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AIR POUCH

OPERATIONS MEMORANDUM

YM

TO: Amconsul SALVADOR

Date: June 4, 1963

FROM: Amembassy RIO DE JANEIRO

not Recife?

SUBJECT: Economic Reporting

REF: Embassy's A-1401 of June 3, 1963; Your OM's of April 26, 1963, January 18, 1963, and September 6, 1962

The reference Embassy airgram of June 3, 1963, (copies of which were sent to consulates) summarizes the Embassy's current guidance on economic reporting. As indicated in that airgram, the Embassy is undertaking certain measures which should provide constituent posts with more adequate guidance on economic reporting in the future.

In answer to the questions raised in the Consulate OMs under reference: 1) the Embassy concurs with the proposals outlined in the the Consulate's OM of January 18, 1963, except of course as modified by subsequent arrangements for the weekly and monthly summaries; 2) the type of information reported in the Consulate's OM of April 26, 1963, should be sent to the Embassy, rather than the Department; 3) the questions concerning the Consulate's contribution to the monthly summary, raised in the Consulate's OM of September 6, 1962, have been partially answered by the Embassy's Guidance Memorandum of April 15, 1963; the requested evaluation of the Consulate's contribution will be the subject of a future communication.

cc: G. Henderson (Consular Section)

ECON:BAGoldstein:od

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500 / Economic Reporting
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CONSULATE OF THE
UNITED STATES OF AMERICA

JUN 14 1963

SALVADOR, BAHIA, BRAZIL

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Department of State (E/REP)

April 26, 1963

American Consulate General, RECIFE

Economic Reporting: Non-compliance by Consular Posts with
CA-1439 of August 8, 1962.

Department's OM of April 11, 1963

A careful search of the Consulate General's files shows that this post did not receive CA-1439, nor was it informed of its instructions through other channels. CA-1439 having been dated August 8, 1962, for eight months now the Consulate General, unaware of its contents, has continued direct economic reporting in accordance with FAM Vol. 10, and with particular reference to the Alert List transmitted under cover of CA-4226.

The Consulate General will discontinue its direct reporting. Once the post obtains a copy of CA-1439 and has the opportunity to discuss with the Embassy the instructions therein contained, further reply will be made to the Department's OM of April 11, 1963.

Cc: Amembassy Rio de Janeiro
Amconsul Salvador
ARA:EST/B

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500 / Economic Reporting

CONSULATE OF THE
UNITED STATES OF AMERICA

APR 30 1963

SALVADOR, BAHIA, BRAZIL

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OPERATIONS MEMORANDUM

TO: American Embassy, Rio de Janeiro

FROM: American Consulate, Salvador

SUBJECT: Economic Reporting

REF:

Date: January 18, 1963

As a result of recent circular instructions and of consultations by the Principal Officer in the Department and in Rio de Janeiro, which reflected the Department's desire to receive consolidated national data on most economic topics, the Consulate will discontinue submitting the following reports:

1. Quarterly Report on Minerals (CERP D-16 and CA-7377 Feb. 27, 1939) which has been sent to the Department as an airgram. (The report covering the last quarter of 1962 will be submitted since material for it had been gathered by our retiring local clerk.)
2. Foreign Imports into Bahia (CERP B-I-A) sent annually to the Department.
3. Exports from Bahia (CERP B-I-A) sent annually to the Department.
4. Banking Movement in Bahia (CERP B-III) sent annually to the Department.

Instead of these and other repetitive economic reports submitted in the past, the Consulate will prepare spot reports on the following subjects:

1. Investment opportunities, -to be sent to the Department by Airgram, copies to Rio and Recife.
2. Trade opportunities -- same distribution as above.
3. Trade and financial developments with Curtain countries and Communist China -- to be sent to the Department with copies to Rio and Brasilia.
4. Other economic or financial developments which have an impact on the nation or on US relations -- to be sent to the Department with copies to Rio, Brasilia and Recife.

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Besides reports on these subjects, the Consulate will continue reporting economic and financial developments in its weekly summaries, which at present are sent to the Department with copies to Rio, Brasilia and Recife, and from time to time will furnish to Rio material of a local or regional nature suitable for inclusion in the Embassy's monthly economic summaries.

Our proposed distribution includes Recife on nearly all items because it is believed that our information is likely to be of interest to the Consul General there as well as to the regional AID office.

Copy to Department.

