINISTER FOR THE PRESIDENT.

5. JAIR DANTAS RIBEIRO, SAID GOULART, WAS VERY EFFECTIVELY RESTORING DISCIPLINE THROUGHOUT ARMY. JAIR PURE SOLDIER, WITH CENTRIST ORIENTATION BUT NO ACTIVE INTEREST IN POLITICS. NOT REACTIONARY, BUT WANTS NOTHING TO DO WITH COMMUNISTS. COMES FROM POOR RIO GRANDE DO NORTE FAMILY, WORKED WAY UP THROUGH RANKS, AND HIS BIBLE IS PRINCIPLES OF DISCIPLINE AND HIERARCHY. GOULART EXPECTS NO MORE SPEECHES LIKE FORMER POLITICAL PRONOUNCEMENTS OF OSVINO AND OTHERS. GOULART APPEARED VERY CERTAIN OF ARMY'S POSITION UNDER PRESENT CIRCUMSTANCES. ALSO SAID WAS GREAT STEP FORWARD TO HAVE GOTTEN RID OF ADMIRAL SUZANO, WHO HAD BEEN DECOMPOSING WHOLE NAVY. ALSO SPOKE OF FOOLISHNESS OF ADMIRAL ARAGAO, IN MANNER WHICH MIGHT SIGNIFY PLAN TO REPLACE ARAGAO SOON.

6. NEW CABINET WAS, GOULART SAID, SIGNIFICANTLY MORE CONSERVATIVE THAN

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-3- 106, JULY 17, 2 PM (SECTION ONE OF TWO) FROM RIO DE JANEIRO

THAN PREDECESSOR. THIS ESPECIALLY TRUE OF LABOR MINISTRY. HE HAD HAD TO DROP ALMINO AFONSO, BUT COULD NOT DROP HIM ALONE WITHOUT CREATING SERIOUS TROUBLE WITH PTB. DROPPING AS PART OF WHOLE CABINET SHUFFLE CREATED LITTLE PARTY REACTION, ALTHOUGH ALMINO HIMSELF VERY ANGRY.

GP-2.

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Action F770005-1980

Control: 14217

Rec'd: JULY 17, 1963
4:18 P.M.

SS *AKA*
Info

FROM: RIO DE JANEIRO

TO: Secretary of State

NO: 106, JULY 17, 2 P.M. (SECTION TWO OF TWO)

001

56

PRIORITY

LIMIT DISTRIBUTION S/S

7. GOULART PLACED SPECIAL IMPORTANCE ON APPOINTMENT CARVALHO PINTO. SAID HAD GONE TO EXTREME LENGTHS TO SECURE CARVALHO PINTO'S SERVICES, FEELING NEEDED SOMEONE WITH RESPECT OF BRAZILIAN BUSINESS COMMUNITY AND OF UNITED STATES, AS WELL AS OTHER FOREIGN COUNTRIES. I REMARKED THAT NEA EDUCATION MINISTER, PAULO DE TARSO, WAS NOT NOTABLY CONSERVATIVE. GOULART SHRUGGED SHOULDERS, SAID WOULD NOT BE HARD TO DROP HIM IF THAT BECAME DESIRABLE, AND TARSO WAS GREAT FAVORITE OF CARDINAL MOTTA OF SAO PAULO, WHO CONSIDERED HIM GOOD REPRESENTATIVE ADVANCED WING OF CHURCH. I REMARKED THAT TARSO SO ADVANCED THAT I DOUBTED HE GOOD REPRESENTATIVE OF CHURCH.

8. I INQUIRED WHY GOVERNMENT HAD GIVEN SUCH IMPORTANCE TO LACERDA'S LETTER LAST WEEK, AND WHETHER THIS WAS NOT UNNECESSARILY BUILDING UP LACERDA. GOULART REPLIED WAS IMPOSSIBLE LEAVE LACERDA ON OFFENSIVE. DARCY RIBEIRO'S REPLY HAD BEEN RATHER CHILDISH, BUT OTHER REPLIES HAD DEMONSTRATED THAT GUANABARA NOT VICTIM OF FEDERAL DISCRIMINATION. GOULART REMARKED THERE WAS WIDESPREAD IMPRESSION THAT USG WAS STRONGLY SUPPORTING LACERDA, THROUGH AID PROGRAMS AND OTHERWISE. I REPLIED THIS RESULTED FROM ERRONEOUS DATA PUBLICIZED BY ARRAES AND SHOWED HIM OUR LAST WEEK'S PRESS RELEASE COMPARING AID TO NORTHEAST AND GUANABARA. HE WAS VISIBLY IMPRESSED BY FIGURES, ALTHOUGH SAYING THAT GUANABARA STILL CAME OFF VERY WELL ON PER STATE BASIS. ALSO SAID WAS MOST USEFUL FOR US TO BE SETTING

