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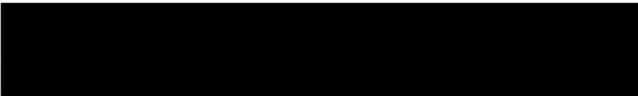
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CURRENT INTELLIGENCE WEEKLY REVIEW



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BRAZIL

The sudden resignation of Janio Quadros from the Brazilian presidency on 25 August has precipitated a constitutional crisis because of the adamant opposition of War Minister Denys and other military leaders to the assumption of Quadros' power by leftist Vice President Joao Goulart. Goulart's right to succession has been supported on constitutional grounds by most political leaders and a minority of the military, particularly former War Minister Lott and the commander of the powerful Third Army in southern Brazil. On 31 August, Congress overwhelmingly passed a resolution to amend the constitution, transforming the presidency into a figurehead office under a parliamentary form of government with a prime minister appointed by Congress.

Quadros' resignation followed a period of growing tension with the military over his policy of closer relations with bloc countries, and an outburst of public criticism for having given Brazil's highest decoration to Che Guevara. The precise motivations of his impulsive resignation are, however, still unclear. If he was counting on being swept back quickly into the presidency by a wave of public protest, he greatly misjudged public opinion. There were a number of initial expressions of dismay, but the widespread subsequent reaction was criticism of Quadros for acting irresponsibly in the face of admitted difficulties.

[REDACTED] suggested that Quadros plans an effort to swing public opinion in his favor by attributing his resignation to US pressure. Such a statement might touch off anti-US demon-

strations on a larger scale than those immediately following his resignation.

Goulart's Career

The 43-year-old "Jango" Goulart comes from a well-to-do background in the state of Rio Grande do Sul, of which his brother-in-law, Leonel Brizola, is currently governor. From the beginning of his national political career in 1950, Goulart was a protégé of President Vargas and was generally regarded as his political heir when Vargas committed suicide in August 1954. Goulart had tried particularly to build up labor support for himself, cooperating in a number of ways with the Communists for this purpose. Military resentment of his leftist views and varied activities as Minister of Labor had caused his forced resignation from Vargas' cabinet in February 1954.

Supported by his own Brazilian Labor Party and several others, and accepted as running mate by the popular Kubitschek, Goulart won the vice-presidency in the 1955 election and further strengthened his political organization during Kubitschek's presidency. In the 1960 election both he and his presidential running mate, ex-War Minister Lott, received Communist endorsement. He defeated Quadros' running mate by a considerably smaller margin than Quadros' edge over Lott.

Quadros as president tended to keep Goulart at arm's length politically but sent him to the USSR and Communist China a few weeks ago on an official visit. During his Chinese visit, Goulart went out of his way to praise the successes of Mao Tse-tung and the Chinese Communists. He [REDACTED]

[REDACTED] that Brazil would recognize Communist China, but in gradual

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steps beginning with a vote against any moratorium on discussing the China admission issue at the forthcoming UN General Assembly. While in Peiping he completed a trade agreement calling for trade of \$28,000,000 each way annually.

Concern for Constitutionality

The reaction of Denys and the two other service ministers to the prospect of Goulart's wielding Quadros' powers was a natural consequence of Goulart's past career and general reputation as a political opportunist, as well as the growing concern in Brazilian military circles over Quadros' policy on closer relations with the Communist bloc. Much of the support as Goulart has received since Quadros' resignation must be attributed not to his personal political appeal but to the general feeling--much stronger in Brazil than in most Latin American countries--that constitutionality should be respected in times of crisis.

Military leaders first sought a legal solution whereby Congress would amend the constitution to bar Goulart from office and provide for an acceptable successor. A constitutional amendment can be proposed by one fourth of either chamber and becomes law if passed in two successive votes by two thirds of the total membership of each house of Congress. Congressmen apparently felt, however, that barring Goulart would offend the popular Brazilian feeling for legality.

Moreover, the Brazilian constitution provides that if both the presidency and the vice presidency should be vacated during the first half of a presidential term, elections must be held within 60 days. While such elections would normally appeal to many of Brazil's political leaders, most of the ambitious men with a good chance at the top post now hold posts which would bar them from becoming presidential candidates within the next several months. Constitutional provisions bar from candidacy those who have been governors or cabinet ministers within six months of the election, as well as "a President who may have exercised the office for any time in the term immediately preceding."

Reactions Abroad

Latin American public reaction to Quadros' resignation has reflected almost universal surprise, accompanied by a number of parallels drawn by the press between this event and President Vargas' suicide in 1954. Except from Cuba, there has thus far been little commentary on the question of the presidential succession.

Ecuadorean President Velasco, who has faced growing moderate-rightist opposition to his pro-Castro, leftist foreign policy in recent weeks, including some military plotting against his regime, is [redacted] alarmed by Quadros' action and fears that similar circumstances in Ecuador might force him out of office.

[redacted] that Brazilian developments could have a pronounced effect in Ecuador because of the

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analogous political-military relations in the two countries. The Argentine Government, which recently confronted sharply adverse reactions from its military leaders when Cuba's economic czar Che Guevara visited President Frondizi immediately after his visit with Quadros in Brazil, has maintained a cautious reserve on the Brazilian situation. One official characterized Quadros' retirement and its aftermath as primarily an internal Brazilian affair. The Mexican Government, which along with Ecuador and Brazil has followed policies favorable to the Castro regime, has limited its comments on Brazilian developments to vague generalities. All three governments will presumably shelve their Cuban-inspired project to mediate the "Cuban-US problem"--a project which,

[REDACTED], has been under discussion since early June.

The Castro regime has attributed Quadros' resignation to pressures from the US and branded it as part of the US "imperialist" plot to encircle and isolate Cuba. The Cuban reaction reflects considerable concern over the loss of one of its principal friends in the hemisphere. In a public address on 29 August, Castro urged the Brazilian people to "take up arms...and take to the

mountains and jungles" to fight the military leaders who are trying to keep Vice President Goulart from becoming president. The Brazilian Communist party, which has often collaborated with Goulart, has generally kept in the background during the past few days but has [REDACTED] decided to agitate if necessary for his return to the country and accession to the presidency.

Both Moscow and Peiping, following a line similar to that of Cuba, have placed the responsibility for the Brazilian situation on "imperialist" US machinations designed to oust a statesman who was attempting to free his country from the US "monopolistic" and "colonialist" yoke, and have also denounced the efforts of "reactionary" elements to block Goulart.

Local Situation

Many aspects of the situation in Brazil are still fluid and confused. Denys on 30 August relieved the Third Army commander, General Machado Lopes, but orders [REDACTED] have been issued in Rio Grande to arrest any officer sent to relieve Machado Lopes. Early on 31 August a government communiqué announced that the Second Army, with air and naval support, had undertaken an "action in force" against Rio Grande do Sul, [REDACTED]