PP RUEHDC
ZNR UUUU ZZH
P 0214492 APR 87
FM AMEBASSY BRASILIA
TO RUC/SECSTATE WASHDC PRIORITY 4158
INFO RUEHDC/USDOC WASHDC
RUFNGV/USMISSION GENEVA 2552
RUEIRI/AMCONSUL RIO DE JANEIRO 0747
RUEMD/AMCONSUL SÃO PAULO 0893
BT
UNCLAS BRASILIA 83595
USDOC FOR 4330/IEP/WH/OSA/PETER FIELD AND
6715/TE/SE/OCE/BE/JACK MCPHEE
USTR FOR CHRISTINA LUND
GENEVA FOR USTR
E.O. 12356: N/A
TAGS: ETRO, EINV, PREL, BR, US
SUBJECT: INFORMATIONS: GAZETA MERCANTIL ARTICLE ON THE
SECTION 301 INFORMATIONS CASE

1. THE APRIL 1 GAZETA MERCANTIL CARRIED A FRONT PAGE
ARTICLE BY JOSE CASADO ON THE SECTION 301 INFORMATIONS
CASE. ACCORDING TO CASADO, WHO WAS WRITING FROM
WASHINGTON, THERE IS A CONSENSUS WITHIN THE REAGAN
ADMINISTRATION THAT THE INFORMATIONS CASE IS "SYMBOLIC"
AND SYNTHESIZES THE U.S. POSITION ON COMMERCIAL
RELATIONS WITH BRAZIL.

2. CASADO AFFIRMS THAT THE U.S. DOES NOT HAVE MANY
ALTERNATIVES IN THE CASE. IN RESPONSE TO A QUESTION ON
WHAT THE U.S. CAN DO, CASADO QUOTES AN UNNAMED MEMBER OF
THE WHITE HOUSE ECONOMIC STAFF AS SAYING, "IN REALITY,
ALMOST NOTHING. WE ANALYZE THE RETALIATION OPTIONS AND
ARRIVED AT THE CONCLUSION THAT IN ALMOST ALL THE
OPTIONS, THE GREATEST DAMAGE WILL BE BORNE BY NORTH
AMERICAN COMPANIES INSTALLED IN BRAZIL."

3. CASADO WARNS THAT THE LACK OF GOOD OPTIONS DOES NOT
PREVENT RETALIATION. THE UNNAMED WHITE HOUSE STAFFER
AGAIN IS QUOTED AS SAYING, "ON THE CONTRARY, WE WILL DO
SOMETHING, ALTHOUGH WE DO NOT KNOW YET WHAT THAT WILL
BE. IF WE DECIDE TO RETALIATE, WE WILL BE UNDERMINING
TEN YEARS OF DIFFICULT NEGOTIATIONS WITH JAPAN AND OTHER
ASIATIC COUNTRIES WHICH FINALLY RESPECT OUR RIGHTS TO
MARKET ACCESS AND INTELLECTUAL PROPERTY PROTECTION OF
INFORMATIONS PRODUCTS".

SHLAUDEMAN
BT
#3595

Dept. of State, RPS/IPS, Margaret P. Graufield, Dir.

( ) Release ( ) Excise ( ) Deny ( ) Declassify
Date: 9/21/81

Exemption