

TELEGRAM

INCOMING

BRASILIA

Foreign Service of the
United States of America

SUBJECT

ACTION
POL-2
INFO
FILES
RF

CONFIDENTIAL

Classification

Control:

1431

Recd:

20JUN67

R 201545Z JUN 67
FM AMCONSUL PORTO ALEGRE
TO RUEHC/SECSTATE WASHDC 64
ZEN/AMEMBASSY RIO DE JANEIRO 364
RUESUZ/AMEMBASSY BRASILIA 16
STATE GRNC

BT

C O N F I D E N T I A L PORTO ALEGRE 451

SUBJ: ARENA SPLIT WIDENS

1. TENSIONS WITHIN ARENA AND BETWEEN PARTY AND GOVERNOR PERRACHI SURFACED JUNE 17 WITH RESIGNATION SECRETARY INTERIOR AND JUSTICE SOLANO BORGES. SOLANO WILL NOW RESUME SEAT INLEGISLATIVE ASSEMBLY AND WILL CONTINUE AS PRESIDENT OF ARENA FOR RGS.

2. PROXIMATE CAUSE SOLANO'S RESIGNATION PETTY PROCEEDURAL DISPUTE. CHIEFS OF CABINET AND OTHER SECONDARY OFFICIALS HAD FORMED ADHOC PRESSURE GROUP AND SOUGHT MEETING WITH GOVERNOR. SOLANO DENIED PERMISSION SAYING HIS OFFICE CORRECT CHANNEL. WHILE SOLANO OUT OF TOWN AND WITHOUT CONSULTING HIM PERRACHI RECEIVED GROUP.

3. BASIC CAUSE DEEP SPLIT IN ARENA BETWEEN PERRACHI FOLLOWERS AND FOLLOWERS TARSO DUTRA. UNABLE TO SOLVE DILEMMA OF CONFRONTING MDB MAJORITY WITH OWN PARTY DIVIDED PERRACHI HAS RELIED INCREASINGLY ON CLIQUE OF PERSONAL ADVISORS AND CIRCUMVENTED OR IGNORED OFFICIAL PARTY LEADERSHIP. SOLANO WHOSE JOB IT WAS TO RESOLVE PARTY SPLIT HAS BEEN UNABLE OR UNWILLING TO DO SO. LAST SEEN PERRACHI FORMALIZED SPLIT BY NAMING DEPUTY ARIOSTO JAEGOR TO BE HIS OFFICIAL SPOKESMAN IN ASSEMBLY INSTEAD OF ARI DELGADO, ARENA FLOOR LEADER, WHO IS TARSO MAN.

4. CRITICAL CONDITION STATE FINANCES ALSO FACTOR. MOTIVE FOR MOTION ADHOC GROUP WAS TO PRESSURE FOR FUNDS TO RUN STATE MACHINERY. SOLANO HIMSELF HAS MADE FINANCIAL COMMITMENTS TO DEPENDENCIES HIS DEPARTMENT WHICH HE UNABLE MEET, AND OTHER SECRETARIES FACING SIMILAR PROBLEMS.

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5. SOLANOS RESIGNATION MAY START CHAIN REACTION LEADING TO FURTHER RESIGNATIONS OR DISMISSALS. SECRETARIES OF AGRICULTURE, FAZENDA, EDUCATION HAVE LONG BEEN HOVERING ON BRINK, AND SECRETARY OF SECURITY UNDER STRONG PRESSURE FROM ASSEMBLY WHERE PERRACHI CANNOT PROTECT HIM.

6. SOLANO TO BE REPLACED BY DANTON OLIVEIRA, RETIRED SUPREME COURT JUDGE. BIO DATA FOLLOWS.

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