

REPORT ON A NEW APPROACH TO A LATIN AMERICAN POLICY

~~From~~ ^{instead!} Quite voluntary
U. S. ^{policy} towards Latin America will be, for the first time since the

days of the New Deal, an important campaign issue at the national elections next November. There is growing public concern with Latin America. Many Americans are baffled at the seeming impossibility of reaching a modus vivendi with Castro. Many more are fearful of Castro's friendship with ^{Soviet} Russia and the threat it may imply to American security. Many others would favor a strong stand, a "Big Stick" policy, even reviving the possibility of intervention.

Cuba is, certainly, the big question mark, but a considerable segment of American opinion still remembers the Vice President's misadventure in Caracas. There is no doubt that Latin America is beginning to impinge on the consciousness of many voters. It is up to the Democratic Party to have a policy that will revive in Latin America trust and confidence in the United States, ~~and will strike at the feelings of insecurity in the minds of many American voters next November~~ ^{strongly appeal to the} ~~and~~

In advancing some basic ideas ~~for the framing of such a policy~~, it is well to realize the significance of Latin America to the United States. Herbert Mathews, ^{an} ~~the well-known~~ authority on Latin American affairs, has aptly summarized it as follows:

"Here is a world at our doorstep on which, to a considerable degree, we depend for our existence as a world power. If we were deprived of the raw materials of the area or its markets, our economy and security

would be gravely--perhaps vitally--affected. It is an area where no hostile power can be allowed to gain a foothold for, strategically, this is 'our soft underbelly' We can not win the cold war in Latin America, but we can lose it there. Neutralism or an intense Yankee-phobia could hurt us badly. A day will come when the Russinas will make their bid for Latin America." (1)

Recent developments in Cuba clearly indicate that the Russian bid has begun in earnest. The Russians are drawing heavily on Yankee-phobia and extreme nationalism as their natural allies. They know that Latin Americans, because of their Spanish heritage, are fiercely individualistic. They know also of their Catholic leanings. But they hope that ~~this~~ Anti-yankeeism will eventually make them susceptible to a gradual infiltration of ideas in favor of neutralism, of barter exchanges with Russia, Red China and their satellites, and ^{will create} ~~of a general~~ climate of opinion in which everything American will be looked upon with distaste and distrust and would evoke immediate hostility. They hope, thus, by fanning ^{the} embers of old and new grievances to undermine the traditional friendship between the United States and Latin America and to create a permanent estrangement, ^{Communist} useful to ~~their~~ policy and interests.

American policy should, of course, be fully aware of the present danger. But its purposes should go way beyond checkmating the Reds. The Western Hemisphere is not just a geographical expression. It is a historic entity. In spite of its rich diversity, it has a common destiny. The United States and

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Latin America are neighbors for keeps. They form, with Canada, the New World neighborhood.

There is a basic fact about this neighbourhood. By the year 2,000 Latin America will have doubled the population of both the United States and Canada combined. The phenomenal demographic growth of Latin America will be one of the outstanding traits of the second half of this century. This growth will be accompanied by many tensions and what many observers believe will be a great and profound revolution touching all aspects of Latin American life----- its economy, its social structure, its traditional politics, its cultural mores. The deep changes that eventually will take place might bring a Latin American unity of some sort; at first, in the field of economics; then, in the field of politics.

This process might take a generation or a century. It might be gradual or it might be sudden or even catastrophic. In most Latin American countries, there are factors present that could create another Cuba, if wise, prudent, democratic leadership is not available.

Latin America is destined to be a force of ^{considerable} influence in world affairs a century from now. Whether that emerging force is friendly to the United States or a hostile bloc is the great challenge now facing American policy.

The new policy requires a deep insight into the revolutionary forces at work in Latin American society. It requires a fixity of purpose and a sustained effort. Above all, it requires understanding, sympathy and a sense of a

common destiny.

Here are some pointers in the development of such a policy:

1- Fostering a new climate of opinion.

The first basic, underlying need is to create a psychological assurance, throughout Latin America, that the United States is not just a distant acquaintance, but a real, close friend, vitally interested in Latin America's progress and well-being and sharing its democratic hopes. It requires a warmth of language that would portray a warmth of feeling. Frankling Delano Roosevelt succeeded in firming the imagination of Latin America by his striking appeals to Latin American friendship, by his repeated expressions favoring Latin America's desire for social change and his emphatic support of democratic trends. The image he conveyed of the United States was the image of people really interested in Latin American welfare and anxious to develop a close partnership in freedom and in the mutual respect of cultural values. The restoration of that image is an urgent necessity.

