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U.S. POLICY IN LATIN AMERICA

By Hubert H. Humphrey

IN any analysis of United States policy in Latin America, the first question which should be considered is: What priority is attached to Latin America in the whole spectrum of our foreign-policy considerations? Once the relative importance or unimportance of hemispheric problems is established, one can then move on to consider the question of basic U.S. policy in Latin America. Having delineated the fundamental lines of policy, one can consider finally the effective means of implementing it. On these three questions I shall focus my discussion.

On numerous occasions President Kennedy indicated the priority he placed on Latin America in the total spectrum of foreign-policy considerations by describing it as "the most critical area in the world." But two decades of constant preoccupation with Europe and Asia have left an imbalance in our global commitments that has not yet been wholly rectified. Although the United States must continue to be concerned with developments in many parts of the world, it is no longer either necessary or possible for the United States to become deeply involved in every area of the world and to undertake the massive political, military and economic commitments that such involvement entails. The break-up of the bipolar world of the postwar era and the emergence of independent centers of power in the non-Communist world should in the decade ahead allow the United States greater freedom to concentrate its resources in areas of primary concern to our national interest.

Europe remains of crucial importance in our foreign policy considerations and will retain this status for the foreseeable future. But while the internal political, social and economic patterns of Europe are well determined by now, this is not the case with Latin America. The future structure of society and the external policy of Latin nations remain unanswered questions. Marxism as a guide to social development is a spent force in most European countries, but it remains a lively alternative in Latin America today. The example of Cuba suggests both the immediacy of the Marxist threat to U.S. interests and the nature of the problems which we face when Marxism is accepted as a guide to the development of a Latin American society.

The obvious geopolitical factors of proximity, size and population make the Latin American continent of particular importance to us. Central and South America form a land mass over twice the size of the United States and larger than non-Communist Asia. The combined present population of 200 million is likely to approximate 450 to 500 million by the year 2000.

Unlike Asia, Latin America enjoys a balance between population and land and at the same time is rich in natural resources. Aside from Europe, Canada and Japan, it is both the largest market for American exports and the principal source of many raw materials imported by the United States. It is the recipient of the largest capital investment, presently totaling over \$8 billion. Trade with Latin America totaled over \$6.6 billion in 1963, amounting to over three-fourths of our total trade with the southern half of the world. With imports of \$3.4 billion in 1963, the United States remains by far the most important market for Latin American exports.

These economic and physical data only begin to indicate the importance of Latin America to the United States. A common European inheritance has left in the Americas, North and South, a widespread belief in constitutional government, in political democracy, and a belief in the dignity of the individual resulting from a common Judaeo-Christian tradition. In short, the United States and Latin America, though different in many ways, share a political, religious and cultural tradition that is "Western" both in origin and content.

In the bipolar world of the past two decades both the United States and Latin America faced a common threat of Communist imperialism directed from the Soviet Union. With the break-up of the bipolar world and the emergence of at least four centers of power—the United States, the Soviet Union, Western Europe and Mainland China—the position of the Western Hemisphere in world power relationships is changing. East-West relationships have been modified, while the future pattern of North-South relationships is not yet settled.

The emergence of a powerful Western Europe—likely to pursue a more independent foreign policy—makes hemispheric cooperation more urgent if the nations of this hemisphere are not only to solve their immediate internal problems but to play a proper role in world affairs in future decades. Although the decade of the 1960s is a crucial one for the United States and

Latin America, the development of our hemispheric policy should look two or three decades ahead. We must keep in mind not only the political, economic and social problems that confront Latin America in the 1960s but also the position of the Western Hemisphere in the international relations of the 1980s and 1990s. If the hemisphere remains united, it can, with a population of 900 million people by the year 2000 and a level of economic development that its resources indicate is possible, play a major role in shaping the world of future decades, regardless of events in Asia, Europe or the Soviet Union. But neither unity within Latin America itself nor unity within the hemisphere is guaranteed. Our policy should be designed to discourage intra-hemispheric rivalry which would Balkanize the continent, as well as to prevent Communist subversion which would divide the hemisphere into an endless struggle between Communist and non-Communist states.

