



Department of State

TELEGRAM

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Inco-coffee 3

XR Inco-coffee 17 US-Braz

LIMITED OFFICIAL USE *XR FN 16 Braz*

PAGE 01 RIO DE 00958 092238Z

80
ACTION ARA 19

INFO EUR 25,SS 35,SP 02,L 03,H 02,P 04,USIA 12,INR 07,CIA 04,NSA 02,

E 19,STR 08,AID 30,AGR 20,COM 08,TRSY 08,RSR 01,RSC 01/210 W

R 092145Z AUG 67
FM AMEMBASSY RIO DE JANEIRO
TO SECSTATE WASHDC 7149
INFO AMEMBASSY BRASILIA 857
AMEMBASSY LONDON 32

Rec 958 8/19/67

LIMITED OFFICIAL USE RIO DE JANEIRO 958

SUBJECT: SOLUBLE COFFEE

REF: DEPT'S A-12

Inco-coffee 17 US-B

1. RECENT TREATMENT OF SOLUBLE COFFEE ISSUE IN LOCAL PRESS HAS FOR MOST PART BEEN MODERATE AND REASONABLY FACTUAL. MODERATE TREATMENT THIS POTENTIALLY ABRASIVE ISSUE AND RECENT LACK EXPLOITATION BY BRAZILIAN POLITICAL LEADERS IN OUR VIEW PROVIDES BASIS FOR MODERATE OPTIMISM

PAGE 2 RUESUA 958 C O N F I D E N T I A L LIMITED OFFICIAL USE THAT GOB MAY BE ABLE TAKE ACTION TO RESOLVE PROBLEM. RECENT PRESS TREATMENT SOLUBLE COFFEE ISSUE IS SUBJECT SEPARATE ARIGRAM.

2. MACIEL OF FOREIGN OFFICE IN CONVERSATION WITH EMBASSY'S ECONOMIC COUNSELOR HAS CONFIRMED VIEWS EXPRESSED BY COSTA IN LONDON RE TALKS IN WASHINGTON LAST MONTH (SEE LONDON'S 851). HE INDICATED GOB HAS REGARDED THESE TALKS WITH US INDUSTRY REPRESENTATIVES AS SETTING STAGE FOR BRAZILIAN ACTION WHICH COULD BE DEFENDED AT HOME AS

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LIMITED OFFICIAL USE