A policy of this kind, although realistically recognizing the differences between the United States and Latin America, would emphasize the common heritage: the basic concern for social justice and economic well-being; the advancement of human rights and individual freedom, and the ability to forge with diverse ethnic and historic elements a dynamic, creative culture. It should say for Latin America what Adlai Stevenson said for the United States: that there are more things that hold us in common, than the things that divide us.

2- Closing the economic gap.

An effective Latin American policy should ^{express} ~~contain~~, in no uncertain terms, a firm committal on the part of the United States to help diminish within a reasonable time, the tremendous gap between the standards of living prevailing in the United States and those prevailing over enormous areas of Latin America. It should make abundantly clear that the committal is not just a friendly gesture on the part of the United States, but a necessary concomitant of its national interests.

The presence of this gap is a recurring source of Latin American discontent. Unless stronger and more vigorous measures are taken, there will be no narrowing of the welfare gap. Latin America postwar rate of growth of 2 per cent per capita will not be enough, in view of its high birth rate, to improve its position vis-a-vis the United States. It is, furthermore, facing a decline in the world market for its primary commodities and a depletion of its foreign exchange reserves.

The economic factors clearly indicate that even a small reduction in the prevailing welfare gap between the United States and Latin America will involve an effort of high magnitude. It is, therefore, imperative for the United States to impress Latin Americans with its sincere willingness to reexamine the whole ^{field} ~~amount~~ of inter-American ^{economic} relations in order to strengthen, whenever feasible, the U. S. contribution to a narrowing of the gap.

3- Support for a flexible, non-doctrinaire development policy.

The pace of development in Latin America will depend to a large degree ^{on} ~~by~~ the nature of economic assistance from outside. This development will involve both private and public investment. As Adlai Stevenson has

pointed out, upon his return from Latin America, "they are going to build a new society under our methods of free enterprise, if possible, and if not, under socialism."

A realistic policy would recognize that the economic development of Latin America will not repeat the traditional U. S. ^{United States} pattern. The role of government will be much more pronounced. Only government can ~~create~~ ^{undertake} now, in Latin America, the basic social and economic overhead, such as education, transportation, health and other basic programs necessary to create a framework for an expanding economy.

Planning will also play a greater role than in the economic history of the United States. The choice will be between ^{democratic} planning, with government and private enterprise joining efforts to achieve certain broad objectives, or ^{rigid state} planning ~~with~~ ^{which involves} direct control of ~~the~~ economic life. It is obvious that U. S. policy should support the first choice, and should make its position crystal-clear in favor of democratic planning techniques ^{even though they} that may not be ~~popular~~ ^{customary} in the United States.

This flexible policy must pay greater attention than heretofore to government-to-government financing. The present Administration showed much indifference to this formula. It accepted an Inter-American Development Bank after much pressure and as a consequence of the policy revision brought about by Nixon's troubles in Peru and Venezuela.

Here is a field in which a complete about-face is needed. Lending has to be liberalized to a higher degree than at present. Responsible Latin American democratic opinion, as exemplified in the statesmanlike speeches

delivered by President Lleras Camargo of Colombia in his recent visit to the United States, clearly demonstrate that Latin America wants loans and not outright gifts, but loans geared realistically to Latin American conditions. It is evident that U. S. lending policies demand a basic revision. Banking standards and practices which are common in the United States banking community must be modified when applied to Latin American financial requirements, particularly in government-to-government financing.

4- Encouragement to Latin American economic integration

The United States should make it unmistakably clear that it considers the Latin American drive for economic integration as a basic strengthening of the U. S. economy and of the Hemispheric's position in world affairs. The most encouraging sign in the Latin American economic picture is the growing willingness of several countries to develop common regional markets. Seven nations--Argentina, Brazil, Chile, Mexico, Paraguay, Peru and Uruguay--formally agreed on February 16, 1960, to establish a free trade area among themselves, to be put into effect gradually over a period of 12 years. If the agreement succeeds, it may give great impetus to economic unity.