Our concept of hemispheric unity should not be defined in any exclusive sense that would actively discourage a greater Western European contribution to the social, economic and cultural development of Latin America. Indeed, we should actively encourage Europe to expand its involvement in Latin America, both in terms of long-term development assistance and expansion of existing cultural and educational programs. But we cannot view with equanimity the separation of Latin America from the United States and Europe in favor of an exclusive association or identification with the "third world." Latin countries will and should continue to be different from both the United States and Europe, but they need not see their own future destiny in terms of the non-Western southern half of the world just because they share with the societies of Asia and Africa a less developed status.

Although President Kennedy altered the priority which we attach to Latin American problems, it remains for his successors fully to translate that priority within the machinery of the U.S. Government. In one of his first official decisions, President Johnson acted to end the division of authority that had hampered policy implementation and to upgrade the status of top officials responsible for our relations with Latin America. This upgrading must continue and should eventually result in the establishment of an under secretary post in the State Department and high-ranking positions in our defense, intelligence and informa-

tion agencies as well. When we see the Secretary of State or Defense directly involved in the problems of U.S. relations with Brazil or Argentina and an Assistant Secretary of State being dispatched to deal with a problem in Southeast Asia, we shall then be able to conclude that the day-to-day operations of the Government reflect the set of priorities enunciated by President Kennedy in describing Latin America as "the most critical area in the world."

II

Turning now to policy within the hemisphere, it remains my belief that the basis of our policy for Latin America should be the Alliance for Progress as originally conceived by President Kennedy and agreed to by the 20 American Republics in the Charter of Punta del Este. The aim of the Alliance is summarized in the Declaration of the Peoples of the Americas which precedes the Charter: "to unite in a common effort to bring our people accelerated economic progress and broader social justice within the framework of personal dignity and personal liberty." This objective is to be implemented through systematic social and economic programs designed to abolish the shocking economic and social inequality, between privileged and impoverished, between glittering capitals and festering slums, between booming industrial regions and primitive rural areas. The Alliance is designed to be a peaceful alternative to violent revolution in meeting the challenge of an unjust socio-economic order.

In discussing the Alliance, I am making several assumptions which cannot be spelled out in a brief article: (1) that "Latin America" is not a homogeneous unit, but a continent of widely diversified peoples, sharply varied economies and both highly advanced and grossly undeveloped regions; (2) that we recognize the differences between individual countries and adjust our policies accordingly; and (3) that the actions of Latin American countries are far more important than those of the United States in accomplishing the goals of the Alliance for Progress.

In recent months, questions have arisen both in this country and in Latin America about the validity of the original conception of the Alliance and about the strength of the United States commitment to it. Today we are told by some that the great mistake of Alliance officials was in arousing hopes and expectations that could not be fulfilled. We are told that what is needed

are fewer statements about the philosophy of the Alliance, the ideology of the Alliance, fewer broad-gauged political doctrines and more hardheaded pragmatic emphasis on economic lending programs. Such an appraisal reflects a misunderstanding of current conditions and trends in Latin America. It reflects a misunderstanding of what President Kennedy had in mind in launching the Alliance for Progress.

It was recognized from the beginning that the success of the grand strategy for coöperation with Latin America, the Alliance for Progress, depended on more than economic development. It was realized that for the policy to succeed, the Alliance must have a political content and an ideological substance, in addition to a strong program of economic development. It must come to symbolize the hopes and aspirations of both the élite groups and the masses of Latin American people. It must have a mystique all its own, capable of inspiring a following.

