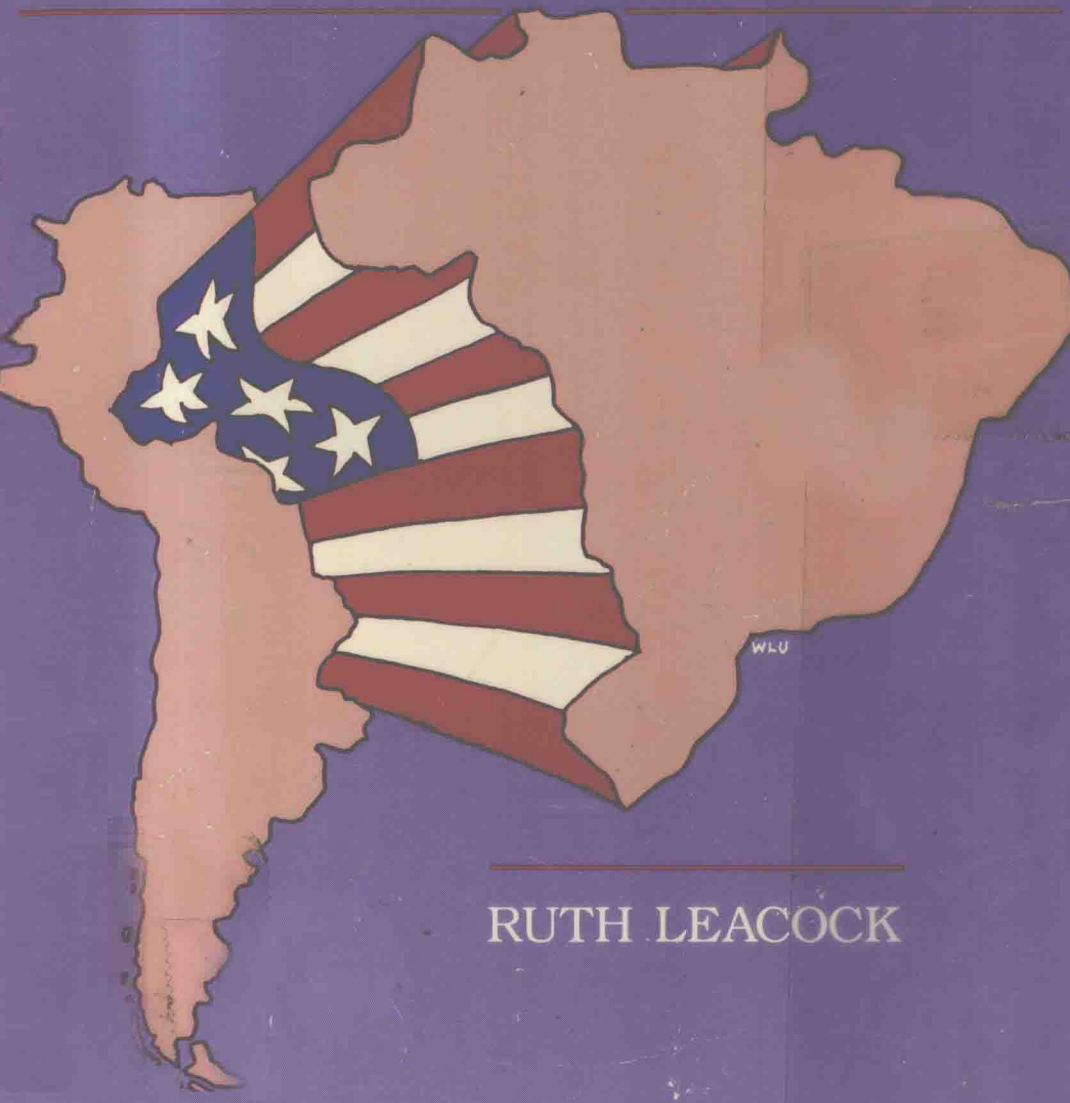
Requiem for Revolution

The United States and Brazil, 1961–1969



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THE KENT STATE UNIVERSITY PRESS
Kent, Ohio, and London, England