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OPERATIONS MEMORANDUM

TO: Amembassy, RIO DE JANEIRO, BRAZIL
FROM: Amconsul, SALVADOR, BAHIA, BRAZIL
SUBJECT: Economic Reporting: Monthly Economic Summary
REF: Embassy's OM, December 4, 1961

Date: September 6, 1962

The economic summary for the month of July was sent to the Department in the form of an Airgram with a copy to the Embassy. Subsequently, the reference communication requesting "brief, informal statements by the tenth of the following month" from the consulates, with the Embassy to prepare the monthly summary to the Department, was called to the attention of the reporting officer. Accordingly, the August summary is being submitted in the form of an OM to the Embassy.

The consulate would appreciate from the Embassy some evaluation of the utility of the monthly economic summary — whether it should be continued, eliminated, shortened, expanded, or otherwise modified. In the event that it is used at the Embassy only by the compiler of the Country Summary, for example, considerable drafting and typing could be eliminated by merely sending our rough notes and other source materials in an envelope to the proper office in Rio. On the other hand, if it has a wider utility, perhaps the present form should be continued, or, if it would be useful to the Department, there would be no additional work involved in changing the format to that of an Airgram to the Department with a copy to the Embassy.

CC: Department of State, Washington

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DEPARTMENT OF STATE

Salvador

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AmEmbassy, RIO DE JANEIRO

Economic Reporting Guidance

Department's CA-11776 of April 20, 1963; Department's OM of April 11, 1963.

The Embassy's most current guidance on economic reporting was contained in Guidance Memoranda dated April 15, 1963 and May 15, 1963, copies of which were forwarded to the Department, under cover of transmittal Slips, marked for the attention of ARA, dated April 23 and May 22, respectively.

Assignment to the Consulate General at São Paulo of responsibility for certain specific CERP Section B items was reported to the Department in Embassy's OM of May 8, 1962. The only change that has occurred in that assignment has been the Department's cancellation by OM of May 16, 1962 of B-516 - Pulp, Paper, and Paperboard (Outlook).

In compliance with the Department's instructions on marginal reporting, the Embassy is presently conducting a systematic review and evaluation of economic reports being prepared by the Consulates. At the conclusion of this review the Embassy will communicate its views to each post identifying reports which are considered essential and those that are considered marginal or expendable. These and the continuing efforts which the Embassy will make along these lines provide the constituent posts with more adequate guidance on economic reporting in the future.

500/Economic Reporting

CONSULATE OF THE
UNITED STATES OF AMERICA

For the Chargé d'Affaires

JUN 10 1963

cc: All Consulates.

SALVADOR, BAHIA, BRAZIL

Robert Eakens
Counselor for Economic Affairs

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ECON:BAGoldstein:lsc

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*Acknowledged
in Weekly Summary
of April 19/1963
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OPERATIONS MEMORANDUM

TO: **Amembassy, RIO DE JANEIRO**

FROM: **Department of State - E/REP** *Walt*

SUBJECT: **ECONOMIC REPORTING: Non-Compliance by Consular Posts with CA-1439 of August 8, 1962**

REF:

☒ Consul	DATE: April 11, 1963
☒ Exec.	
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The Department has noted a lapse of compliance with CA-1439 on economic reporting by the Consular posts in Brazil, except for Belen Para. The lapse is most serious in the case of Recife and Curitiba. The Embassy is requested to correct this situation.

Direct economic reporting by Consular posts is authorized only (a) in response to specific single-time requests from Washington; (b) when responsibility for a CERP requirement has been placed upon the Consulate by the Embassy and (c) on matters which require urgent attention in Washington. None of the reports listed below fall into these categories.

With particular reference to the various weekly summary reports, the Monthly Economic Summary from Curitiba and the Semi-Annual Economic Summary from Recife, the economic items which they contain must be submitted by the Consulates to the Embassy for screening and for integration, as appropriate, into reports of a broader scope.

The restriction on direct reporting does not relieve the Consulates of their responsibility to keep the Embassy informed about important economic developments in their Consular districts.

The following are some recent examples of undesirable direct reporting:

Belo Horizonte: A-46, A-47 (economic items are beginning to slip in);

Curitiba: A-47, A-48, A-59, A-63, A-66;

Porto Alegre: A-46, A-47, etc. (economic items);

Recife: A-70, A-75, A-76, A-78, A-79, A-82; A-84-88, A-90 (economic items);

Salvador Bahia: A-unnumbered of February 1, 1963; A-52; A-61, A-65, etc. (Economic items).