President Kennedy himself was the symbol of the Alliance, the symbol of the hope and imagination which is needed. He realized that though Latin America faces grave economic problems, these must be seen within a broader political context. It is not just a matter of satisfying physical needs and raising material standards of living. What is more important is the problem of inspiring hope, of commanding the intellectual and emotional allegiance of those who will shape the society—both the élite groups and the popular classes. He realized that the hopes and expectations aroused could not all be satisfied in the immediate future—nor need they be. What can be accomplished in a material sense in a very limited period of time will always fall short of expectations. This should not discourage us. What is important is that we be prepared to give some evidence that progress is being made, that material betterment is on the way, and that there is sound reason for believing that the unmet material problems of society will be solved in the future. This means of course that we must have both short-range socially oriented projects to give visible evidence of immediate progress, and long-range development projects which are essential to improving the condition of the society. I believe that President Johnson shares this view. His speech of May 11 to the Latin American Ambassadors clearly indicates that he understands that mere pragmatic economic programs are not enough, that the Alliance is political and social as well as economic in nature.

Much of the premature pessimism that has been expressed about the Alliance results therefore from a misunderstanding of its original concept, from an underestimation of the magnitude of the task and from mistaken analogies based on European experience under the Marshall Plan.

Today we should be well aware that nostalgic recollection of the dramatic success of the Marshall Plan in restoring economic and social vitality to the war-ravaged, but highly advanced, modern societies of Western Europe does little to illuminate the path to speedy economic and social development in underdeveloped areas of Latin America. The reform and modification of social and economic traditions that have persisted for two centuries are not going to be accomplished in two years—and probably not in a decade.

In view of the criticism leveled at the Alliance, the persistence of political instability in many countries and the ever-present Communist threat in others, some will be tempted to abandon the original emphasis of the Alliance on radical economic and social reform. Some will be tempted to return to less venturesome, more conventional goals, to place less emphasis on reform and more on working with the established groups to minimize political instability. Indeed, there are those who believe we should abandon our identification of the Alliance with “peaceful revolution,” with rapid reform of the economic and social structure of Latin American societies. I believe this would be a grave mistake.

Although the observation that Latin America is in the midst of a political, economic and social revolution has become a commonplace, it is true. Only a few decades ago it could be said that the fatalism of most Latin Americans was well expressed in the remark of the late nineteenth-century Chilean President Barros Lucco: “There are only two kinds of problems facing society: those which get solved by themselves—and those which defy solution.” Today, however, in most Latin American nations there is not only a burning awareness of the enormous human cost of perpetuating a status quo which exploits the many for the benefit of the few, but also a well-developed consciousness that the status quo can be changed, that radical improvement in the condition and status of the mass of the people can be achieved through deliberate, systematic political action. For the deprived mass of the people, the status quo is no longer a burden

to be patiently borne, but an incubus to be cast off. Is it appropriate to define Alliance policy as favoring social "revolution"—or should this word be avoided in favor of "evolution" or some other expression? "Evolution," if carefully examined, proves to be inadequate, for it implies an unconscious, non-deliberate change that is slow and gradual. What is required is conscious, rapid change in the socio-economic structure, a process that can correctly and precisely be called a revolution. If used not as a slogan but in its precise sense, the policy of peaceful social and economic revolution is a correct characterization of Alliance policy. We should not hesitate to identify ourselves with it in Latin America, just as President Johnson associated himself with it in his "war on poverty" throughout the world when he recently remarked: "If a peaceful revolution in these areas is impossible, a violent revolution is inevitable."

In the revolutionary atmosphere which does exist in a number of important Latin American countries, ideological factors are often as important as straight economic programs. I am impressed, for example, with the fact that the governments which achieved the greatest political stability and economic progress in the last decade were the strongly ideological democratic parties led by Betancourt, José Figueres and Muñoz Marín. I am impressed, too, by the fact that the two fastest-growing political movements in the larger countries of South America today are the two most intensely ideological movements—the Marxist and the Christian Democratic.