The United States position ^{until recently} has been either lukewarm or indifferent. ^{to this new trend towards a common Latin American regional market} A vigorous push, on the other hand, or a sincere encouragement might considerably improve the common market's chances of success. It will not only help in making this idea economically feasible. It will also contribute to counteract a feeling ^{now present} in some quarters in Latin America that the United States,

because of selfish economic interests, would not welcome the coming into

being of an economic unit that may one day compete with American trade. ~~It~~
A firm United States in favor of regional Latin American markets
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policy: on the one hand, strong support to European economic integration;

on the other, indifference to the same trend in Latin America. Here is a

case in which consistency will reap a reward of good will and understanding.

5- Reduction of military aid

A thoughtful policy geared to the psychological realities in Latin America would committ the U. S. to a reduction of military aid in favor of an increase in technical assistance. Latin America has long suffered from its endemic militarism. In most countries, the armed forces are looked upon with distrust, as a breeding ground of dictatorships and administrative corruption. With very few exceptions, Latin American armies would be useless in the case of nuclear war. Hemispheric security can not depend on them. Enlightened public opinion in Latin America is fully aware of this fact and of the Hemisphere's basic reliance ^{on} U. S. power *for its defense* in case of armed conflict.

A dramatic U. S. ^{milit} ~~pronouncement~~ ^{factor} in favor of increased technical assistance as against military aid would sound a responsive chord in Latin America. It would show that the U. S. ^{milit} ~~basic~~ ^{factor} interest is not just in Latin America's strategic value ^{but in} its social welfare--in its improved agricultural techniques, industrial development, education, public administration, economic planning and other fields where the area must make great forward strides.

6- Strong support for democratic governments.

The most sensitive problem in inter-American relations is the problem of how to do away with dictatorial governments and ensure sound democratic growth. There is widespread belief in Latin America that U. S. ^{United States} love of democratic institutions is not an export article, as far as Latin America is concerned. Latin Americans find ^{it} difficult to understand why the United States has in the past not merely tolerated, but actually aided, with money and arms, dictators such as Batista, Pérez Jiménez and Trujillo. The long Dominican dictatorship is a sore-spot in inter-American relations.

Here again, a new Latin American policy ought emphatically to assert ~~the~~ U. S. ^{United States} preference for democratic governments and its belief in freedom for all--not just for the U.S.A. A sound policy would adopt the language used by Senator Mansfield in connection with the Santiago Declaration: "The Americas... -- he said-- may be on the verge of bringing into the good neighbor concept --into the doctrine of non-intervention-- another concept, that of the conscience of the Americas. If this interpretation is correct, it means that as the Hemisphere deplores intervention in the affairs of one nation by another, it deplores equally the brutal denial, by dictatorship, of basic human decency anywhere in the Hemisphere." ~~Let us work, then, not~~

While the United States cannot obviously assume the role of a judge in determining the democratic nature of governments in the Western Hemisphere, it can stress its equal abhorrence of dictatorships from the left or the right. It must praise and encourage all trends that would strengthen Latin American

democratic institutions. An active, vigorous policy within the Organization of American States might help in creating a climate of opinion of common resolve to isolate regimes, such as the Trujillo regime, which are a blot to the Hemisphere's democratic heritage.

7- The search for basic cultural understanding

The success of any Latin American policy will be measured lastly on its ability to promote understanding, unity, cooperation, sympathy and mutual respect. It is the function of such a policy to foster hemispheric action which would satisfy aspirations without violence, enmity or disregard of human rights. It should realistically appraise the striking cultural differences between the United States and Latin America, but also seek for the similarities.

The United States has built a civilization of abundance of material goods. It is now seeking a society richer in spiritual goods. Latin America is beginning a fateful struggle to achieve material abundance, but it has much to offer in the finer, deeper search for a way of life in which man is valued for his spiritual worth and not for his material possessions. The two great cultural areas of the Hemisphere must evoke a public philosophy that would favor a society with more education than conspicuous consumption, with more imagination than acquisitiveness, with a broader and deeper sense of the Hemisphere as a geographic, historic and spiritual unity, where the spirit of man is the free leader rather than the servant of economic processes.

A new Latin American policy should try to frame, in such terms, the Hemispheric Public Philosophy for the second half of the Century.

A Report on a new approach to a Latin American
Policy

for the first time

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In advancing some basic ideas for the framing of such a policy, it is well to realize the significance of Latin America to the United States. Herbert Matthews, the well-known authority on Latin American affairs, has aptly summarized it as follows:

"Here is a world at our doorstep on which, to a considerable degree, we depend for our existence as a world power. If we were deprived of the raw materials of the area or its markets, our economy and security would be gravely - perhaps vitally - affected. It is an area where no hostile power can be allowed to gain a foothold for, strategically, this is "our soft underbelly". We cannot win the cold war in Latin America, but we can lose it there.

