

military in a conspiracy against the President. It looks as if the Governor wants to keep clear of scandal if at all possible, although he might be wanted to denounce such a conspiracy from the far bank.

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American Consulate
Porto Alegre

July 12, 1963

Dear Mr. Keppel:

I refer to Embassy telegram 3 of July 11, 1963 requesting any evidence we might have on recent rumors of "August" and/or impeachment movements against President Goulart.

At present (with Mr. Duffield absent in Rio), I have no facts which would indicate involvement of any significant political or military group in RGS in a concrete attempt to oust Goulart. The local "atmosphere" generally reflects a natural concern over national events but, beyond press speculation over whether or not a "state of readiness" had been declared by the III Army (it had not), there has been little talk of any local activity in support of or in opposition to a golpe. While there is considerable speculation on a rightist coup emanating from the north of here, there is none that I know of on impeachment.

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I estimate the local situation in regard to golpe (not impeachment) threats against Goulart as follows:

A. Whatever Governor Meneghetti's wishful thinking may be in regard to Goulart and whatever agreements he may have with Adhemar of São Paulo or others, he has gone on record repeatedly to reject reports that he was allied with any political combination against the President. This probably stems from Meneghetti's desperate need of financial aid from Goulart, a fear of risky adventures, indecisiveness, and, perhaps, respect for constitutional procedures especially in regard to a fellow gauchista. It also seems that Meneghetti has considerable doubt of his ability to lead the special interest groups, the political parties, the people and the

relatively prosperous. In our knowledge, there are no military plans originating in RGS nor any well-organized military one originating elsewhere. This apparent passivity in military activities perhaps may be only temporary. In the event of a national crisis, the leftist-nationalists could probably prevail but united III Army opposition. For the

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military in a conspiracy against the President. It looks as if the Governor wants to steer clear of cabals if at all possible, although he might be roused to decisive action against a conspiracy from the far left.

B. Last week the temporary commander of the III Army, General Alves Bastos, replied to press queries that his forces were calm but ready. He went overboard in his praise of Minister Jair. The state military club indicated it wants to stay out of the Rio club's affair and the sergeants have remained silent. I am unable to estimate the extent of Alves Bastos' influence over his officers and men, but it appears that he will continue to back Jair (and the administration) upon whom he seems to be counting to secure for him the command of the I or III Armies. In the event of a national disturbance, the outcome of the likely competition for effective leadership between leftist and conservative officers is open to speculation.

C. Radio, television and press here have naturally given wide coverage to the military, Lacerda and Ribeiro affairs. However, even the Diarios Associados group, which is virulently attacking Brizola and viewing with alarm recent federal attempts to restrict TV speeches, is still referring to Goulart more in sorrow than in anger.

D. State industrial, financial and commercial leaders seem to want only peace and quiet and a chance for a degree of stability, although some of the more conservative among them yearn for a rightist coup. The same applies to the big farmers who are worried about land reform but not yet desperately so.

E. In spite of the fact that most talk of a golpe now concerns one from the right, the leftist-nationalist elements of the army, the unions, and the landless peasants seem to me to pose a more serious threat here. It is not impossible to visualize a growing impatience and disenchantment with the present government turning into an attempt to install a leftist dictatorship (with or without Goulart)--given local or national leadership by a Brizola or an Osvaldo.

In summary, in Rio Grande do Sul right now the golpe reports are somewhat like the weather--everybody is talking about it but no one is doing anything about it. A wait and see attitude seems to prevail in this state which, it must be remembered, is relatively prosperous. To our knowledge, there are no golpe plans originating in RGS nor any well-organized plan for following one originating elsewhere. This apparent passivity of a highly volatile populace may be only temporary. In the event of a national crisis, the leftist-nationalists could probably prevail here over anything but united III Army opposition. For the present--Meneghetti is no Lacerda, Brizola is spending most of his time elsewhere, and the III Army doesn't yet know who its next commander will be.

Sincerely,

W. Douglas McLain Jr.
American Vice Consul

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