Library of Congress Catalog Card Number 89-20054
ISBN 0-87338-401-6
ISBN 0-87338-402-4 pbk.
Manufactured in the United States of America

Library of Congress Cataloging-in-Publication Data

Leacock, Ruth.
Requiem for Revolution : the United States and Brazil, 1961-1969 / Ruth Leacock.
p. cm. —(American diplomatic history)
Includes bibliographical references.
ISBN 0-87338-401-6 (alk. paper).∞ —ISBN 0-87338-402-4 (pbk. : alk. paper)∞
1. United States—Foreign relations—Brazil. 2. Brazil—Foreign relations—United States. 3. United States—Foreign relations—1961-1963. 4. United States—Foreign relations—1963-1969. 5. Brazil—History—Revolution, 1964.
I. Title.
E183.5.B6L4 1990
327.73081—dc20 89-20054
CIP

British Library Cataloging-in-Publication data are available.

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Preface

This book examines an effort to introduce a new American policy in Brazil at a time when the limits to American influence had not yet been clearly demonstrated. Today, although we have been assured that America is standing tall once again, the posture seems somewhat in doubt. There is a rather defensive, even truculent, ring to the rhetoric. The evidence seems thin.

No such doubt clouded the perception of America's international standing in the late 1950s, when some members of the eastern establishment met to discuss foreign policy. Very much aware of American power but also convinced that power should be employed for constructive ends, the liberal academics proposed a new approach to the persistent problems of the world's underdeveloped countries. The new approach, called nation building, was heralded as the democratic counterpoint to international communism. If the Soviet Union could capture hearts and minds with its grim Marxist ideology, surely the United States could export the American Dream.

A concerted effort to do that was made in Brazil during the Kennedy-Johnson administrations. Latin America impinges on the consciousness of the North American public only infrequently, in fits and starts. Complacent indifference is shattered only when the internal problems of a Latin country seem to spill over its borders and pose some kind of threat to American interests. The period from 1960 to 1967 represented one of those awareness intervals. The Cuban Revolution in 1959 had shattered

the illusion that all of the Western Hemisphere could be automatically counted as part of the American sphere of influence. It seemed vital to U.S. national interests to counter the appeal of Fidel Castro's revolution by urgently offering an alternative, devising a crash program that would slice through the accumulated debris and barriers of underdevelopment in order to breast the flood of rising expectations on the part of the Latin American masses.

Within a few years the Brazilian revolution of 1964 did provide an alternative model that other Latin countries might emulate. A number of them did. In particular, there was a replay in Chile in the next decade—with extremist variations. And in Central America today, in the reports of death squads and the disappearances of civilians, there are still echoes of the Brazilian experience.

In analyzing the 1964 revolution and pondering the extent to which American policies contributed to it, I have attempted to present the Brazilian perspective as well as the American. I first became sensitized to a Brazilian point of view while in that country in 1956–57, when I was startled to discover that many Brazilians thought that it was the United States, not the Soviet Union, that was an evil empire. On a subsequent visit in 1962–63 I also became aware of some of the social dimensions of the country's enormous economic problems, as well as of the cumbersome complexity of a federal political system that was weighted in favor of local vested interests. Struggling to run the system was a recently installed, unstable government. I did not witness the final chaotic year of that government or the revolution itself, but travels in Brazil in 1965, 1971, and 1983 provided a firsthand, if limited, view of some of the consequences.