Neutrality or an intense Yankeeophobia could hurt us badly. A day will come when the Russians will make their bid for Latin America. (1)

Recent developments in Cuba clearly indicate that the Russian bid has begun in earnest. The Russians are drawing heavily on Yankeeophobia and extreme nationalism as their natural allies. They know that Latin Americans, because of their Spanish heritage, are fiercely individualistic. They know also of their Catholic leanings. But they hope that their anti-Yankeeism will eventually make them susceptible

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to gradual infiltration of ideas in favor of neutralism, of barter exchanges with Russia, Red China and their satellites, and of a general climate of opinion in which everything American will be looked upon with distrust and hostility. ~~and would evoke immediate psychological rejection.~~

They hope, then, by fanning the embers of old and new grievances to undermine the traditional friendship between the United States and Latin America and to create a permanent estrangement, useful to their policy and interests.

American policy must be based, therefore, on an awareness of the present danger. But it should not be just an anti-Red policy.

American policy should, of course, be fully aware of the present danger. But its purposes should go way beyond checkmating the Reds. The Western Hemisphere is not just a geographical expression. It is a historic entity, and in spite of its rich diversity, it has a common destiny. The United States and Latin America are ~~destined to be close partners~~ neighbors for keeps. They form, with Canada, the New World neighborhood, ~~with American people~~

There is a basic fact about this neighborhood. By the year 2000, Latin America will have doubled the population of both the United States and Canada combined. The phenomenal demographic growth of Latin America will be one of the outstanding traits of the second half of this century. This ^{growth} will be accompanied by many tensions and what many observers believe will be a great

and profound revolution touching all aspects of Latin American life — its economy, its social structure, its traditional politics, its cultural mores. The deep changes that eventually will take place might bring a Latin American unity of some sort; at first, in the field of economics; then, in the field of politics.

This process might take a generation or a century. It might be gradual or it might be sudden or even catastrophic. In most Latin American countries, there are factors present that could create another Cuba, if wise, prudent, democratic leadership is not available.

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The new policy requires a deep insight into the revolutionary forces at work in Latin American society. It requires a fixity of purpose and a sustained effort. Above all, it requires understanding, sympathy and a sense of common destiny.

Here are some pointers in the development of such a policy:

1. Fostering a new climate of opinion.

The first basic, underlying need is to create a psychological assurance, throughout Latin America, that the United States is not just a distant acquaintance, but a real, close friend, vitally interested in Latin America's progress and well-being and sharing its democratic hopes. It requires a warmth of language that would portray a warmth of feeling. Franklin Delano Roosevelt succeeded in firing the imagination of Latin America by his striking appeals to Latin American friendship, by his repeated ~~expressions of sympathy~~ ^{expressions favouring} ~~and sympathy~~ ^{support} to Latin America's ~~democratic~~ desire for social change and his emphatic support of democratic trends. The image he conveyed of the United States was the image of a people really interested in Latin American welfare and anxious to develop a close partnership in freedom and in the mutual respect of cultural values. The restoration of that image is an urgent necessity.

A policy of this kind, although realistically recognizing the differences between the United States and Latin America, would emphasize the ^{common} heritage: the basic concern for social justice and economic well-being; the advancement of human rights and individual freedom and the ~~ability in forging with diverse elements~~ ^{ability in forging with diverse elements}. It should say for Latin America what Adlai Stevenson

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said for the United States: that there are more things that hold us in common, than the things that divide us.

2. Closing the economic gap.

An effective Latin American policy should contain in no uncertain terms, a firm commitment on the part of the United States to help diminish within a reasonable time, the tremendous gap between the standards of living prevailing in the United States and those prevailing over enormous areas of Latin America. It should make abundantly clear that the commitment is not just a friendly gesture on the part of the United States, but a necessary concomitant of its national interests.

The presence of this gap is a recurring source of Latin American discontent. Unless stronger and more vigorous measures are taken, there will be no narrowing of the welfare gap. Latin America postwar rate of growth of 2 per cent ~~of~~ per capita will not be enough, in view of its high birth rate, to improve its position vis-a-vis the United States. It is, furthermore, facing a decline in the world market for its primary commodities and a depletion of its foreign exchange reserves.