Both of these are flourishing, particularly among the younger groups. We should not forget that half of the population of Latin America today is under 18. In a discussion of the present situation in Latin America with a distinguished Latin American, Dr. Rafael Caldera of the COPEI Party in Venezuela, we agreed that one reason why his party and other Christian Democratic parties in South America are flourishing today among the impatient, idealistic younger groups is that they offer an ideological alternative to Marxism, an integrated approach to the political, economic and social problems of society. I know that we pragmatic North Americans find it difficult to understand why a Latin American considers the philosophy and ideology of a party as important as the specific practical measures it recommends. We are only now coming to realize that the ideological basis of Communism—not its economic critique—is its principal

attraction for students and educated groups in Latin America. It is for that reason that Communism captures the university before the slum.

If the social and economic objectives of the Alliance are to be achieved, we must lend our strong support to those governments and those political parties which are really committed to the Alliance program, which are committed to modifying the antiquated economic and social structure of society. Although there is and will continue to be a wide variety of parties and governments, we are most likely to see the aims of the Alliance realized and our own interests served if we strongly support reformist governments like those of Romulo Betancourt in Venezuela and Belaúnde Terry in Peru, reformist political parties like those that provided leadership in the Caribbean area during the past two decades, and the Christian Democratic parties that are rapidly emerging as a major political force in South America.

III

It would be a mistake to interpret the Alliance program exclusively in terms of a social and economic revolution and to ignore the equally important aim of building political democracy and constitutional government. As the first U.S. Coördinator of the Alliance for Progress, Ambassador Teodoro Moscoso, once remarked, "Free countries do not develop on bread alone." The quest for first-class citizenship, the growth of representative political institutions, and the accomplishment of economic and social reform within the framework of constitutional government are an essential part of the Alliance, as President Johnson emphasized once again in his speech of May 11. And the indispensable ingredient for successfully achieving both the socio-economic and the political goals of the Alliance is political leadership. If there has been one preëminent disappointment about the Alliance in its first three years, it is the failure of many Latin American countries to come forth with able, responsible political leaders who are capable of mobilizing support for Alliance programs, of building political institutions and administrative structures which are able to sustain and implement the basic modifications of society that are needed. We have seen a number of cases where constitutional government has been interrupted, sometimes because an elected government proved to be incompetent;

in other cases because fragile constitutional structures and political institutions were unable to withstand the assault of non-constitutional groups—usually led by the military—intent on seizing power. It is this situation that has confronted our policy-makers with one of the most sensitive policy dilemmas of the past three years.

How does the United States deal with governments that have come to power through non-constitutional means? We of course cannot determine the type of governments that take office in Latin American countries. We have no choice but to work with many governments. But we should distinguish between constitutional governments pursuing progressive policies and those which shoot their way to power. We may not be able to prevent the emergence of juntas, but we can and should distinguish between dictators and democrats. In those instances when we must temporarily deal with non-constitutional governments, we should use all our levers of influence to restore constitutional government at the earliest possible time.

The problem confronting us is made even more difficult when a constitutional government is overthrown in order to meet an acknowledged Communist threat or to uproot Communist infiltration that has progressed under the protection of democratic institutions. This should not be a pretext for circumvention of constitutional procedures or for maintaining military juntas in power in violation of the constitution. In those extraordinary situations, certainly we should be reluctant to embrace a new government before waiting to discover whether purges, military decrees, censorship, revocation of political rights and mass arrests represent a momentary aberration or a permanent characteristic of the régime. Similarly, pledges of economic assistance under the Alliance for Progress should naturally await evidence that the new government will meet the standards for economic assistance specified in the Alliance charter.

In dealing with these situations we should always keep in mind the results of our policy of embracing “anti-Communist” military dictators during much of the 1950s—results dramatically illustrated when an American Vice President was nearly mobbed in Caracas in 1958.

The use of anti-Communism as a deceptive slogan in the past should not blind us to the true nature of the Communist threat in this hemisphere today. This threat is real and must be met if

hemispheric unity, political democracy and socio-economic progress are to be achieved.

