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Intelligence Memorandum

INSTABILITY IN BRAZIL

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23

11 September 1969

216006/1

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
11 September 1969

INTELLIGENCE MEMORANDUM

Instability in Brazil

Introduction

The developments of the last ten days in Brazil--President Costa e Silva's debilitating stroke, the kidnaping of Ambassador Elbrick by left-wing terrorists, and growing military dissatisfaction with the government--have combined to aggravate military disunity and thus threaten the stability of the government. A prolonged period of governmental instability or a change to a more nationalistic government would have major implications for the large US aid program in Brazil and for the substantial US business investment in the country. Conclusions appear in paragraphs 11-20 with analysis of the implications for the US in paragraphs 19 and 20.

Note: *This memorandum has been produced solely by CIA. It was prepared by the Office of Current Intelligence and coordinated with the Office of Scientific Intelligence, the Office of National Estimates, and the Clandestine Service.*

Background:

1. President Arthur da Costa e Silva suffered a severe stroke on 30 August. The Brazilian military, which has been the locus of power since the 1964 revolution that ousted leftist President Joao Goulart, decided to bypass the constitution and assume "caretaker" direction of the government. The three military ministers formed a triumvirate to govern during the President's "temporary impediment" under the authority of Institutional Act 12, which they decreed on 31 August, and of all previous institutional acts and the constitution. The Act expressly states that the President will resume power upon recovering.

2. Costa e Silva had planned to issue a new constitution on 7 September and to reopen the recently purged congress on the following day. Although these steps would have produced little more than a facade of representative government, they were opposed by many in the military. The triumvirate's takeover pushed aside these plans; the officers now in control clearly believe that pursuing the goals of the 1964 revolution--stamping out subversion and corruption and "straightening out" the country--are more important than constitutional formalities.

3. Vice President Pedro Aleixo, the constitutionally designated successor, is a civilian never trusted by the military. They particularly resented his opposition to the government's decision last December to assume broad authoritarian powers. The decision to bypass Aleixo has had almost complete support among the officers.

4. The triumvirate is an ill-assorted group to govern Brazil for any length of time. The senior officer, Navy Minister Rademaker Grunewald, is a tough-minded conservative, as is Air Minister Souza e Mello. Army Minister Lyra Tavares is more moderate, but he has been criticized by many officers for being too soft on subversives and corrupt politicians. The triumvirate has suffered from internal dissension since taking power--for example, Lyra

reportedly refused to concede leadership to the senior member, the navy minister. Even wider rifts have developed as the three have struggled with crucial policy decisions.

5. Opposition and resentment to the triumvirate's takeover appeared within two days. Many top generals felt slighted that they had not been consulted by the triumvirate prior to its decision to assume the reins of government. Some officers believed that a single leader should have been named; others believed that the three ministers were "unsuitable" because they were retired instead of on active duty; many army officers resented the fact that the navy and air force were accorded representation equal to the army in the junta.

6. Dissent rapidly spread and became openly apparent. Such long-time government critics as Generals Albuquerque Lima and Moniz de Aragao charged that the three ministers did not represent the "revolutionary beliefs" of younger officers. General Syseno Sarmiento, commander of the key First Army in Rio de Janeiro, reportedly said that he thought that the decision to form a three-man government would be judged a "very bad idea." He said that the country could not wait for the President to recover and predicted that pressure among the officers for a change in the power structure would soon become explosive.

7. Before the triumvirate had any chance to deal with the rising military discontent, it was faced with a crisis that might have strained even a well-oiled decision-making machine. US Ambassador C. Burke Elbrick was kidnaped by left-wing extremists on 4 September. The kidnapers left a manifesto stating conditions for his release. These included publishing the manifesto, which contained a bitter antigovernment and anti-US diatribe, in the usually censored press and subsequently releasing 15 political prisoners to another country. If their conditions were not met, the abductors vowed to "execute" the ambassador.

8. The manifesto was signed by the Revolutionary Movement - 8 October (MR-8) and the National Liberation

Action (ALN). The MR-8 is a terrorist group made up mostly of students; it reportedly has links to several dissident Communist and other extreme leftist organizations. Many of its members, who had engaged in successful bank robberies, were rounded up by Brazilian security forces this summer before they could implement their plan to undertake rural guerrilla warfare. There is no evidence that the MR-8 has received financing or training from abroad.

9. The ALN has not been conclusively identified, [REDACTED]

[REDACTED] Their probable involvement in the kidnaping would account for the professionalism displayed by the abductors. The pro-Castro Marighella and his group are probably the most effective terrorists in Brazil. They have been responsible for many robberies and armed assaults and evidently for the assassination of US Army Captain Chandler in Sao Paulo in October 1968.

10. After prolonged discussion, the government agreed to the kidnapers' terms. The 15 prisoners whose release was demanded turned out to be some of the military's most prized captives and included prominent extremist student leaders, Communists, terrorists, and a mixed bag of other left-wing radicals. Even had the prisoners not been notorious, many in the military would have opposed the ransom deal as a humiliating sell-out to the forces they most fervently opposed.