The economic factors clearly indicate that even a small reduction in the ~~economic~~ prevailing welfare gap between the United States and Latin America will involve an effort of high magnitude. It is, therefore, imperative for the United States to impress Latin Americans

with its sincere willingness to reexamine the whole gamut of inter-American relations in order to strengthen, whenever feasible, the U.S. contribution to a narrowing of the gap.

7. Support for a flexible, non-doctrinaire ~~for~~ development policy.

The pace of development in Latin America will depend to a large degree by the nature of economic assistance from ~~abroad~~ outside.

This ~~assistance~~ ^{development} will involve both private and ~~public~~ public investment. As Adlai Stevenson has pointed out, upon his return from Latin America, "they are going to build a new society under our methods of free enterprise, if possible, and if not, under socialism."

A realistic policy would recognize that the ~~great~~ economic development of Latin America will not repeat the traditional U.S. pattern. The role of government will be much more pronounced. Only government can create now, in Latin America, the basic social and economic overhead, such as education, transportation, health and other basic programs necessary to create a framework for an expanding economy.

Planning will also play a greater role than in the economic history of the United States. The choice will be between planning with government and private enterprise joining efforts to achieve certain broad objectives, or planning with direct control of the economic life. It is

obvious that U. S. policy should support the first choice, and should make its position crystal-clear in favor of ^{democratic} planning techniques that may not be ~~either prevailing or~~ popular in the United States.

This flexible policy must pay greater attention than heretofore to government-to-government financing. The present Administration showed much indifference to this formula. It accepted an Inter-American Development Bank after much pressure and as a consequence of the ^{policy revision} ~~prethinking~~ brought about by Nixon's troubles in Peru and Venezuela.

Here is a field in which a complete about-face is needed. Lending has to be liberalized to a higher degree than at present. ~~Latin~~ Responsible Latin American democratic opinion, as exemplified in the statesman^{like} speeches delivered by President Sleras Camargo of Colombia in his recent visit to the United States, clearly demonstrate that Latin America wants loans and not outright gifts, but loans geared realistically to Latin American conditions. It is evident that U. S. lending policies demand a basic revision. ^{Banking's} Standards and practices which are common in the United States banking community must be modified when applied to Latin American financial requirements, particularly in government-

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4. Encouragement to Latin American economic integration.

The United States should make it unmistakably clear that it considers the Latin American drive for economic integration as a basic strengthening of the U.S. economy and of the Hemisphere's position in world affairs. The most encouraging sign in the Latin American economic picture is the growing willingness of several countries to develop common regional markets. ~~Seven~~ Seven nations - Argentina, Brazil, Chile, Mexico, Paraguay, Peru and Uruguay - formally agreed on February 18, 1960, to establish a free trade area among themselves, to be put into effect gradually over a period of 12 years. If ~~the~~ ^{the agreement} succeeds, it may give give great impetus to economic unity.

The United States position has been either lukewarm or indifferent. A vigorous push, on the other hand, or a sincere encouragement might considerably improve the common market's chances of success. It will not only help in making this idea economically feasible. It will also contribute to ^{counteract a} ~~general~~ feeling in ^{some quarters in} Latin America that the United

States, because of selfish economic interests, would not welcome the coming into being of an economic unit that may one day compete with American trade. It will do away with ~~the contradictions in U.S. policy~~

what to many Latin Americans is a contradiction in U.S. policy: on the ~~one~~ one hand, strong support to European economic integration; on the other, indifference to the same trend in Latin America. Here is a case in which consistency will ~~not~~ reap a reward of good will and understanding.

5. Reduction of military^{and} aid

A thoughtful policy geared to the psychological realities in Latin America would commit the U.S. to a reduction of military aid in favor of an increase in technical assistance.

Latin America has long suffered from its endemic militarism. In most countries, the armed forces are looked upon with distrust, as a breeding ground of dictatorships and administrative corruption. With very few exceptions, Latin American armies would be useless in the case of nuclear war. Hemispheric security can not depend on them. Enlightened public opinion in Latin America is fully aware of this fact and of the Hemisphere's basic

reliance is U.S. power in case of armed conflict.

A dramatic ^{U.S.} pronouncement in favor of ^{increased} technical assistance as against military aid would sound a responsive chord in Latin America. It would show that the U.S. basic interest is not just ~~strategically but socially~~ in Latin America's strategic value but in its social welfare — in its improved agricultural techniques, industrial development, education, public administration, economic planning and other fields where the area must make great forward strides.

