## THE WHITE HOUSE WASHINGTON

Confidential
Wednesday
March 1, 1967

NOTE TO WALT ROSTOW

The attached cable reports on a converstation between General Walters and President Castello Branco.

Note para. 4. The President made quite an impression on Costa e Silva. This is the third source from which we get it.


DECLASSIFIED
E.O. 12356, Sec. 3.4

Attachment


Rio's 8573, 2/28.

## INCOMING TELEGRAM Department of State

NNNNVZCZCESBø76SUA

## 17

RR RUEHC RUEKDA RULPAL
DE RUESUA $8573 \quad 0591955$
ZNY CCCCC
R 281.9302 FEB 67
FM AMEMBASSY RIO DE JANEIRO
TO RUEHC/SECSTATE 4884
INFO ZEN/AMEMBASSY BRASILIA 394
RUESUP/AMCONSUL SAO PAULO 346
RUEKDA/DOD
RULPAL/CINCSO
STATE GRNC
BT
CONFIDENTIA\&RIODE JANEIRO
LIMDIS
REF: RIO 8490 AND 8491
DOD PASS ASCI, DIA, AND CONTIC, FT: BRAGG

1. ARMA BRIG. GEN. VERNON WALTERS SPENT EVENING FEBRUARY 26 WITH PRESIDENT CASTELLO BRANCO AT HOME LATTER'S SON, NAVY CDR PAULO CASTELLO BRANCO, WHO WITH WIFE ONLY OTHERS PRESENT.
2. PRESIDENT SAID HE CALLED PRESIDENT-ELECT COSTA E SILVA

PAGE TWO RUESUA 8573 TOENT I AL
MORNING STORIES APPEARED IN PRESS ATTRIBUTED FONMIN-DESIGNATE MAGALHAES PINTO DESCRIBING NEW GOB FOREIGN POLICY AS "ALIGNED WITH BRAZIL" AND OPPOSED TO CREATION IAPF (SEE RIO 8444). CASTELLO REMONSTRATED SEVERELY WITH COSTA E SILVA ON GROUNDS PINTO STATEMENTS PULLED RUG OUT FROM BRAZILIAN DELEGATION AT BUENOS AIRES CONFERENCE. PRESIDENT-ELECT AT FIRST COULD NOT BELIEVE PINTO HAD MADE STATEMENTS, BUT LATER INFORMED
CASTELLO HE HAD ORDERED PINTO TO ISSUE DENIAL AND ASSURED CASTELLO BRANCO STATEMENT REPORTED IN 043 DID NOT IN ANY WAY REPRESENT HIS BELIEFS. THIS SEEMED TO SATISFY CASTELLO BRANCO, ALTHOUGH HE SAID HE TOLD COSTA E SILVA CALLING FOR FOREIGN. POLCIY "ALIGNED WITH BRAZIL" WAS PURF ISOLATION。

DECLASSIFIED
E.O. 13292, Sec. 3.5

NLJ O4-20
3. CASTELLO BRANCO REMARKED THAT IN SPEECH FEBRUARY 25 AT BENTO GONCALVES (RIO GRANDE DO SUL) HE POINTED OUT HOW MUCH FOREIGN IMMIGRATS AND FOREIGN ASSISTANCE HAD CONTRIBUTED TO BRAZIL, ADDING BRAZIL BIG AND STRONG ENOUGH NOT TO HAVE TO FEAR THESE CONTRIBUTIONS. HE NOTED GREATEST OVATIONS OF HIS PRESIDENTIAL TERM ACCORDED HIM ON THIS TRIP IN PORTO ALEGRE AND BENTO GONCALVES.
4. PRESIDENT DESCRIBED COSTA E SILVA AS DEEPLY AND FAVORABLY IMPRESSED BY VISIT TO U.S., EXTREMELY ENTHUSIAST IC ABOUT PRESIDENT JOHNSON PERSONALLY WHO HE FELT WAS GREAT AND WISE