The record of Venezuelan President Romulo Betancourt merits attention in this regard because it reveals rare insight into the nature of the Communist threat in the Western Hemisphere. In confronting the Communist problem, he has kept in mind the distinction between the three salient strands of the Communist threat in Latin America: first, the ideological strain which was discussed earlier; second, the appeal of the Communist economic model as a solution to the economic needs of impoverished people; third, the attempt of a Communist régime—Cuba, for example—and Communist groups within Latin American countries to subvert non-Communist governments through armed attack, internal terror and sabotage, through propaganda or through quiet infiltration and popular-front movements.

One cannot meet the appeal of the second with solutions appropriate only for the third. The economic threat cannot be met by military solutions, but rather by programs which fall under the Alliance—effective mobilization of resources and accomplishment of reforms by local governments, combined with U.S. help in the form of loans, “food for peace,” the Peace Corps and technical assistance. The security problem cannot be met alone by these economic programs, but requires measures which are primarily paramilitary, political and propagandistic.

One should not conclude that the face of the Communist threat in Latin America is always the same. It is not. The approach and tactics of Communist parties vary from country to country. In Brazil, Communist infiltration from the top by a government tolerant of Communist-oriented groups posed a quite different problem from that in Venezuela. Different again is the situation in Chile, where a Communist-Socialist coalition seeks power through regular elections to be held later this year. Methods of combatting Communist infiltration must be adapted to the situation.

Subversion from abroad remains a major aspect of the Communist threat to many Latin American countries, particularly those in the Caribbean—and the principal source of this subversion continues to be Castro's Cuba. The case of Venezuela is a good illustration. For Venezuela today, as for many other Latin American neighbors, the Castro government in Cuba is

not a nuisance to be ignored but a menace to be eliminated. Communist subversion from Cuba is not a "myth" to be exposed but an ever-present reality to be faced.

The report issued in February of this year by the Organization of American States makes it indisputably clear that Cuba has smuggled arms to terrorists in Venezuela. There is now photographic evidence of the plan and plot to subvert the Betancourt government at the time of the election last December.

What should the U.S. position be in such cases? Our national policy should be one of clear, unequivocal support for taking the necessary steps to cut off arms shipments from Cuba to Venezuela or any other Latin American nation. Cuba must not be permitted to be an arsenal for terrorism, revolution and chaos. Instead of merely worrying about governments of friendly countries being able to stay in power and resist violence, we should choke off the source of that violence.

I believe that we should wholeheartedly support the position of the Venezuelan Government in the O.A.S., where it has requested joint sanctions against Cuba. I hope that the required action can be accomplished within the framework of the O.A.S. But if it cannot, this should not mean that we will permit friendly governments like that in Venezuela to remain defenseless because of the inaction of its neighbors. The existing machinery of the O.A.S. should not be permitted to impede the successful handling of problems of this sort.

There may be instances where it is actually preferable to take bilateral action to meet a Communist threat rather than require the participation or approval of all members of the O.A.S. An effective response to Communist subversion does not always require that all Latin American governments publicly and officially take a strong positive position. Undue pressure to do so may sometimes be counter-productive, by weakening the political position of a government which is fundamentally anti-Communist but whose freedom of action is restricted by a delicate balance of internal political force. The machinery of the O.A.S. should be sufficiently flexible to permit bilateral action as well as multilateral action where it may be required.

I do not favor a military invasion of Cuba. Even less do I favor so great a preoccupation with Cuba that all other hemispheric issues are ignored. But so long as the stated purpose of the Castro régime is to export its Communist revolution, it will

remain a threat to many Latin American governments. So long as it remains a threat to them, it remains much more than a nuisance to the United States. For our own interests are inextricably bound up with those of our neighbors in the hemisphere.

IV

In implementing the policy outlined above it should be understood that methods must vary from country to country, that U.S. action in implementing the Alliance for Progress is dependent upon the actions of Latin American countries. For the immediate future I would mention several lines of action which might be effective in realizing our objectives. If rapid progress is to be made in achieving the social and economic objectives of the Alliance for Progress, it will require in the next decade both greater mobilization of resources by Latin American governments and a larger infusion of external resources. These external resources will come chiefly from three sources: (1) aid from foreign governments and international lending agencies; (2) trade; and (3) foreign private investment.