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The most sensitive ~~area~~ ^{field} ^{problem} in inter-American relations is the problem of how to do away with dictatorial governments and ensure sound democratic growth. There is widespread belief in Latin America that U.S. love of democratic institutions is not an ^{export} article, as far as Latin America is concerned. Latin Americans find difficult to ~~believe~~ understand why the United States has in the

past not merely tolerated, but actually aided, with money and arms, dictators such as Batista, Perez Jimenez and Trujillo. The long Dominican dictatorship is a sore-spot in inter-American relations.

Here again, a new Latin American policy ~~must~~ ought emphatically to assert the U.S. preference for democratic governments and its belief in freedom for all, not just for the U.S.A. A sound policy would adopt the language used by Senator Mansfield in connection with the Santiago Declaration: "The Americas.... - he said -]

While the United States cannot, ^{obviously} assume the role of a judge in determining the democratic nature of governments in the Western Hemisphere, it can stress its ^{equal} abhorrence of dictatorships from the left or the right. It must praise and encourage all trends that would strengthen Latin American democratic institutions. An active, vigorous policy within the Organization of American States might help in creating a ~~general~~ climate of opinion of common resolve to isolate regimes, such as the Trujillo regime, which are a blot to the Hemisphere's democratic heritage.

7. The search for basic cultural understanding

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Basic proposals for a
Latin American policy:

1) Need to create psychological assurance throughout LAm that the US is not just a ~~friendly~~ ^{distant} acquaintance, but a real, close friend. Need for a vital policy ^{as if communism did not exist} instead of a well-wishing one ^{as if communism did not exist}.
A policy and a language that will fire the imagination of the Hemisphere as FDR's Good Neighbor policy did. The policy should stress the factors that the W. H. has in common. There are more things that unite us than divide us.

2) Firm statement committing US to help close or reduce economic gap. Greater economic equalization

3) In furthering the closing of the gap, the U.S. should not insist on free enterprise, Recognition of post. role, & use of public power.

4) Support of increased technical assistance.

5) Support of Latin Am. trend towards integration - not factoring policy, forced by events - Acceptance of regional union as beneficial to U.S. interests.

6) Close political gap - democracy
Crystal-clear statements in favor of democratic governments

7) Concern over human rights as Hemisphere duty - strengthening "conscience of the Americas"

7) A search for common denominators
Cultural understanding based
on ec. process as the pursuit of
spiritual ends - Not an
acquisitive evolution,
but an inquisitive one -

A NEW APPROACH TO A LATIN AMERICAN POLICY

Introduction

United States policy towards Latin America will be, for the first time since the days of the New Deal, an important campaign issue at the national elections next November. There is growing public concern with Latin America. Many Americans are baffled at the seeming impossibility of reaching a modus vivendi with Castro. Many more are fearful of Castro's friendship with Soviet Russia and the threat it may imply to American security. Many others would favor a strong stand, a "Big Stick" policy, even reviving the possibility of intervention.

Cuba is, certainly, the big question mark, but a considerable segment of American opinion also remembers the Vice President's misadventure in Caracas. There is no doubt that Latin America is beginning to impinge on the consciousness of many voters. It is up to the Democratic Party to have a policy that will strongly appeal to the American voters next November and will revive in Latin America trust and confidence in the United States.

In advancing some basic ideas for the framing of such a policy, it is well to realize the significance of Latin America to the United States. Herbert Mathews, an authority on Latin American affairs, has aptly summarized it as follows:

"Here is a world at our doorstep on which, to a considerable degree, we depend for our existence as a world power. If we were

deprived of the raw materials of the area or its markets, our economy and security would be gravely--perhaps vitally--affected. It is an area where no hostile power can be allowed to gain a foothold for, strategically, this is 'our soft underbelly'. We can not win the cold war in Latin America, but we can lose it there. Neutralism or an intense Yankeephobia could hurt us badly. A day will come when the Russians will make their bid for Latin America." (1)

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This process might take a generation or a century. It might be gradual or it might be sudden or even catastrophic. In most Latin American countries, there are factors present that could create another Cuba, if wise, prudent, democratic leadership is not available.

Latin America is destined to be a force of considerable influence in world affairs a century from now. Whether that emerging force is friendly to the United States or a hostile bloc is the great challenge now facing American policy.