As they attempted to introduce the new American policy, American officials also labored under constraints, constraints that have not perhaps been adequately emphasized in earlier analyses. The Alliance for Progress blueprint was soon modified in response to pressures from Congress, from entrenched Washington bureaucracies, and from businessmen's groups. Especially in the Brazilian case, American corporations played an important role in altering policy guidelines and establishing new performance tests for the beleaguered Brazilian government. If the part played by the multinationals has been overemphasized by some Brazilian analysts, it has been definitely underreported in American accounts. American anticommunist ideology in the 1960s has also, in my opinion, been underemphasized. Since it narrowed or distorted the perception of

ongoing events and warped understanding of the underlying problems, it was perhaps the greatest constraint of all on policy implementation.

In this account I attempt to correct these distortions and omissions. The paper trail on the American side of this case history is fairly wide and well blazed, thanks in large part to Phyllis R. Parker, who in 1975 initiated the declassification of pertinent documents in order to complete her book, *Brazil and the Quiet Intervention, 1964*. On the Brazilian side, few official documents are available, but the deficiency is partly overcome by the large number of personal memoirs and special studies by Brazilian participants or witnesses to the revolution.

Research for this book was facilitated by travel grants from the Lyndon Baines Johnson Library and from the National Council for the Humanities. I would also like to thank the archivists of the Kennedy, Johnson, and Eisenhower libraries, as well as the staffs of the Library of Congress and the Agency for International Development (AID) Reference Center for their assistance in locating materials.

Abbreviations

ADEP	Ação Democrática Popular (Popular Democratic Action)
AFP	Alliance for Progress
AFL-CIO	American Federation of Labor-Congress of Industrial Organizations
AID	Agency for International Development
AIFLD	American Institute for Free Labor Development
AMFORP	American & Foreign Power Company
BAC	Business Advisory Council
BNDE	Banco Nacional de Desenvolvimento Econômico (National Economic Development Bank)
CAMDE	Campanha da Mulher pela Democracia (Women's Campaign for Democracy)
CGG	Comando Geral da Greve (General Strike Command)
CGT	Comando Geral dos Trabalhadores (General Workers Command)
CIA	Central Intelligence Agency
CNTI	Confederação Nacional dos Trabalhadores na Indústria (National Confederation of Industrial Workers)
COMAP	Commerce Committee for the Alliance for Progress
CONCLAP	Conselho Nacional de Classes Produtores (National Council of Productive Classes)
CVRD	Companhia Vale do Rio Doce (Rio Doce Valley Company)
DOPS	Departamento de Ordem Política e Social (Department of Political and Social Order)
ESG	Escola Superior de Guerra (Superior War College)

Eximbank	Export-Import Bank
IBAD	Instituto Brasileiro de Ação Democrática (Brazilian Institute for Democratic Action)
IMF	International Monetary Fund
IPES	Instituto de Pesquisas e Estudos Sociais (Institute of Research and Social Studies)
IPM	Inquérito Policial Militar (Military Police Investigation)
ITT	International Telephone & Telegraph Company
LIMDE	Liga da Mulher pela Democracia (Women's League for Democracy)
MAC	Movimento Anti-Communista (Anti-Communist Movement)
OAS	Organization of American States
ORIT	Organización Regional Interamericana de Trabajadores (Interamerican Regional Labor Organization)
PCB	Partido Comunista Brasileiro (Brazilian Communist Party)
Petrobrás	Petróleo Brasileiro S.A. (Brazilian Petroleum, Inc.)
PSD	Partido Social Democrático (Social Democratic Party)
PTB	Partido Trabalhista Brasileiro (Brazilian Labor Party)
SUDENE	Superintendência de Desenvolvimento do Nordeste (Superintendency of Northeast Development)
SUPRA	Superintendência de Política Agraria (Superintendency of Agrarian Policy)
UCF	União Cívica Feminina (Women's Civic Union)
UDN	União Democrática Nacional (National Democratic Union)
UNE	União Nacional dos Estudantes (National Students Union)
USIS	United States Information Service
UST	União Syndical dos Trabalhadores (Union of Organized Workers)

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Inaugurations

On January 20, 1961, the youngest president ever elected in the United States was inaugurated. The day before, an eight-inch snowfall had immobilized Washington, but most of the streets and the parade route from the Capitol to the White House had been cleared by noon. Bright sunshine had replaced the heavy snow clouds. Still, there was a biting northwest wind, and the temperature remained in the twenties. Despite the numbing cold, John F. Kennedy removed his overcoat to stand before Chief Justice Earl Warren and take the oath of office. A young and activist administration, undaunted by the elements, was taking over.

