

32
INCOMING TELEGRAM

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Action

Control: 14478

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Rec'd: JULY 18, 1963 05

Info

FROM: RIO DE JANEIRO

12:31 A.M. *ST/B*

CAP

TO: Secretary of State

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NO: 111, JULY 17, 6 P.M.

USIA

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AIR

RMR

PRIORITY

ACTION DEPARTMENT 111; INFORMATION BRASILIA 9.

CABINET MET JULY 16 BRASILIA WITH EXPEDITO MACHADO AND AMARAL PEIXOTO ABSENT. PRESENT IN ADDITION CABINET MINISTER WERE DARCI RIBEIRO, WALDIR PIRES (CONSULOR-GENERAL) TANCREDO NEVES (MAJORITY LEADER) AND DIOGO GASPAR (COORDINATOR OF RECENTLY CREATED (EMBTel 83) NATIONAL PLANNING COMMISSION.) MEETING LASTED 1030 TO 1330 AND FOLLOWED BY DETAILED PRESS RELEASE. PRESIDENT STATED INFLATION CONTAINMENT PHASE ENDED, DEVELOPMENT PHASE BEGINNING (EMBTel 2561); PLANNING COMMISSION WILL SELECT PROJECTS WHICH "DURING SHORTEST TIME POSSIBLE" WILL BE COORDINATED WITH FINANCE MINISTRY AND ITAMARATI "TO ESTABLISH PROGRAM OF INTERNAL AND EXTERNAL FINANCIAL RESOURCES AT DISPOSAL GOVERNMENT TO ASSURE EXECUTION OF PLAN". PRINCIPAL ITEM OF MEETING WAS LONG PRESENTATION MINISTER AGRICULTURE IN FACTOR OF AGRARIAN REFORM.

ON CONGRESSIONAL FRONT, AGRARIAN REFORM ISSUE HEATING UP. REVISED MILD PSD AMENDMENT (WEEKA 28) COMPETING WITH UDN MILTON CAMPOS BILL. FURTHER COMPLICATING SCENE IS ORIGINAL PTB PROPOSAL WHICH AT TOP OF CHAMBER'S CALENDAR AND WHICH OPPOSITION WANTS TO SEE PUT TO VOTE SINCE WOULD CERTAINLY RESULT IN OVERWHELMING DEFEAT EMBARRASSING TO PRESIDENT. TANCREDO NEVES AND MARTINS RODRIGUES CLAIMING THEY CAN HOLD MOST OF THEIR PARTY BEHIND PSD AMENDMENT, HOWEVER GRUPO COMPACTO OF PTB GRUMBLING AT MILDNESS PSD AMENDMENT. FEDERAL PAY BILL BEEN ON GOULART'S DESK SEVERAL DAYS. HE REPORTEDLY CONTEMPLATING

/SEVERAL

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ACTION ASSIGNED TO: <i>ARRA: LA/BR</i>	ACTION TAKEN: <i>None</i>	DIRECTIONS TO RM/R: <i>File</i>
NAME OF OFFICER: <i>R. Burton</i>	DATE OF ACTION: <i>7/22/63</i>	

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Authority *NND 939529*

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-2- 111, JULY 17, 6 P.M. FROM: RIO DE JANEIRO.

SEVERAL ITEMS VETOS INCLUDING PROVISION PROHIBITING NEW APPOINTMENTS TO FEDERAL PAYROLL FOR ONE YEAR. ON PERSONNEL FRONT, PRESS REPORTS NOMINATION OF NILO MEDINA COELI TO PRESIDENCY BANCO DO BRASIL BEEN SENT TO SENATE, AND ACCEPTANCE PRESIDENCY BRAZILIAN COFFEE INSTITUTE BY NELSON MACULAN LEFTIST-NATIONALIST PTB SENATOR FROM PARANA.

GP-3.

GORDON

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