/RECORD

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ACTION	ASSIGNED TO: <i>ARA 2A/BR</i>	ACTION TAKEN	DATE OF ACTION	DIRECTIONS TO RM/R
NAME OF OFFICER	<i>R. Burton</i>	<i>None</i>	<i>9/9/63</i>	<i>File</i>
OFFICE SYMBOL				

GPO 930 500

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Authority *NND 939529*

SECRET

-2- 106, JULY 17, 2 P.M. (SECTION TWO OF TWO) FROM RIO DE JANEIRO

RECORD STRAIGHT, SINCE FACTS GENERALLY NOT KNOWN. THEN SAID OBSCURELY THAT HAD ASKED MILITARY AUTHORITIES INVESTIGATE LACERDA'S GOLPISTA ACTIVITIES TO SEE IF THERE WERE NOT VIOLATION OF NATIONAL SECURITY LAW. WOULD NOT RULE OUT INTERVENTION IF EVIDENCE WARRANTED, ALTHOUGH ANXIOUS NOT MAKE MARTYR OF LACERDA.

9. GOULART INITIATED BRIEF DISCUSSION OF LABOR UNION SITUATION, NOTING THIS HAD BEEN CENTRAL PREOCCUPATION PRESIDENT KENNEDY AND OUR ATTORNEY GENERAL. SAID UST WAS GOING WELL, EASILY OUTWEIGHING CGT NOW IN TOTAL INFLUENCE. AT SAME TIME, HE HAD TO MAINTAIN (#) CONTACTS WITH MORE EXTREME COT GROUP, SINCE THESE FAR-LEFT GROUPS WERE NEEDED TO THROW FROM TIME TO TIME IN FACE OF RIGHT-WING OPPONENTS WHO WOULD NOT GIVE HIM PEACE. AS EXAMPLE, HE SAID UDN'S POSITION ON AGRARIAN REFORM WAS INTOLERABLE. HE HAD OFFERED ALL SORTS OF COMPROMISES, ACCEPTING VERY WEAK PSD CONSTITUTIONAL AMENDMENT PROPOSAL, BUT UDN KEPT OPPOSING THIS AND SUPPORTING MILTON CAMPOS BILL SIMPLY TO ASSIST LACERDA'S ELECTORAL CHANCES IN 1965.

10. OUR SUBSTANTIVE DISCUSSION OF POINTS IN PRESIDENT'S LETTER BEING REPORTED OTHER MESSAGES. MY GENERAL IMPRESSION THIS TALK WAS THAT GOULART CONSIDERABLY MORE SURE OF HIMSELF THAN IN EITHER FEBRUARY OR APRIL TALKS. HE APPEARED ESPECIALLY RELIEVED BY SOLUTION OF MILITARY CRISIS. CONTINUES TO BE DIFFICULT OR IMPOSSIBLE TO PIN DOWN ON POLICY QUESTIONS, PARTLY BECAUSE RESISTS BEING PINNED DOWN BUT EQUALLY BECAUSE HE CONTINUES UNEDUCATED AND ILL-INFORMED ON ALL POLICY SUBSTANCE. HIS COUCHING AGRARIAN REFORM ISSUE SIMPLY IN TERMS UDN ELECTORAL CAMPAIGN IS TYPICAL. IN PERSONAL ATTITUDE TOWARD ME, HE COULD NOT HAVE BEEN MORE CORDIAL. HE APPEARED VERY HAPPY WITH WAY IN WHICH PRESIDENT KENNEDY HAD TALKED WITH HIM IN ROME AND WITH TONE OF LETTER. SAID WOULD BE REPLYING TO LETTER.

GP-2

(X) OMISSION, CORRECTION TO FOLLOW.

GORDON

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INCOMING TELEGRAM

Department of State

54

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CORRECTION ISSUED

7/18/63 7:00 AM

Action

F770005-1988

Control: 14217

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Rec'd: JULY 17, 1963

Info

4:18 P.M.

FROM: RIO DE JANEIRO - CORRECTED COPY

TO: Secretary of State

NO: 106, JULY 17, 2 P.M. (SECTION TWO OF TWO)

n.c.

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OFFICE SYMBOL		

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RIO 106 7-17-63

15-1 BRPZ

SECRET

-2- 106, JULY 17, 2 P.M. (SECTION TWO OF TWO) FROM RIO DE JANEIRO

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GP-2

GORDON

JYC

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Rio de 106

FROM: RIO DE JANEIRO

TO: Secretary of State

NO: 106, JULY 17, 2 PM (SECTION ONE OF TWO)

THIS DOCUMENT DENIED IN ~~REDACTED~~ FULLPER R. M. EltzOFFICE ARACASE NUMBER 620073 Leeds.DATE 3/2/77

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