BRASILI

Foreign Service of the United States of America

INCOMING

ACTION PPOL-2 INFO FILES RF

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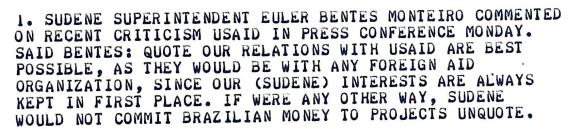
Classification

Control:

Recd:

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R 311905Z MAY 67 FM AMCONGEN RECIFE TO RUEHC/SECSTATE WASHDC 1097 INFO RUESUA/AMEMBASSY RIO 1212 RUESUZ/AMEMBASSY BRASILIA 57 ZEN/SAO PAULO UNN ZEN/AMCON SALVADOR UNN ZEN/AMCON BELEM UNN STATE GRNC BTUNCLAS RECIFE 1445



- 2. BENTES SAID SUDENE QUOTE NOT INTERESTED IN WHO AT FAULT FOR SIGNING PAST AGREEMENTS OR CIRITCISMS USAID, EITHER BY BRAZILIANS OR AMERICAN CONGRESSMEN, WHICH DO NOT HELP ANYTHING UNQUOTE.
- 3. IN CONVERSATION WITH NEWSPAPER COLUMNIST HE DENIED TRUTH OF RUMOR THAT 30 PERCENT OF 34/18 TO BE EARMARKED FOR AGRICULTURAL PROJECTS. HE NOTED HOWEVER, THAT QUOTE DISTORTIONS BETWEEN INDUSTRY AND AGRICULTURE WILL BE ELIMINATED ... BY PROPOSAL TO BE SUMBITTED TO (SUDENE) DELIBERATIVE COUNCIL UNQUOTE. IN PRESS INTERVIEW HE COMMENTED THAT QUOTE OUR PRESENT GOAL IS TO USE FOREIGN RESOURCES IN PROGRAMS OF AGRICULTURE AND HUMAN RESOURCBA--PROGRAMS THAT PRESENT RISKS. BUT COUNTRIES THAT GIVE US ASSISTANCE WILL ALSO HAVE TO ACCEPT RISKS UNQUOTE.
- 4. ELABORATING ALONG LINES AMB TUTHILL'S RECENT STATEMENTS, BENTES CONTRASTED FORMER POSITION SUDENE IN WHICH IT QUOTE TOOK ADVANTAGE OF OPPORTUNITIES PRESENTED BY INTERNATIONAL FINANCING ORGANS UNQUOTE AND PRESENT POLICY IN WHICH QUOTE IT IS SUDENE WHITH

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TELEGRAM

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PROPOSES TO FOREIGN AGENCIES OF DEVELOPMENT ITS PRIORITY PROGRAMS, ACCEPTING AID WITHIN ITS GUIDELINES. IF WE TAKE LOANS WITH REALISM, THENWE WILL NOT HAVE REASON TO COMPLAIN LATER. FOREIGN AID CONSTITUTES EXCELLENT MEANS OF PROMOTING GOOD RELATIONS BETWEEN TWO COUNTRIES AND IF ANYONE OFFERS AID WE WILL HAVE TO EXAMINE WELL THE OFFER. WHEN WE TAKE INITIATIVE OF PRESENTING OUR PROGRAMS, WE HAVE ALREADY WELL OUTLINED OUR OBJECTIVES AND THE AGREEMENTS WILL HAVE TO RESPECT THESE OBJECTIVES COMPLETELY UNQUOTE. HILLIKER

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