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Mário Henrique SIMONSEN
(Phonetic: SEEmohnsen)

BRAZIL

Minister of Finance
(since March 1974)

Addressed as:
Mr. Minister

Mário Simonsen's role in economic policy making has been considerably strengthened in recent months, after he threatened to resign because he did not have the authority to deal with Brazil's mounting inflation. In May 1977 President Ernesto Geisel announced that Simonsen would have the power to approve price increases on agricultural commodities and on items produced by state enterprises. The Finance Minister also plans to limit public spending temporarily and to curb imports.



Simonsen does not yet have the status of an economic "czar." He is vulnerable to criticism from the business community, and Geisel's Planning Minister has the right to review his price decisions-- although Simonsen has the final say. Simonsen is also suspect in the eyes of military conservatives, because of both his lifestyle and his relatively liberal views on human rights. In May 1977 he publicly suggested that Brazil might be host to a UN human rights group. A few days later Geisel's press secretary, an army colonel, denied such a possibility, thereby embarrassing Simonsen.

OPEC Challenge

The Finance Minister believes that the international community's greatest financial challenge is to cope with the huge surplus of funds accumulated by the OPEC nations in recent years. He has pointed out that most OPEC nations have been unable to absorb these funds and that the current accounts balances of the non-oil-producing countries have suffered a great deal. Simonsen supports US Treasury Secretary Michael Blumenthal's recommendation that the industrialized nations accept trade deficits as a means of

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helping non-OPEC developing countries, and he has criticized other developed nations for not following the US lead in this matter.

Dealing With the United States

Simonsen is one of the most pro-US members of the Cabinet. Even as relations have deteriorated between the two countries in recent months, he has remained cordial toward US officials and avoided political demagoguery. Simonsen met with Blumenthal--for whom he has great admiration--in April 1977 and voiced his thanks for President Jimmy Carter's favorable treatment of Brazilian shoe imports. At the same meeting the Finance Minister expressed an interest in obtaining similar treatment for other products and sought clarification of this country's tax policy relative to US lenders in Brazil.

Brilliant Mind, Tainted Morals

The 42-year-old scion of a wealthy family, Simonsen is impressively versatile. He holds degrees in engineering and economics, and before he entered the Cabinet he was reputed to be working at 11 different jobs, including that of director of the national literacy program. Simonsen is an accomplished baritone and at one time hoped to become a professional musician. His very energy and versatility, however, could cause his eventual downfall. Besides being a "workaholic," Simonsen is a womanizer, a compulsive smoker, and a heavy drinker. He and his wife, Iluska, have two sons, Ricardo and Sérgio, and a daughter, Maria Cristina. Simonsen speaks fluent English.

Career Highlights

mid-1960s-1974	Held numerous positions, ranging from manager of family bank holdings and council member of state-owned National Housing Bank to director of Brazilian Literacy Program
Mar 1974-date	Minister of Finance
	8 September 1977

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