Copies to: Belen Para
Belo Horizonte
Curitiba

Porto Alegre
Recife
Salvador Bahia

Clearance:
ARA/EX - Mr. Baber
(by phone)

CONSULATE OF THE
UNITED STATES OF AMERICA

APR 16 1963

SALVADOR, BAHIA, BRAZIL

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*Weekly summary
mostly - WJ*

E:REP:WGilbane:sw
April 11, 1963

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AIRGRAM

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CA-10494

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HANDLING INDICATOR

TO : ALL AMERICAN DIPLOMATIC AND CONSULAR POSTS EXCEPT (BUCHAREST, BUDAPEST, MOSCOW, POZNAN, PRAGUE, SOFIA, VIENTIANE, WARSAW)

FROM : DEPARTMENT OF STATE

SUBJECT : Marginal Economic Reporting

REF : CA-1438 of August 8, 1962

☒ Consul	
☒ Exec.	
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Adequate attention has not been paid by reporting officers to CA-1438 of August 8, 1962. Many incoming reports bear evidence of this failure to follow the Department's instruction. To help reduce the volume of these pointless messages, the attention of reporting and reviewing officers is again invited to the Department's above-cited guidance. For greater convenience this guidance is reproduced below.

To help reduce the volume of marginal and non-essential economic reports, addressee posts are requested, upon receipt of this instruction, to put into effect the following procedure:

Any report which is not in response to a specific requirement and is not directly focused on a specific program or problem area shall have a brief opening statement regarding its main purpose and the primary end-users whom it is intended to serve.

It is believed that this requirement will help reporting officers cull out information which is not worth reporting. It will also aid them in establishing a focus for the report they are undertaking to write and, thus, in producing a document of greater clarity, brevity and direction.

The substance of this instruction will be incorporated in a revised IO FAM.

CONSULATE OF THE UNITED STATES OF AMERICA

APR 1 - 1963

RUSK

SALVADOR, BAHIA, BRAZIL

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FOR DEPT. USE ONLY

☐ In ☒ Out

FORM 4-62 DS-323

Drafted by: E:REP:William Giloane; sw: 3/26/63

Contents and Classification Approved by: E:REP - William Giloane

Clearances: E - Mr. Hadraba ARA - Mr. Baber NEA - Mr. Middleton
AF - Mr. Carey EUR - Mr. Ribble FE - Mr. Jean

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REP-75

ORIGIN/ACTION

DEPARTMENT OF STATE

AIRGRAM

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CA-9396

OFFICIAL USE ONLY

NO.

TO : ALL AMERICAN DIPLOMATIC AND CONSULAR POSTS EXCEPT (BUCHAREST, BUDAPEST, MOSCOW, POZNAN, PRAGUE, SOFIA, VIENTIANE, WARSAW)

MAR 1 8 48 PM '63

FROM : Department of State

DATE:

SUBJECT : Marginal Economic Reporting

REF : CERP Section D; CA-5295 of November 14, 1962; CA-1438 of August 8, 1962

This is the second airgram in the series of case studies intended to aid reporting officers adhere more closely to desired standards for alert reporting. A rereading of the earlier CA-5295 and of the introduction to the latest Alert List is recommended.

The two airgrams reproduced in the enclosures are typical of many reports still being received in the Department, the purpose of which is not apparent or which miss their mark. More frequent reference to CA-1438 than has thus far been evident from incoming reports may profitably be made by reporting officers to help reduce such waste of effort.

The report on priorities in the expenditure of public funds (enclosure 1) puts under the microscope a miniscule portion of a well-known, universal problem of which even our own United States, individually and collectively, are not entirely free. No relevance to U.S. policies or to the U.S. aid program in the country is indicated and the solution of the problem is left in the lap of the gods. The most likely reaction to such a message is bound to be "so what?". This report, of which 55 copies were distributed in Washington, should not have been written.

The second airgram, concerning problems in handling emergency relief wheat shipments at a port (enclosure 2), not only provided a mass of needless and conflicting detail but missed the boat because of poor timing. Drafted three days after the limitations of the port became apparent and dated another four days later, the message arrived in the Department too late to allow the rescheduling

or diversion

FORM 4-62 DS-323

OFFICIAL USE ONLY

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☐ In ☒ Out

Drafted by:

E:REP:William Giloane:sw:3/1/63

Contents and Classification Approved by:

E:REP/- William Giloane

Clearances:

Regional Bureaus AF - Mr. Carver ARA - Mr. Baber EUR - Mr. Ribble
FE - Mr. Kiraly NEA - Mr. Middleton E - Mr. Hadraba

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or diversion of the six additional ships which were due to arrive at the port in short order. Sixty-two copies of this airgram were distributed in Washington.