PAGE THREE RUESUA 8573 Q N F I D ENT I AL STATESMAN (SEE RIO 8490 FOR SIMILAR REPORT DIRECT FROM COSTA E SILVA). COSTA E SILVA ADDED TO CASTELLO HE HOPED TO GIVE BRAZIL SAME KIND OF SIMPLE, DIRECT AND FORCEFUL LEADERSHIP AS PRESIDENT JOHNSON GIVING.II.S.
5. CASTELLO BRANCO JUDGED COSTA E SILVA WOULD "DO ALL RIGHT" SINCE HE IS INTELLIGENT, SHREWD AND FORCEFUL. HIS PRINCIPAL DIFFICULTIES, ACCORDING CASTELLO, WOULD ARISE WITH ADVISERS, PRINCIPALLY GEN. PORTELLA (CHIEF MILITARY HOUSEHOLD) AND COL. ANDREAZZA (MIN. TRANSPORTATION). HE SAID COSTA E SILVA HAD GREAT FAITH IN HIS INSTINCT AND "FEEL". PORTELLA AND ANDREAZZA WOULD BE CONCERNED WITH TAKING CARE OF THEIR FRIENDS, AND THIS COULD GIVE RISE TO CONFLICT WITH WAR MINISTER-DESIGNATE GEN. LYRA TAVARES, WHO WOULD HAVE TO MASTER PORTELLA OR END UP UNDER PORTELLA'S MASTERY. HIS ONLY OTHER SPECIFIC COMMENT ON PROQSED MINISTERS WAS TO CALL MAGALHAES PINTO A POOR CHOICE FOR FONMIN, A FACT HE CONSIDERED ALREADY PROVED BY PINTO'S ILL CHOSEN AND INTEMPERATE STATEMENTS. CASTELLO FELT MANY OF MINISTERS MIGHT NOT LAST TOO LONG.
6. PRESIDENT SAID COSTA E SILVA'S BEHAVIOR TOWARDS HIM HAD BEEN GENERALLY CORRECT AND HE HAD TRIED RECIPROCATE, IN PART BY

PAGE FOUR RUESUA 8573 OT I D E T I A L
LEAVING NO PENDING PROBLEMS. CASTELLO SAID HE ASKING NOTHING.
FOR HIMSELF OR HIS FRIENDS, EVEN THOUGM SEVERAL TIMES COSTA E SILVA HAD TOLD HIM HE HAD ONLY TO ASK. WITH SATISFACTION, CASTELLO COMMENTED HE WOULD LEAVE TO COSTA E SILVA. BRAZIL VERY DIFFERENT FROM ONE HE HAD FOUND ON TAKING OFFICE. IOKING FOR UMPTEENTH TIME ABOUT HIS OWN SHORT NECK, CASTELLO SAID LATEST JOKE GOING ROUNDS IS THAT AFTER THREE YEARS OF GOVERN -

MENT WITHOUT NECK, BRAZIL ABOUT TO GET FOUR YEARS OF GOVERNMENT WITHOUT HEAD. HE ADDED SERIOUSLY COSTA E SILVA IS INTELLIGENT AND HIS INSTINCTS ARE RIGHT, BUT HE HAS SOFT HEART ANDTENDENCY LEAN IN DIRECTION TAKING CARE OF HIS FRIENDS.
7. ON PERSONAL PLANS, CASTELLO SAID HE WILL SPEND SHORT TIME IN RIO AFTER MARCH 15 TO GET SETTLED IN APARTMENT AND PUT PERSONAL AFFAIRS IN ORDER. THEN HE WILL BE BRIEFLY IN BELO HORIZONTE AND IN HOME STATE OF CEARA FOR SOME WEEKS. HE HAS PENDING OFFICIAL INVITATIONS TO VISIT PORTUGAL, ITALY AND ISRAEL AFTER LEAVING OFFICE.
8. ALTHOUGH IN TELECON FEBRUARY 22 (RIO 8491) PRESIDENT SAID HE FELT EXHAUSTED AT END OF TERM, ARMA FOUND HIM PICTURE OF HEALTH, RELAXED, SERENE,AND IN JOVIAL MOOD. HE SAID HE HAD DONE WHAT HE THOUGHT BEST FOR COUNTRY AND HIS CONSCIENCE BEFORE GOD PERFECTLY CLEAR.
TUTHILL
BT