The new policy requires a deep insight into the revolutionary forces at work in Latin American society. It requires a fixity of purpose and a sustained effort. Above all, it requires understanding, sympathy and a sense of a common destiny.

Here are some pointers in the development of such a policy:

1- Fostering a New Climate of Opinion

The first basic, underlying need is to create a psychological assurance, throughout Latin America, that the United States is not just a distant acquaintance, but a real, close friend, vitally interested in Latin America's progress and well-being and sharing its democratic hopes. It requires a warmth of language that would portray a warmth of feeling. Franklin Delano Roosevelt succeeded in firing the imagination of Latin America by his striking appeals to Latin American friendship, by his repeated expressions favoring Latin America's desire for a social change and by his emphatic support of democratic trends. The image he conveyed of the United States was the image of a people really interested in Latin American welfare and anxious to develop a close partnership in freedom and in the mutual respect of cultural values. The restoration of that image is an urgent necessity.

A policy of this kind, although realistically recognizing the differences between the United States and Latin America, would emphasize the common heritage: the basic concern for social justice and economic well-being; the advancement of human rights and individual freedom; and the ability to forge

with diverse ethnic and historic elements a dynamic, creative culture. It should say for Latin America what Adlai Stevenson said for the United States: that there are more things that hold us in common, than the things that divide us.

2- Closing the Economic Gap

An effective Latin American policy should express, in no uncertain terms, a firm committal on the part of the United States to help diminish within a reasonable time, the tremendous gap between the standards of living prevailing in the United States and those prevailing over enormous areas of Latin America. It should make abundantly clear that the committal is not just a friendly gesture on the part of the United States, but a necessary concomitant of its national interests.

The presence of this gap is a recurring source of Latin American discontent. Unless stronger and more vigorous measures are taken, there will be no narrowing of the welfare gap. Latin America postwar rate of growth of 2 per cent per capita will not be enough, in view of its high birth rate, to improve its position vis-a-vis the United States. It is, furthermore, facing a decline in the world market for its primary commodities and a depletion of its foreign exchange reserves.

The economic factors clearly indicate that even a small reduction in the prevailing welfare gap between the United States and Latin America will involve an effort of high magnitude. It is, therefore, imperative for the United States to impress Latin Americans with its sincere willingness to

reexamine the whole field of inter-American economic relations in order to strengthen, wherever feasible, the U. S. contribution to a narrowing of the gap.

3- Support for a Flexible, Non-doctrinaire
Development Policy

The pace of development in Latin America will depend to a large degree on the nature of economic assistance from outside. This development will involve both private and public investment. As Adlai Stevenson has pointed out, upon his return from Latin America, "they are going to build a new society under our methods of free enterprise, if possible, and if not, under socialism."

A realistic policy would recognize that the economic development of Latin America will not repeat the traditional United States pattern. The role of government will be much more pronounced. Only government can undertake now, in Latin America, the basic social and economic overhead, such as education, transportation, health and other basic programs necessary to create a framework for an expanding economy.

Planning will also play a greater role than in the economic history of the United States. The choice will be between democratic planning, with government and private enterprise joining efforts to achieve certain broad objectives, or rigid state planning which involves direct control of economic life. It is obvious that U. S. policy should support the first choice, and

should make its position crystal-clear in favor of democratic planning techniques even though they may not be customary in the United States.

This flexible policy must pay greater attention than heretofore to government-to-government financing. The present Administration showed much indifference to this formula. It accepted an Inter-American Development Bank after much pressure and as a consequence of the policy revision brought about by Nixon's troubles in Peru and Venezuela.

Here is a field in which a complete about-face is needed. Lending has to be liberalized to a higher degree than at present. Responsible Latin American democratic opinion, as exemplified in the statesmanlike speeches delivered by President Lleras Camargo of Colombia in his recent visit to the United States, clearly demonstrate that Latin America wants loans and not outright gifts, but loans geared realistically to Latin American conditions. It is evident that U. S. lending policies demand a basic revision. Banking standards and practices which are common in the United States banking community must be modified when applied to Latin American financial requirements, particularly in government-to-government financing.

