Department of State

Amorbassy Office BRASILIA

September 13, 1966

American-owned Farm Lands Scheduled for Expropriation by the State of Goiás

(A) Department's A-1 of August 27, 1966;

(B) Brasilia 152

AMB DCM MINECON ECON-2 Brasilia-4 CF-2 ECON/COM-2 FAS-1 EXEC

- 1. Embassy officers visited Dr. Schastigo Emmanuel BALDUING. Attorney General of the State of Goiss in Goisnia on September 9, 1966, to inform him of the Department's opinion about the use of letters rogatory as a means of publicizing the scheduled expropriation of certain American-owned lands in Goiás (see Ref A). During an amicable discussion, Dr. Balduino accepted the Dopartment's position, and once more agreed to a Dopartment press release on the planned expropriation (Ref B).
- 2. After reviewing in a general way the problems of land tenure in Goiás, the Attorney General acknowledged that a Department press release would be the most effective and practicable method of publicizing the state edict, and appreciated hearing the Department's view that the publicity would not generate adverse public reaction in the United States. He also declared that the State of Goiás was planning to offer either (a) an equivalent amount of stateowned land in exchange for that to be expropriated from American owners, or (b) a cash payment to the US owners of Cr\$7,000 per alqueire (about \$0.26 per acre). Dr. Balduino further said that the 180-day period would begin on the day following the Department's press release, and that the 180-day period refers to calendar days. He reiterated his desire to assist the American land holders in question in any way possible, showing two letters from Americans who

Enclosure: as stated

UNCLASSIFIED

MLore: fmh 9/13/66

Mr. Okun //()

ECON: RELWOOD

have already learned about the expropriation. (One of these individuals, Mr. John BAINDRIDGE of 17360 Chase Street, Northridge, California 91324, purports to represent a California group of owners of these lands).

3. The Rio-based newspaper, Jornal do Brasil, published on September 10 a fairly accurate account of the meeting (attached as Enclosure), based on a subsequent interview with Dr. Balduino. While the article's general theme is consonant with the discu sion as reported above, there are several minor inaccuracies; thus, the press release referred to during the meeting is referred to as an "advertisement" (anincio), and reference is made to the Department's intention to assure "that all remaining administrative measures to regularize the expropriation are successful," a point that was not discussed. These inaccuracies probably reflect only journalistic invention or distortion.

4. Dr. Balduino said, at the close of the meeting, that he would send the Embassy Office a copy of his complete file on the expropriation. He is also planning to send a letter confirming his position on all points discussed; the Embassy FAS-1 this confirmation is received in Brasilia and transmitted to the Department.

TIPITILL