There was one ill omen of sorts. While Boston's Cardinal Richard Cushing was delivering the invocation ("of extraordinary length," sniffed a reporter from the *Washington Post*), a short circuit in the lectern sent up a billow of smoke.

Eleven days later, on January 31, Jânio Quadros, the youngest president ever elected in Brazil, was inaugurated. Jânio,[1] who had just turned forty-four on January 25, was four months and four days older than Kennedy. His inauguration took place in Brasília, the partially completed new capital of Brazil. At first it appeared that the weather would not be auspicious for this inauguration either. A steady rain had begun the evening before. It turned the still raw earth of Brasília into red mud and gouged deep gullies in the carefully laid out, but still grassless knolls

and slopes of the futuristic new city. But shortly before the outgoing president, Juscelino Kubitschek, was to turn over the sash of office to Quadros, the clouds parted and a brilliant summer sun beamed on the crowd jammed into the Praça de Tres Poderes to witness the ceremony.

In his inaugural address Kennedy concentrated on American foreign policy. Speaking for his entire generation, he welcomed the role of defending freedom around the globe, promising to pay any price, bear any burden, meet any hardship in playing that role. In addition, he offered a special pledge "to our sister republics south of our border," a pledge to create a new alliance for progress, one aimed at eradicating poverty and pursuing development. At the same time he warned that the United States would "oppose aggression or subversion anywhere in the Americas." This lofty summons to a new crusade struck a responsive chord with the American public. The speech was praised and quoted as are few inaugural addresses.

For quite different reasons, Jânio's inaugural address also attracted considerable attention. He delivered his principal inaugural speech on the radio in the evening of January 31. Earlier, at the ceremony when the sash of office was turned over to him, he had made only a four-minute speech. In his radio address he concentrated on domestic affairs, especially on Brazil's immediate fiscal problems. He enumerated figures: Brazil's foreign debt stood at $3,802,000,000; by 1965, $1,853,650,000 would have to be paid on this debt in interest and principal. However, the budget deficit of the federal government was steadily widening. The gap between revenues and expenditures had increased to such an extent that Brazil was unable to meet the payments currently due to the International Monetary Fund (IMF) and to the U.S. Export-Import Bank (Eximbank). Who was responsible for such a mess? His predecessor, Juscelino Kubitschek. The previous administration was also responsible for widespread corruption, "an alarming list of official scandals, encouraged by the most shocking failure to punish."[2]

During the election campaign Quadros had carefully refrained from attacking the popular Kubitschek.[3] Most Brazilians felt it was unseemly to use an inaugural address to initiate such an attack. Even newspapers that had enthusiastically supported Quadros's candidacy saw the speech as petty and vindictive. Jânio spoke like a candidate for office, not like a president who had just taken the helm, according to the influential Rio daily, *Correio da Manha*.[4] Congressional leaders of Kubitschek's party, the PSD (Social Democratic Party) immediately maneuvered the Congress into a special session in order to counterattack and criticize

the new president. The PSD was still the largest party in the Congress. So much for the honeymoon. Prospects for smooth cooperation between the legislative and executive seemed dim. It was an odd beginning.

As was the custom among heads of state, Kennedy sent a message of congratulations to Quadros on his inauguration. "Once in twenty years," the Kennedy message noted, "presidential inaugurations in your country and mine occur within days of each other. This year of 1961 is signalized by that happy coincidence."[5]

The statistic, so confidently tossed out, is a little puzzling. It suggests that Brazil had a long-standing tradition of inaugurating presidents in January, under a constitution as stable as that of the United States. But the constitution that Brazil had at that moment was not yet fifteen years old and would not, in fact, last twenty. For fifteen years prior to 1946 Brazil had no elected president at all, and under the pre-1930 constitution the chief executive had been inaugurated in November. In addition, until 1937 the United States had installed its presidents in March. In short, the happy twenty-year coincidence the telegram referred to had never occurred before.

