

# TELEGRAM

INCOMING

BRASILIA

**SUBJECT**  
Foreign Service of the  
United States of America  
DWC0 - MEAT

ACTION  
POL-2  
INFO  
FILES

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Classification

Control: 002

Recd: 01DEC67  
0920

P R 302300Z NOV 67  
FM SECSTATE WASHDC  
TO RUESUA/AMEMBASSY RIO DE JANEIRO PRIORITY 0669  
INFO RUESUZ/AMEMBASSY BRASILIA 0067  
STATE GRNC  
BT  
LIMITED OFFICIAL USE STATE 77385

*Distribution:*  
*Pol/Sec*  
*USIA/...*  
*WJ*  
*...*

LIMDIS

SUBJECT: WILSON AND COMPANY, INC./SUNAB

1. FOLLOWING IS FULL TEXT OF LEITAO DA CUNHA'S LETTER OF NOVEMBER 20, 1967 TO MR. ROY V. EDWARDS, PRESIDENT, WILSON AND COMPANY, INC.:

2. QUOTE: SIR,

3. ACKNOWLEDGEMENT OF MY COMMUNICATIONS TO THE BRAZILIAN MINISTRY OF FOREIGN RELATIONS REGARDING THE MEAT PACKING BUSINESS IN BRAZIL AND THE OPERATION OF FRIGORIFICO WILSON DO BRASIL, S.A., HAS NOW BEEN RECEIVED.

4. I AM ADVISED THAT THE BRAZILIAN GOVERNMENT INTENDS TO CONTINUE ITS PRESENT POLICY ON MEAT PACKING BUSINESS.

5. I HAVE BEEN INSTRUCTED TO CONVEY TO YOU THAT THE BRAZILIAN GOVERNMENT CONSIDERS YOUR LETTER OF SEPTEMBER 18 TO CONTAIN UNFRIENDLY AND UNFAIR STATEMENTS. THE ACTION OF SUNAB IN CONNECTION WITH THE MEAT INDUSTRY AIMS AT LESSENING THE NEGATIVE IMPACT OF DISTORTED PRICE COMPONENTS OF FROZEN MEAT ON AN UNDERDEVELOPED MARKET. ITS FINAL AIM IS TO BENEFIT CONSUMERS OF LOW INCOME, AS WELL AS TO STIMULATE LIVESTOCK PRODUCTION. IN THIS SENSE, THE MEASURES TAKEN BY SUANB, FAR FROM CREATING CHAOS, EXERT A HEALTHY ROLE UPON THE MEAT ECONOMY.

6. YOUR LETTER OF SEPTEMBER 18 IS ALSO CONSIDERED NOT TO BE OBJECTIVE. SUNAB SLAUGHTERED 83,000 STEERS IN 1966 WHEN THE TOTAL SLAUGHTERING FOR THE COUNTRY WAS AROUND 8,000,000 HEAD. THIS PERCENTAGE, OF APPROXIMATELY 1 PERCENT, SEEMS TO BE TOO SMALL TO CAUSE ANY OTHER ENTERPRISE TO GO BANKRUPT.

7. FINALLY,

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7. FINALLY, I AM INSTRUCTED TO INFORM YOU THAT THE BRAZILIAN GOVERNMENT CONSIDERS PREPOSTEROUS YOUR OFFER TO PUT UP YOUR ENTIRE OPERATION IN BRAZIL FOR SALE TO THE SAID GOVERNMENT. IT IS SURPRISED AT THE FACT THAT A PRIVATE ENTERPRISE SHOULD PRESUME TO REQUIRE WRITTEN ASSURANCES FROM THE BRAZILIAN GOVERNMENT THAT IT WILL WITHDRAW FROM MEAT PACKING OPERATIONS AND THAT "CORRECTIVE ACTION" WOULD BE TAKEN IMMEDIATELY.

8. YOURS TRULY, VASCO LEITAO DA CUNHA - BRAZILIAN AMBASSADOR. END QUOTE.

9. TEXT OF FOREGOING LSMTER WAS SUPPLIED TO KUBISCH BY LEITAO DA CUNHA ON PRIVATE BASIS. USE WITH DISCRETION.

RUSK  
BT

1008/RM

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