PORTUGAL

Marcelo José das Neves Alves CAETANO

Prime Minister

Marcelo Caetano, Portugal's leading authority on administrative law, became Prime Minister in September 1968, succeeding the gravely ill António Salazar. President Américo Thomaz' selection of Caetano brought to an end Salazar's 40-year rule. Described as a reasonable conservative, Caetano has a much more modern outlook than his predecessor.



(PRE 1970)

As one of the principal designers, in the 1940's and 1950's of Portugal's corporate state (Estado Novo), Caetano generally supported Salazar's policies. The "corporative system" limits individual participation in governmental bodies to representation through functional bodies—economic, social and cultural.

Caetano's move away from the regime in the late 1950's seems not to have been prompted by any basic disagreement with the principles of the corporate state, but rather by a genuine doubt that Salazar's uncompromising authoritarianism was the right way to administer it. In any event, when the ultra-conservative ruling elite and military establishment called Caetano from the University to become Prime Minister, it was because they were confident that he was a product of the regime and would revitalize rather than destroy it.

Caetano has acted as a balance between the conservative forces and those younger elements within the regime who desire more rapid changes. This balance may reflect a duality in Caetano's own thinking between his belief in social democracy and economic opportunity and his belief in maintaining the authority of the current political structure.

Marcelo José das Neves Alves CAETANO (cont.)

Furthermore, the men he has selected for his ministries illustrate the importance he attaches to being supported by assistants who are loyal to him personally. Pro-Caetano members also dominate the National Assembly elected in October 1969.

International Political Views

ALTERNATION OF

Under Caetano's leadership Portugal has assumed a more active role in international relations. He remains characteristically Portuguese in his approach to problems, but does not advocate the aloof isolationism of Salazar. He has made it clear that he would like to see Portugal more receptive to modern influences and development!

The Prime Minister is a strong backer of NATO, and has indicated that NATO is extremely important to Portugal because it is the only military alliance in which his country participates. This is a change from the lukewarm support Portugal gave NATO under Salazar. Many Portuguese feel that NATO--originally set up to counter Communism in Europe--ought to appreciate more deeply than it does that their provincial wars are in fact a lonely fight against Communism in Africa. Caetano, in a veiled reference to Portuguese Africa, has expressed the same view. He stated that while the NATO alliance has generally gone far beyond its original concept, the vital interests of many members are being threatened in areas outside of the treaty area and that fact is not being fully taken into account.

Caetano is a firm anti-Communist and strong critic of the USSR; however, he permitted the first tourists from the Soviet Union to enter Portugal in April 1969.

Attitude Toward the United States

A desire for improved relations with the United States appears to be a distinct part of Caetano's policy for ending Portugal's isolation. The Prime

- 3 -

G	Approved for Release: 2019/07/12 C06790246		
		Marcelo José das Neves Alves CAETANO (cont.) died in January 1971. For official functions Caetano's attractive daughter Ana Maria (33) acts as hostess. She reputedly trained as a nurse Caetano also has three sons: João, an architect; José Maria, the government's representative on the administrative board of Companhia de Seguros de Creditos; and Miguel,	(b) (b) (b) (b)
		an economist who heads the Division of Regional Planning in the Prime Minister's Technical Secretariat. Caetano has 12 grandchildren. Rui Alves da Silva Sanches, the Minister of Public Works and Communications, is the Prime Minister's cousin.	(b)(1) (b)(3) (b)(
		August 1971	
		•	,
		- 7 -	(b

Approved for Release: 2019/07/12 C06790246