ARA EUR CONFIDENTIAL INR : Department of State 1964 JUL 21 PM 8 47 9 BUREAU OF INTER-AMERICAN AFFAIRS FBO ICA 0 JUL 22 1964 ANALYSIS & DISTRIBUTION YP BRANCH JUL 19 1964 сом FROM : Amembassy BRASILIA Office AGR DATE: July 14, 1964 INT LAE SUBJECT: The Goias Scene: An Opposition View TR XME REF = : Airgram A- 152 dated May 13, 1964 9 una ARMY NAVY CIA 5 10 UDN Federal Deputy Emival Caiado represents the most USIA OSD NSA vehement and vociferous opposition to Goiás Governor Mauro Borges. Caiado's comments, recorded in the attached Memorandum NSE of Conversation, are of special interest since they summarize the criticisms most frequently leveled at the young Governor 6 who now appears to be a rising political figure in Brazil. Caiado speaks emotionally about the present Goiás state government and labels it "statist" and "soft on Communism", but clearly the principal target of Caiado and his allies is the entrenched power of the State's aging Dono, Federal Senator Pedro Ludovico, who is attempting to pass his hold on the state to his son, Mauro Borges. To break this power, Caiado has decided to run for Governor in 1965. He has just purchased a Goiania newspaper to lead his attack and to do battle against the Governor's well organized publicity machinery. Caido's final "pitch" for U.S. Government aid for his new publishing venture reveals the weakness of the anti-Ludovico forces in Goiás. He has not been able to bring the power of the Federal government to his side and is therefore casting about for help in all directions. Though Caiado denied it, the publisher of his newspaper has told the reporting officer that the paper is receiving some assistance from Federal Senator José Emirio e Morais (PTB-Pernambuco) whose wealth has supported leftist Miguel Arrais in Pernambuco and is fighting Mauro Borges over the issue of Morais' CONFIDENTIAL FOR DEPT. USE ONLY In Contents and Classiff ation Approved by: Drafted by: POL: JPM avh RWDean/JKeppel Clearances:

DECLASSIFIED
Authority NND 959000

CONFIDENTIAL

Page 2 Airgram A-ll Brasilia Office

unused nickel deposits in Goiás.

COMMENT: Mauro Borges faces several varieties of local opposition and Caiado represents only the loudest. Probably more dangerous to his political ambitions are those within his own party who render fealty to his father, but do not intend to bend their knee to him.

For the Ambassador:

Robert W. Dean

Counselor of Embassy

Enclosure:

Memorandum of Conversation

CONFIDENTIAL

DECLASSIFIED
Authority NND 959000

CONFIDENTIAL

Enclosure 1
Page 1
Airgram A-11
Brasilia Office

MEMORANDUM OF CONVERSATION Jul

July 3, 1964

PARTICIPANTS: Emival Caiado, Federal Deputy (UDN-Goiás)

J. Phillip McLean, Political Officer

PLACE: McLean's Apartment, Brasilia

SUBJECT: Goiás Since the Revolution

In reply to my question about the relative party strengths within the State of Goiás, Caiado replied that basically the State was evenly divided between those who support the State's political boss, Pedro Ludovico Teixeira, presently serving as Federal Senator and father of Governor Mauro Borges Teixeira, and those who oppose him. "There are only two parties in the State", he said, "Ludovico and the anti-Ludovico party." When I questioned this statement, on the basis of the long Ludovico rule in the State, he said "we have the votes but those on our side lack the courage. Frankly, we were ready to impeach Mauro Borges, but we failed because many would not proceed without military cover." Because of this conviction, he has started a campaign against Ludovico and Borges, and he himself plans to run for Governor in 1965.

Caiado believes that Ludovico forces must be ousted now, since "the Revolution did not come to Goiás." He said that the federal investigation of the State of Goiás (see A-184) was a failure. It cancelled the political right of a few Communists and leftists, and even those of a few innocent victims (citing his friend, Olinto Meirelles), but left hundreds of Communists free to pursue their activities at will. He was especially concerned about the threat of guerrilla activities in the hills immediately north and west of Brasilia, "which is afterall the federal capital."

The Communist apparatus in Goiás, according to Caiado, came into existence in the 30's when Pedro Ludovico allowed the State to become a refuge for Communists. The Communists are now taking advantage of the fact that Ludovico's son, Mauro Borges, felt that to establish an image independent of his father, he had to

CONFIDENTIAL

DECLASSIFIED

Authority NND 959000

CONFIDENTIAL

Enclosure 1 Page 2 Airgram A-11 Brasilia Office

sponsor the leftist causes, which his advisors convinced him were the wave of the future in Brazil. Caiado claimed that the best evidence of this was Borges' "statist" approach to government. He cited the State "autarquias" (independent government agency) which the Governor has set up to manage everything from agrarian reform to the manufacture of drugs. He stated that he had vigorously campaigned against the establishment of the State oil "autarquia" (Dispetrolgo) which, he said, would soon expropriate all privately owned gas stations on the State's highways. "In such a poor State, how can you justify the expenditure of public funds for something that private enterprise is already doing." Caiado further stated that the Borges government used "autarquias" to avoid the more thorough public accounting required of normal State Secretariates and thus was able to siphon off State funds more easily for subversive purposes.

To combat the Ludovico forces and the Mauro Borges government (and probably to support his own gubernatorial campaign), Caiado has recently purchased a Goiania newspaper, Diario do Oeste. He asked if there was not some way that the U.S. government could aid his newspaper through arranging advertisements from U.S. firms or by direct financial grants.

I replied that the U.S. government was not disposed to intervene in Brazil's local politics in this manner, but noted that several Goiania papers had improved their editorial content by using USIS supplied materials which were available to all local newspapers.

He stated that he had approached the Federal government for aid, but had been turned down. With some irritation he said that he could not convince the new Administration that he represented anything more than personal and party interests.

CONFIDENTIAL

ean: avh