All three of these are essential to most Latin American countries and will continue to be for the foreseeable future. In the face of continued Congressional criticism of foreign aid and disappointment abroad with the volume of aid and the conditions attached to it, there has been a tendency to disparage foreign aid; Latin Americans look to trade and North Americans to private investment as a substitute.

Trade brings into a country needed foreign exchange, but it carries with it no guarantee that the foreign exchange will be used for purposes having a high priority in the development of an economy or society. The exchange usually goes to a relatively few people in the commercial sector and, in the absence of effective progressive tax systems or exchange controls, can be spent on luxury items or sent abroad to foreign banks. Foreign aid not only brings in needed capital but capital that can be easily channelled into those projects and those sectors of society deemed of crucial importance.

Foreign private investment—as many previously skeptical Latin Americans have now learned after experimenting with swollen, inefficient state business corporations—is absolutely essential both to increase the productivity of a country and to

develop an efficient industrial and agricultural sector. With the strong encouragement of the U.S. Government—for example, through investment guarantees and tax credits—American business can continue to provide leadership in building a strong private sector in Latin American countries. But it is a mistake to claim too much for private investment, to ignore the necessity of expending large sums on the economic and social infrastructure (highways, ports, dams, schools and health systems) which can be financed only by public funds.

All three—aid, trade and private investment—are essential to social and economic progress in Latin America. In my view, we in the United States do not allocate the amount of resources to Latin America required to do the job that needs to be done. Although Latin American countries may be less capable of absorbing large amounts of capital than were the European countries under the Marshall Plan, it is nevertheless true that our contribution to the Alliance for Progress is pitifully small compared to the billions of dollars—mostly in grants, not loans—that we poured into Europe after the Second World War. In line with the priority which we should assign to Latin America in our global policy considerations, our aid to this area should be substantially increased for the rest of the decade.

There is no reason, however, why the increased aid to Latin America should come exclusively from the United States. It should be recognized that the European contribution to Latin America need not be limited to respecting embargoes on trade with Cuba. European countries—together with other countries like Japan and Canada that conduct substantial trade with the area—should be strongly encouraged to contribute to the infusion of capital that is required, and on terms that are favorable. This assistance should represent private investment as well as government aid.

Trade may not be a panacea for the problems of Latin America, but it now seems clear that we must give greater attention to developing trade within this hemisphere. The terms of trade for Latin American countries have remained unstable. Although commodity prices have shot upward during the past year, it is unclear whether this is a temporary improvement or a long-range trend. Trade among Latin American countries has not flourished, with the exception of the recently established Central American Common Market. Our exports to Latin America have

leveled off, and it is clear that we shall face increasing competition there with Europe and Japan.

It is too early to say exactly what regional mechanisms should be used to bring about increased trade between the United States and Latin America, to promote competition and stable trade relations within the hemisphere. The brief experience of the Central American Common Market indicates what can be achieved in a limited area if individual countries are willing to look beyond their borders. The experience with LAFTA—Latin American Free Trade Area—thus far is less promising. Certainly, one of the problems which should be given early consideration by the newly created Inter-American Committee for the Alliance for Progress and by the Inter-American Development Bank is the possibility of giving greater impetus to the regional movement in the LAFTA countries. The Inter-American Development Bank has begun to finance the acceleration of regional trade within LAFTA, and its efforts should be supplemented.

As for the United States, I believe that we must soon undertake an intensive review of our hemispheric trade policy. Trade is essential to the economic prosperity of the hemisphere and we should give careful consideration to the possibility of developing a more cohesive trading area, which would not only bring economic advantages but would also promote the political unity of the hemisphere.