Conclusions:

11. President Costa e Silva is not likely to resume the full duties of his office. He is partially paralyzed and is unable to speak clearly. These conditions are likely to improve, but they may not clear up entirely, particularly his difficulty in speaking. One of his doctors reportedly believes that the hopelessness of his case in these respects is so clear that it should be publicly announced. His condition would disqualify Costa

e Silva in the military's eyes from again taking on the burdens of the presidency. Moreover, it is likely that the President himself, once the extent of his probable residual disabilities is made clear to him, would prefer to step down.

12. As it becomes increasingly obvious that there is going to be a permanent vacancy in the presidency, maneuvering for the job will increase. The chances for any civilian, even a "tame" friend of the military, to succeed Costa e Silva must be rated as extremely low. The only possible exception is Justice Minister Gama e Silva, who has been a leading voice in encouraging authoritarian government and in drafting harsh measures to enforce national security. Although he clearly reflects the military's views on these subjects, as a civilian he lacks the prestige and support within the military that an officer would have and that seem essential to any presidential candidate.

13. The triumvirate has been on shaky ground since it assumed power; it probably cannot survive long as presently constituted. The main factors militating against its removal by dissatisfied officers probably have been the lack of a consensus on a suitable replacement, the desire to preserve the sacred-cow image of military unity, and the uncertainty about the actual state of the President's health. This last factor is increasingly less likely to serve as a restraining influence on ambitious generals who see themselves as eminently qualified for the nation's top office. In fact, many of these generals already were jockeying for position in anticipation of the presidential elections scheduled for January 1971. The President's stroke and the triumvirate's takeover, aggravated by military dismay at the Elbrick kidnaping, have picked up the pace of their efforts.

14. If the triumvirate falls, events might move in several directions, but the end result is most likely to be the emergence of a single general, chosen by the military, to serve as President. Stability during the transitional period will depend largely on whether the military can achieve consensus

on a successor. A powerful general might try to pre-empt the time-consuming process by making an open grab for power, but this seems less likely. Some officers reportedly hope that a noncontroversial general can be found to serve out Costa e Silva's term--which ends in March 1971--and maintain relative peace and quiet while the military take whatever time is necessary to reach agreement on a successor for a full four-year term. Others believe that this would merely prolong political maneuvering and give instability an opportunity to grow.

15. Military disunity has been severely aggravated by recent events. At least two camps are contending for leadership--old guard officers, who tend toward conservative social and economic views, and Young Turks, who believe that Brazil needs sweeping reforms and who favor nationalistic solutions to the nation's problems. The goals of the latter have not been clearly defined, and their interest in basic change may, at least in part, be tactical as well as ideological. If an old guard general--such as Geisel, Medici, Muricy, or Lyra Tavares--is chosen, the younger officers, who back men such as Generals Albuquerque Lima, Syseno Sarmiento, or Dutra de Castilho, would probably remain dissatisfied. These younger officers would be apt to express their discontent openly and probably would not give up trying to get a man whom they considered acceptable into the presidency. The old guard, on the other hand, might not favor a reform-minded officer, but would probably support one in the name of maintaining military unity. The leadership crisis may be resolved soon--perhaps at a meeting of the high command set for 18 or 19 September--as most officers fear that an extended power struggle would shatter vital military unity beyond repair.

16. Clearly the succession is unlikely to follow the dictates of the 1967 constitution, which decrees that the next president will be selected by an electoral college composed of the Congress and some state delegates. One option would be to have Congress reconvened to confer a sort of legal

blessing on the new president. [REDACTED]
[REDACTED]

[REDACTED] Another method would be to have the triumvirate designate the military's choice as vice president--Pedro Aleixo probably would put up little fuss over his sudden retirement--and then resign in his favor. More probably the new leader will be confirmed in office by the issuance of another Institutional Act or by a completely revised constitution.

17. Almost certainly there will be a wide-ranging crackdown on anyone who appears even faintly subversive. The government has armed itself with broad powers to "guarantee the national security." Many arrests have been made, including some persons suspected of being involved in the kidnaping of Ambassador Elbrick. Many leftists and opposition leaders have taken cover in the expectation of an even wider purge. The government is not likely to lift its curbs on the press, nor is it likely to tolerate criticism from opposition groups such as the church, students, or workers.

18. One result of the government's tough line may be to force persons previously unwilling to risk punishment to turn to one of the several left-wing extremist groups as an outlet for their opposition. Left-wing terrorism invites counterterrorism from the right; moreover, it contributes to military disunity because officers cannot agree on how it should be controlled. Despite the government's best efforts, continued incidents of terrorism are likely to occur. Government and military leaders as well as US citizens reportedly are targets.

[REDACTED]

[REDACTED]

20. A government headed by a reform-minded officer might attempt to develop a popular base by implementing controversial social and economic reforms opposed by many conservative landowners, businessmen, and other members of the social elite. Conservatives in the military also would oppose such policies. Moreover, this kind of government would probably espouse a much more nationalistic and "independent" foreign policy that could put an additional strain on Brazil's relationships with the US.

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