

INCOMING TELEGRAM Department of State

POL 15-1 BRAZ
XR POL 18 BRAZ
XR E 1-1 BRAZ

6-2

CONFIDENTIAL

Action

ARA

Info

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SP R 072118Z ZEA

SAH FM AMEMBASSY RIO DE JANEIRO

L TO RUEHCR/SECSTATE WASHDC 2657

P INFO RULPAL/CINCSO

USIA RUEKDA/DOD WASHINGTON

NSC STATE GRNC

BT

INR C O N F I D E N T I A L JUNE 7.

CIA CINCSO FOR POLAD. DOD FOR DIA, ACSI AND CONTIC.

NSA 1. ARMA HAD LUNCH PRIVATELY WITH PRESIDENT CASTELLO BRANCO
AID ON JUNE 6 AND PRESIDENT MADE FOLLOWING REMARKS CONCERNING
PC BRAZILIAN INTERNAL AFFAIRS.

E 2. PRESIDENT SAID HE SOMEWHAT ENCOURAGED BY ECONOMIC SITUATION
OPR WHICH BEGINNING SHOW SOME FAVORABLE FACTORS. SAID PROBLEMS
PSR STILL LARGELY PSYCHOLOGICAL.

3. GUANABARA GOVERNOR LACERDA, PRESIDENT NOTED, IS NOT
HELPING SOLVE THESE PROBLEMS. PRESIDENT OBSERVED THAT HIS
LAST MEETING WITH LACERDA, IN BRASILIA ON MAY 27, WAS MOST
ACRIMONIOUS ONE TO DATE. HE SAID HE TOLD LACERDA BLUNTLY

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THAT IN ORDER ENSURE WELL-BEING OF PEOPLE OF GUANABARA THERE
MUST BE OFFICIAL RELATIONS BETWEEN PRESIDENT AND GOVERNOR AND
THAT THESE OUGHT TO BE SUPPORTED BY CORDIAL PERSONAL
RELATIONS; BUT THAT CONDITIONS FOR LATTER WERE RAPIDLY
DISAPPEARING BECAUSE OF LACERDA'S ATTACKS ON GOB AND MINISTERS.
PRESIDENT SAID HE MADE PLAIN TO LACERDA THAT COMPOSITION
OF HIS CABINET IS NONE OF HIS BUSINESS AND THAT IF LACERDA
THINKS PRESIDENT WILL DISMISS MINISTERS SIMPLY BECAUSE LACERDA
ATTACKS THEM, HE IS BADLY MISTAKEN. PRESIDENT TOLD LACERDA
THAT HE IS NOT HIS AMANUENSIS AND WILL NOT CHANGE MINISTERS
SIMPLY BECAUSE LACERDA DOES NOT LIKE THEIR POLICIES, CABINET
MINISTERS BEING RESPONSIBLE TO PRESIDENT AND NOT GOVERNOR OF
GUANABARA. PRESIDENT ALSO TOLD LACERDA THAT LATTER EVIDENTLY

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-2- 2657, JUNE 7, FROM: RIO DE JANEIRO

WISHES TO REAP BENEFITS FOR HIMSELF FROM REVOLUTION WHILE ABUSING IT AT SAME TIME. LACERDA REPLIED THAT HE SUPPORTS PRESIDENT AND THAT REPORTS TO CONTRARY ARE "INTRIGUE". PRESIDENT REMARKED THAT LACERDA HAD INSISTED ON BRINGING CHAMBER OF DEPUTIES PRESIDENT BILAC PINTO ALONG FOR THE INTERVIEW AND LACERDA HAD BEEN ALL THE MORE EMBARRASSED SINCE PINTO HEARD ENTIRE CONVERSATION. PRESIDENT SAID HE CONCLUDED

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INTERVIEW BY TELLING LACERDA THAT HE IS ONLY HELPING ENEMY BY CREATING TUMULTUOUS ATMOSPHERE IN COUNTRY. FINALLY, PRESIDENT REMARKED TO ARMA THAT IF LACERDA WOULD CONSULT HIS OWN STAFF HE WOULD FIND THAT MOST OF HIS ASSISTANTS HAVE RESPECT AND ESTEEM FOR CATELLO BRANCO, WHEREAS PRESIDENTIAL STAFF IS SCORNFUL OF LACERDA.
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