

DEPARTMENT OF STATE  
**AIRGRAM**

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70 UNCLASSIFIED AIR POUCH  
 NO. HANDLING INDICATOR  
 TO : Department of State  
 MARCH 1 11 54

FROM : American Consulate, Curitiba DATE: March 25, 1963

SUBJECT: Potatoes for Northeast Brazil under Paraná's "Food for Brazil" program.

REF :

Paraná Secretary of Agriculture, Paulo Pimentel, has put a plan into effect, which is entitled "Food for Brazil". This plan is based upon the premise that Paraná could easily become the breadbasket for Brazil and could thereby meet the food requirements of underdeveloped states and those having critical food shortages.

Under this plan, the State recently bought 28,500 sixty kilo bags of potatoes, a crop which is superabundant this year - amounting to about one million bags in Paraná alone. In an effort to help the Paraná potato producers, for whose crop the Federal Government has as yet not set a minimum price, the State Government paid 1230 cruzeiros per sixty kilo bag. This is considered to be a fair price.

The Paraná Department of Agriculture then contacted several states in the Northeast and arranged to sell them potatoes at a delivered price of about 50 cruzeiros per kilo (3,000 cruzeiros per bag), a price which would afford Paraná a very small profit and would also force the retailers' price in those states down from 120 cruzeiros to about 70 cruzeiros per kilo. The Department of Agriculture adopted a novel approach in educating Northeast consumers in the use of potatoes, since this reportedly is not a popular food staple in that area. Instructions on different methods of preparing potatoes were attached to each sack.

To date 18,500 sixty kilo bags have been sent to Pernambuco and 10,000 more bags are awaiting shipment at the end of March to other Northeast states. It was reported that

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From Amconsulate, Curitiba

the anticipated price reduction was effected by these shipments and that the consumer response was gratifying.

Various congratulatory messages have been sent to Governor Ney Braga by communities in Pernambuco and a visit was recently made by Antonio Barroso Cavalcanti, Commercial Director of the Bahia Company of Food, Seed and Markets to arrange for additional shipments of potatoes to that area.

In addition, it is reliably reported that Argentina desires to purchase 300,000 bags and that Paraguay has also expressed interest in buying potatoes. The official reason given for Paraná's not exporting potatoes at the time is that the Brazilian Market must be served first.


Comment: The Reporting Officer believes that the export of potatoes would hurt the candidacy of Governor Ney Braga who shows every symptom of a man running for federal executive office but being coy about it. He has consistently stated that Paraná and other more developed states should assist those states in need.



Arthur W. Feldman  
American Consul

cc: AmEmbassy, Rio de Janeiro (3)  
AmEmbassy, Brasilia (1)  
Mr. Fort Milam, Agricultural Attaché (1)  
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