4- Encouragement to Latin American Economic Integration

The United States should make it unmistakably clear that it considers the Latin American drive for economic integration as a basic strengthening of the U. S. economy and of the Hemispheric's position in world affairs. The

most encouraging sign in the Latin American economic picture is the growing willingness of several countries to develop common regional markets. Seven nations--Argentina, Brazil, Chile, Mexico, Paraguay, Peru and Uruguay--formally agreed on February 16, 1960, to establish a free trade area among themselves, to be put into effect gradually over a period of 12 years. If the agreement succeeds, it may give great impetus to economic unity.

The United States position until recently has been either lukewarm or indifferent to this new trend towards a common Latin American regional market. A vigorous push, on the other hand, or a sincere encouragement might considerably improve the common market's chances of success. It will not only help in making this idea economically feasible. It will also contribute to counteract a feeling, now present in some quarters in Latin America, that the United States, because of selfish economic interests, would not welcome the coming into being of an economic unit that may one day compete with American trade. A firm United States/^{position}in favor of regional Latin American markets will do away with what to many Latin Americans is a contradiction in U. S. policy: on the one hand, strong support to European economic integration; on the other, indifference to the same trend in Latin America. Here is a case in which consistency will reap a reward of good will and understanding.

5- Reduction of Military Aid

A thoughtful policy geared to the psychological realities in Latin America would committ the United States to a reduction of military aid in

favor of an increase in technical assistance. Latin America has long suffered from its endemic militarism. In most countries, the armed forces are looked upon with distrust, as a breeding ground of dictatorships and administrative corruption. With very few exceptions, Latin American armies would be useless in the case of nuclear war. Hemispheric security can not depend on them. Enlightened public opinion in Latin America is fully aware of this fact and of the Hemisphere's basic reliance on U. S. power for its defense in case of armed conflict.

A dramatic United States pronouncement in favor of increased technical assistance as against military aid would sound a responsive chord in Latin America. It would show that the United States basic interest is not just in Latin America's strategic value but in its social welfare--in its improved agricultural techniques, industrial development, education, public administration, economic planning and other fields where the area must make great forward strides.

6- Strong Support for Democratic
Governments

The most sensitive problem in inter-American relations is the problem of how to do away with dictatorial governments and ensure sound democratic growth. There is widespread belief in Latin America that United States love of democratic institutions is not an export article, as far as Latin America is concerned. Latin Americans find it difficult to understand why the United States has in the past not merely tolerated, but actually aided, with money

and arms, dictators such as Batista, Pérez Jiménez and Trujillo. The long Dominican dictatorship is a sore-spot in inter-American relations.

Here again, a new Latin American policy ought emphatically to assert United States preference for democratic governments and its belief in freedom for all--not just for the U. S. A. A sound policy would adopt the language used by Senator Mansfield in connection with the Santiago Declaration: "The Americas... --he said-- may be on the verge of bringing into the good neighbor concept--into the doctrine of non-intervention--another concept, that of the conscience of the Americas. If this interpretation is correct, it means that as the Hemisphere deplores intervention in the affairs of one nation by another, it deplores equally the brutal denial, by dictatorship, of basic human decency anywhere in the Hemisphere."

While the United States can not obviously assume the role of a judge in determining the democratic nature of governments in the Western Hemisphere, it can stress its equal abhorrence of dictatorships from the left or the right. It must praise and encourage all trends that would strengthen Latin American democratic institutions. An active, vigorous policy within the Organization of American States might help in creating a climate of opinion of common resolve to isolate regimes, such as the Trujillo regime, which are a blot to the Hemisphere's democratic heritage.

7- The Search for Basic Cultural Understanding

The success of any Latin American policy will be measured lastly

on its ability to promote understanding, unity, cooperation, sympathy and mutual respect. It is the function of such a policy to foster a hemispheric action which would satisfy aspirations without violence, enmity or disregard of human rights. It should realistically appraise the striking cultural differences between the United States and Latin America, but also seek for the similarities.

The United States has built a civilization of abundance of material goods. It is now seeking a society richer in spiritual goods. Latin America is beginning a fateful struggle to achieve material abundance, but it has much to offer in the finer, deeper search for a way of life in which man is valued for his spiritual worth and not for his material possessions. The two great cultural areas of the Hemisphere must evoke a public philosophy that would favor a society with more education than conspicuous consumption, with more imagination than acquisitiveness, with a broader and deeper sense of the Hemisphere as a geographic, historic and spiritual unity, where the spirit of man is the free leader rather than the servant of economic processes.

A new Latin American policy should try to frame, in such terms, the Hemispheric Public Philosophy for the second half of the Century.