Although the Kennedy message thus managed to suggest American ignorance of Brazilian history, no doubt the State Department official who wrote it merely wanted to underline the fact that the United States, like Brazil, had a brand new administration, one that was conscious of parallels between Brazil and the United States. Parallels there were. Both countries were continental in size and rich in resources. Both were New World countries with a history of European colonization, forced African immigration, and later waves of voluntary European and Asian immigration. Both had struggled for independence from the European mother country. Both had been torn for a time by an internal struggle over the abolition of slavery.

Although there were similarities, they were superficial. In 1961 the United States and Brazil were distant from each other geographically and culturally. At the popular level in the United States a profound ignorance about, and indifference to, all Latin Americans blurred distinctions. Weren't they all Latinos who believed in mañana, siestas, and rhumba? To most Americans, Brazil was just another small banana republic where the natives spoke Spanish and had a lot of coffee.

The perception that most Brazilians had of Americans was equally unflattering. Americans were thought of as wealthy in material possessions but lacking in civility—essentially uncultivated, very much inclined to be loud and boastful.

Brazilians who considered themselves nationalists held an even more negative view of the United States. By the time of the 1960 presidential campaigns, a new type of nationalism—developmental nationalism—was stirring the urban, literate public. The basic ideas dated back to the eighteenth century: Brazil should abandon the role of supplier of raw materials and develop its own potential as an industrialized power. As a popular mass movement, developmental nationalism dated back only to the 1951–53 campaign to create Petrobrás, the state oil company. That campaign had been led by President Getúlio Vargas. His successor, Juscelino Kubitschek, did even more to fan development fervor by actually delivering on his campaign slogan, "Fifty years progress in five." Despite the fiscal and social costs of such rapid development, the public was captivated by the notion that the sleeping giant, Brazil, was finally on the move, marching toward its destiny as a major world power.[6]

Nationalism cut across the political spectrum, but the most vocal of the developmental nationalists were located left of center. They employed a Marxist terminology to argue that the explanation for Brazil's backwardness lay in centuries of exploitation by foreign imperialists. Earlier it had been Portugal, the Dutch Republic, Spain, Great Britain. Now it was American monopolies that were trying to tighten a grip on the Brazilian economy with the aim of preserving Brazil as a supplier of cheap raw materials.

A degree of antipathy to other nations is implicit in any nationalism. National self-definition depends upon comparison, usually invidious, with other nations. It helps to have one sharply defined opponent against whom we can see ourselves. For the Brazilian nationalists the United States was the obvious foil. Ever since World War I, the United States had replaced Britain as the largest investor in Brazil, as well as its best customer and supplier. Americans—missionaries, businessmen, tourists, officials, students—kept turning up in every corner of Brazil. What were they all looking for? Gold, oil, diamonds, unknown mineral resources? In addition, as it assumed "the leadership of the Free World," the United States seemed to parade its power and flaunt its wealth. Apprehension, envy, and resentment were natural reactions on the part of the less affluent and the weak. "Why is the standard of living so high in the United States and so low in Brazil?" Journalist Gondin da Fonseca posed that question in 1961 and of course supplied the answer: it wasn't because the Yankee worked harder than the Brazilian but because the United States robbed and pillaged the entire world.[7]

Similar charges of rampant American imperialism were being aired frequently by 1960, and more moderate Brazilians said little to contradict them. There was no discernible rush to defend the Good Neighbor of the North. Instead, any Brazilian courting votes or public support was likely to join the nationalist chorus. Therefore, during the campaign, when Quadros praised Castro, proposed the recognition of Communist China, promised to renew diplomatic relations with the Soviet Union, and criticized unnamed foreign corporations for bleeding Brazil, it was all put down to political expediency. The conservative parties supporting him did not think that he really meant any of it.

