



DEPARTMENT OF STATE
WASHINGTON

Brubeck
5

JUL 10 1963

MEMORANDUM FOR MR. McGEORGE BUNDY

THE WHITE HOUSE

Subject: Call on Mr. Dungan by Governor Celso Ramos
of Santa Catarina, Brazil.

This subject has been discussed telephonically with
Mr. James Frey of Mr. Dungan's office.

With reference to Governor Ramos' call on Mr. Dungan
on Thursday, July 11, at 3:00 p.m., the attached biographic
sketch, briefing memorandum and list of proposed Alliance
projects in Santa Catarina are submitted.

Governor Ramos will be accompanied by his brother,
Federal Deputy Joaquim Ramos, by his aide, Sr. Alcides
Abreu, and by Mr. Ralph Burton of the Department of State.

Governor Ramos' English is inadequate, as is that of
his brother, and an interpreter will be present. Sr. Abreu
understands English.

J. Davis
for
William H. Brubeck
Executive Secretary

Enclosures:

1. Biographic sketch of Governor Ramos.
2. Briefing memorandum.
3. Proposed Alliance projects in
Santa Catarina.

DECLASSIFIED

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Attachment 1.

Celso RAMOS

Governor of Santa Catarina, Brazil

The 65 year old Ramos belongs to a prominent and influential Santa Catarina family and his political activities have been largely concentrated in that southern state. He is state president of the Social Democratic Party (PSD) - former President Kubitschek's organization. In 1960 he won the governorship - his first elective office - by a substantial margin. He is a political conservative.

Although not a political figure of national stature, Ramos has extensive business and family connections in southern and central Brazil which qualify him as a member of that country's establishment. His late brother, Nereu Ramos, briefly occupied the presidency of Brazil in 1955-1956.

The bulk of Ramos' energies appear to have been devoted to his business activities, which include a lumber exporting company and a commission sales organization. He is also an agent of a large coastal navigation company, president and founder of the state Federation of Industries, and a member of the Council of the National Confederation of Industries (CNI).

An intelligent and progressive industrialist, Ramos established (1959) and supervises a research organization which conducts socio-economic surveys in Santa Catarina, and concerns himself with labor and social welfare activities. He is the founder and president of the union of the wood extracting industry, the Social Service of Industry (an employers' organization that provides social assistance to workers), and the Vidal Ramos Foundation, which maintains a college level social service school in Santa Catarina. He is also President of the Council of SENAI, a nation-wide employer organization that encourages the development of skilled labor by teaching industrial trades to apprentices.

July 9, 1963

Decontrolled August 30, 1966.

Briefing Memorandumfor Governor Celso Ramos' Call on Mr. Dungan, 11 July 1963I. Purpose of Ramos' visit.

Good will. Ramos is in the United States (he arrived on 6 July) as a State Department leader grantee. He is travelling with Sr. Alcides Abreu, the Vice-President of the Santa Catarina Development Bank and the State Coordinator for the Alliance for Progress, and with his brother and advisor, Federal Deputy Joaquim Ramos. Deputy Ramos is the national treasurer of the Social Democratic Party (PSD) and was rumored for the post of Minister of Industry and Commerce during the recent Cabinet reorganization.

II. Items Ramos May Raise.A. The Alliance for Progress.

While the only AID activities in Santa Catarina at this time are small public safety and water supply programs, several proposals in such fields as water supply and agriculture are under discussion with USAID (attachment 3). While in Washington, Ramos intends to discuss the above proposals as well as such other aspects of his five-year development program as roads and electric power. Ramos understands, however, that AID financing is dependant upon USAID recommendations and on approval by the Brazilian Government. In this connection, Ramos has criticized what he considers to be Brazilian federal bureaucratic lethargy in selecting worthwhile projects for assistance under the Alliance.



B. Santa Catarina's potential and aspirations.

Santa Catarina, which has a rapidly growing population of 2.2 million, is one of Brazil's largest producers of corn, wheat, pears and apples, as well as of coal and pine. Despite considerable natural potential, Santa Catarina is one of the least developed of Brazil's southern states (individual per capita income is slightly inferior to the Brazilian average) and Ramos has been seeking external and internal assistance for his development program. As an example of the latter, the five-year electrification plan (electric power potential, which in 1960 was 90,000 kw., is expected to reach 352,000 kw. during 1963) is being implemented through financing from the South Brazil Regional Economic Development Bank (BRDE) and the South Brazil Development Council (CODESUL).

C. Santa Catarina's role in Brazilian Development.

Ramos is believed to be particularly interested in developing the agricultural sector of the state's economy, since he believes that Santa Catarina and two other southern states, Parana and Rio Grande do Sul, could easily meet all of Brazil's agricultural needs.

[REDACTED]

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Proposed Alliance Projects in Santa Catarina

Water and sewage

A project application for approximately 40 cities was submitted to USAID and to COCAP (the Brazilian Government's co-ordinating body for Alliance planning) in April 1962. USAID technicians assisted in its preparation and recommend favorable action. COCAP is studying the application.

Agriculture

USAID is informally reviewing a broad agricultural improvement program, which includes cooperatives, warehouses and silos, fertilizers and correctives. Priorities have not yet been determined and no formal applications have been submitted to USAID or to COCAP.

Fisheries

USAID is informally reviewing one project related to the expansion and modernization of fishing cooperatives. No formal application has been submitted to USAID or to COCAP.

Santa Catarina Development Plan

The state coordinator for the Alliance, Sr. Abreu, visited USAID in April 1963 to discuss social and economic development plans which would entail an estimated \$65 million of assistance. USAID described its procedures, mentioned the limitations on its resources, and pointed out the need to establish priorities, develop specific proposals and clear through COCAP. USAID has had no further follow-up from Santa Catarina and knows of no application to COCAP.

Santa Catarina Economic Development Bank

The Bank, which began operations in mid-1962, has concentrated on rural credit and loans to small and medium-sized industries. In December 1962 USAID received an application for CR.\$1 billion to help organize the bank along the lines of COPEG (the Guanabara State development agency). The Mission reviewed the project but does not know if Ramos has also presented it to COCAP.

Olinkraft, S.A.

In the autumn of 1962, Olinkraft, S.A., a subsidiary of the Olin Mathiesen Chemical Corporation, submitted a loan application to expand production of long staple kraft paper, which is made from Parana pine and used in making cement sacks. USAID understands that COCAP assigned this application to the National Technological Institute for review.

Public Health projects for the eradication of intestinal infections

USAID has no firm information on this proposal.

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