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1 April 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting at the White House 1 April 1964

Subject - Brazil

PRESENT: The President

State Department: Secretary Rusk, Under Secretary Ball, Deputy Under Secretary Johnson, and Mr. Ralph Burton

Defense Department: Secretary McNamara, Deputy Secretary Vance, General Taylor and General O'Meara

White House Staff: Messrs. Bundy, Dungan, Moyers, and Reedy

CIA: The Director, Colonel King and Mr. FitzGerald

- 1. The meeting commenced with a briefing on the latest intelligence reports by Colonel King including items from the 10 o'clock telecon between State and Ambassador Gordon. Matters seemed to be more favorable to the insurgents than they had been the previous evening, particularly in view of indications that General Kruel is moving Second Army troops to the Sao Paulo border.
- 2. Secretary Rusk said that Ambassador Gordon was not advocating U.S. support at this time. Only the Paulistas had requested such aid and this without definition. Ambassador Gordon, with whom the Secretary agreed, believes that it would be wrong at this stage to give Goulart an anti-Yankee banner.



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- 3. Secretary Rusk referred to a "leak" the evening before regarding the movement of a Naval task force to the area of southern Brazil. (General Taylor said that there was not actually a leak but that it appeared to be a deduction by newsmen based on knowledge that a special meeting of the Joint Chiefs took place.) It was agreed that newspaper queries concerning the Naval movement would be treated routinely and that it would not be shown as a contingency move having to do with Brazil.
- 4. Secretary Rusk commented that the reporting from Brazil was excellent and endorsed the statement of facts presented by Colonel King.
- 5. There was an aside on Panama concerning the latest OAS language concerning U.S. discussions with the government of Panama. The President gave as his opinion that this language, which appeared to please the Panamanians, did not to him appear to differ from that which we had previously used.
- In another interjection, the President asked what the effect of Senator Fulbright's speech had been abroad. Mr. Ball referred to his recent trip to Europe during which he addressed the NATO council (prior to the Fulbright speech). He said that the NATO people had agreed that the U.S. had not clearly stated its position vis-a-vis Cuba. Mr. Ball believes that the Fulbright speech may give ammunition to those who do not favor our Cuba policy in the first place. He also added that the Che Guevara speech in Geneva had been much too long and had therefore probably laid an egg. He said that he did not think that, as far as economic denial against Cuba is concerned, the Fulbright speech would have very much effect in Latin America as there was very little trade anyway. The President inquired whether we are endeavoring to explain the basis of our present policy to Fulbright. Secretary Rusk said that this had been and is being done. The President observed that Senator Fulbright probably is enjoying the halo set on his brow by the New York Times and the Washington Post and will probably wish to retain the headgear. Mr. Ball said

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that he had identified the soft underbelly of the British position in the Cuban denial matter. Apparently British governmental credits can be granted on two grounds: (1) that it is a good credit risk, and (2) though not a good credit risk, the risk is in the national interests. The British apparently admit that the Leyland Bus deal falls in the second category. As a consequence, he believes that we may well be able to stop future British government-backed credits to Cuba.

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The President said that he wants to be very sure that the British fully understand our position with respect to Cuban economic denial.

7. Secretary McNamara reported on the status of the task force. It sailed this morning and would be in the vicinity of Santos by the 11th of April. The arms and ammunition are now being assembled for airlift in New Jersey and the airlift would take 16 hours from the time of decision. As to POL, the earliest Navy tanker, diverted from the Aruba area, would be in place on the 10th or 11th of April. There is, however, a Norwegian tanker chartered by Esso in the South Atlantic loaded with the necessary motor and aviation gasoline. It is headed for Buenos Aires and should arrive there on the 5th of 6th of April. It was decided that

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This should be done as soon as possible.

(Messrs. Bundy and Dungan, following the meeting, said that they had taken exception to the Navy's order to its task force which had placed the movement clearly within the contingency plan for Brazil. They felt that this was an unnecessary security hazard.)

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Desmond FitaGerald
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