The United States had its own "ism" to interpret the world by. Anti-communism was still the cement that tightened bonds within American society and glued together the diverse strands of foreign policy. Young and old, management and labor, WASP and ethnic, virtually all Americans could agree that communism was a bad thing, and the price of liberty was eternal vigilance with respect to the Soviet Union.[8] In 1961, communism was still seen as a monolithic force, with leaders in the Kremlin moving the chess pieces of their empire, inexorably plotting world conquest, sacrificing a pawn here and there, but ever pressing on toward the ultimate objective. Nearly superhuman powers of infiltration and subversion were attributed to the communist bloc.

In the early Cold War worldview, Latin America had been seen as a safe area, under American protection, outside the theater of superpower competition. The containment lines had to be drawn and held in Eastern Europe and Asia. Minor aid such as technical assistance might be funneled south of the border, but the bulk of development capital there would have to come from private corporate investment. American diplomats were asked to explain to the Latins that more governmental assistance could not be offered because American resources were limited; the nuclear umbrella had to be financed, in addition to the major expenditures along the containment lines in Europe and Asia. But Latin America benefited from the American facedown of Russian imperialism just as much as the United States benefited. Latins, it was believed, understood this and approved.[9]

It was the Cuban Revolution that had led the Eisenhower administration to initiate a change in policy. Not until Castro's band of guerrillas defeated an army equipped and trained by the United States did the administration become concerned about the hearts, minds, and aspirations of the Latin masses. Earlier signs of dissatisfaction with America, such as the mob attacks on Vice President Richard Nixon during his

1958 tour of the region had caused alarm but were not followed up. After that Nixon tour, Brazilian President Kubitschek suggested that it was time for a Marshall Plan for the Western Hemisphere, an Operation Pan-America. His proposal was politely buried in Organization of American States (OAS) committees. It was thought that he made such a proposal just to distract attention from Brazil's looming debt crisis.

As the Castro-led forces were winning ever-increasing support during that same year of 1958, the Eisenhower administration switched to a policy of neutrality in the Cuban conflict. Arms shipments to Fulgencio Batista were suspended in March. At the time, Castro was regarded as a romantic liberator figure. It was not until the final days of 1958, Dwight D. Eisenhower noted regretfully in his memoirs, that the CIA suggested that the communists had joined the Castro movement, and a Castro victory might not be in the best interests of the United States.[10] By then it was too late to prevent it. Batista fled to the Dominican Republic on New Year's Day of 1959. During the next twelve months, Eisenhower's glum fear that communism had penetrated this hemisphere seemed to be confirmed by Castro's actions, although the new dictator of Cuba did not actually proclaim his conversion to Marxism until late 1961.

The CIA would not soon repeat the sin of underestimating communist strength in Latin America.

Like the Eisenhower team, Kennedy and his future advisors had paid little attention to Latin America before the Cuban Revolution. True, Eisenhower critics such as Walt W. Rostow were belaboring the administration for a sluggish foreign policy, especially with respect to underdeveloped nations. Rostow believed that the United States must become involved in the modernization of these areas before the communists moved into them in force. But the parts of the Third World that Rostow believed critical to the American position in the Cold War were Asia, the Middle East, and Africa. The Latin American states, he opined in 1958, were protected "by geography and the Monroe Doctrine from all but occasional involvement in the world's power struggles" and therefore could proceed with modernization "at a leisurely pace." As he saw it, "the inevitable periods of vicissitude and crisis" in Latin America "rarely raised issues which seriously touched the American national interest."[11] Presumably, then, Eisenhower was not to be faulted for ignoring Latin America.

President Kennedy had also shown little interest in that region while in the Senate. He was a member of the Senate Foreign Relations Subcommittee on Latin America but devoted most of his attention to the