The reporting officer learned about the limitations of the port upon arrival of the first ship, which gave him enough time to sound the alarm. Under the circumstances, an immediate priority cable would seem to have been indicated, informing the Department of the port's low tonnage capacity and thus enabling the Department and the shippers to decide upon a course of action. The port commander's legitimate desire for advance notice of any future ship arrivals could have been met by the addition of a brief sentence to this message.

RUSK

Enclosures:

1. Report on priorities in the expenditure of public funds.
2. Problems in handling emergency relief wheat shipments at a port.

OFFICIAL USE ONLY

Enclosure #1

SUBJECT: Questionable Priorities for Certain Public Works and Other Projects in the --- Area.

The Consulate has observed a continuing practice on the part of public officials and others in the --- area to devote considerable sums of public and semi-public funds for the construction of projects of questionable merit. Two recent examples will serve to illustrate the point. --- has a magnificent sports arena, complete with steel and concrete bleachers, hardwood floors and all the usual appurtenances of such a building. It was finished about five years ago under the aegis of the --- administration then in power. The municipality is now busily engaged in the rather extensive construction of brick and concrete archways, outside entrance gates, paved parking areas and access roads around the sports arena. On the edge of town, a brand new horse race track, complete with concrete stands, loges, betting counters and other ancillary buildings has just been put into operation.

All of the foregoing construction happens to come at a time when private builders cannot acquire cement stocks on the local market and a flourishing black market in cement has recently developed. It also comes at a stage in the growth of this fourth largest city of --- when it is increasingly in need of a better electric power distribution net (the present one having been built in 1931 to serve a population of 70,000 as against the current population of over 250,000). The city still lacks a sewage system and by reason of its location below sea level could well do with a ground water drainage system as well. However, items such as these do not have the public appeal that other more "visible" construction may have. Since it appears that municipal elections are to be put off until September of 1963, no local initiative can be expected to be brought to bear on pressing utility and other problems until after that time. Moreover, there is an increasing belief that the State Planning Group, to locate here shortly, will certainly prove to be the panacea to all of the city's ills, real or imagined. Coupled with these factors, the direction of the municipality continues to rest with appointed officials of the various Ministries, including of course the Governor, appointed by the Minister of Interior. While they are subjected to terrific pressures from all quarters, the result of it all often seems to be that they are simply compounding some of the errors charged against the regime of doing whatever is popular and not what may be expedient or even necessary. The problem's solution undoubtedly lies beyond simply changing the thinking patterns of key officials. Hopefully, it will come with a change in social conscience and a greater reliance on the will of the individual citizen than on the beneficence of the central government.

OFFICIAL USE ONLY

Enclosure 2

SUBJECT: Problems Presented by American Wheat Shipments into the Port of ----

Drafted: November 20; Dated: November 24; Received in Department: November 27

The American freighter ---- with a cargo of 8400 tons of wheat for use in food distribution programs in ---- was diverted on an emergency basis, to meet program commitments, from ---- to ---- where it arrived on November 17. This is the first American ship to use the port since 1956.

In a conversation with the reporting officer on that day, the commander of the port, ----, described in some detail the problems which the arrival of ships of such size pose for the port, particularly in view of the scheduled arrival of six more American ships with cargo of wheat and edible oil in the port before the end of the first week of December. (----). He said that there are only two berths for deep water ships; one 160 meters long with a draft of 9 meters, and a second one 140 meters long with a draft of 7-1/2 meters. He noted further that in winter heavy surf outside the port caused swells within it which at times made it necessary to stop unloading cargo. A second major problem presented by the unloading of large cargoes is the need to quietly move it off the limited unloading area on the quais quickly so that the next ship can be unloaded and not be required to stand off shore waiting its turn. This, of course, means that inland transportation arrangements, particularly where bagged wheat is concerned, has to be made well in advance. He said that the port had the capacity to unload 2000 tons of wheat a day, and that availability of labor was no problem. He said that he would be interested in knowing in advance, for planning purposes, how much wheat was expected to be brought into the port each month, or each week, if it is to come in on a regular basis.

----, port agent for the ----, shared these concerns and produced a copy of a letter to the engineer for the City of ---- pointing out the problems involved and suggesting remedies. He emphasized the necessity for moving the cargoes out of the port area as quickly as possible.

---- (phonetic) principal technical assistant to the ---- (and former secretary to National Assembly Vice President ----) came to the port to see the unloading of the ----. He said that moving wheat off the docks was no problem because trucks could always be procured, but that the main problem, when the wheat arrived in bulk, was to find bags for it. Forty-five kilo bags are no good, he said, what is needed is 80 kilo bags and none are available around ---- or ----. Private businessmen had proved unhelpful in meeting this problem because of the general credit situation, and thus at present the only source for the type of bags needed is ----.