The next step in promoting a hemispheric trade zone might be to lend our strong support to the development of LAFTA in the same way that we gave our backing to the Common Market in Europe and to the Central American Common Market. We should promote the creation of new exports and the expansion of existing exports by supplementing the funds now available for this purpose from the I.D.B. We should participate in planning LAFTA's development and encourage American business to do likewise. Once LAFTA has made significant progress, we can then consider what new trade relationships should be developed between the LAFTA area and the United States and Canada.

In the future, decisions on questions of basic importance to the development of the Alliance for Progress, such as those on aid and trade, should naturally be made through the Inter-American Committee for the Alliance for Progress. Just as the United States Government has improved its machinery for

handling hemispheric affairs, so the members of the Alliance have created a mechanism to facilitate truly multilateral decision-making on hemispheric problems. But this new organ can succeed only to the extent that it has the strong support of the nations of the hemisphere, especially the United States. The Senate Foreign Relations Committee has indicated the strong Congressional sentiment in favor of multilateralism, thereby giving the Executive branch the freedom it needs to assist in acceleration of the trend from unilateral to multilateral decision-making under the Alliance for Progress.

In pursuing the political objectives of the Alliance for Progress—both the positive aim of inspiring a commitment to constitutional government and democratic institutions and the negative objective of thwarting Communist expansion—we would do well to divert more attention and resources to programs in the educational, ideological, cultural and propaganda fields. We should expand programs aimed both at the élite and at the popular classes. According to the best information available to me, approximately 3,000 Brazilians were brought to the United States during the past ten years under our various educational and cultural exchange programs. If we really appreciated the revolutionary atmosphere in Latin America today and understood the nature of the Communist appeal to younger people who will become the élite of their societies, we would raise this figure to 3,000 per year.

Similarly we should use all possible leverage to encourage Latin American governments to expend the resources needed to wipe out illiteracy among the mass of the people. Where the determination exists, illiteracy can be effectively eliminated in a brief period, a fact that has been proven by the Castro government in Cuba. Of the many reasons which could be advanced in support of crash programs to end illiteracy, I will cite only three. First, active popular participation in political life under a democratic government is impossible if half the population cannot read and write. Second, historically no society that has succeeded in abolishing illiteracy has remained poor for long. Third, the balanced population growth rate that will be necessary in the future is not likely to be accomplished while half the population remains illiterate.

In our efforts to cooperate with Latin Americans in realizing the objectives of the Alliance, we should be aware of the renaiss-

sance of one of the traditional institutions found in all Latin American societies—the Roman Catholic Church. One of the most encouraging trends of the past decade has been the new awakening on the part of Church leaders to the shocking social and economic problems of the continent, and the new determination to meet those problems now through fundamental reforms.

Today in Chile, Panama, Venezuela, Brazil, Argentina and Colombia members of the hierarchy are actively pushing the reforms stipulated under the Alliance Charter. Whereas formerly the active espousal of progressive social and economic policies was largely confined to religious orders like the Maryknoll priests or to isolated pastors, today they are supported by occupants of metropolitan sees. The farsighted social and economic philosophy of the late Pope John's social encyclicals *Mater et Magistra* and *Pacem in Terris* is being strongly pushed by the Vatican. Men who once would have been "promoted" to mountain parishes for their advanced views are now being appointed bishops and cardinals.

The Church's role is important not only in promoting economic and social reform, but also in building free societies and encouraging hemispheric unity. The building of a just economic and social order requires the rapid modification—sometimes the destruction—of old institutions. In a revolutionary era, the temptation is great for the state to absorb total responsibility in the social and economic order, to eliminate all institutions which it cannot directly control itself, to create an atomized society. History teaches us—and the recent example of Cuba reminds us once again—that it is the atomized society that is easy prey for totalitarian government. In one of the best capsule definitions of totalitarian government, Hannah Arendt once defined it as the elimination of all subgroups between the individual and the state. During the next decade, when revolutionary change will be the order of the day in many countries, there may be times when a brake is needed on the action of the state if social pluralism and individual political liberty are to be preserved. In some Latin American countries, it may be the Church that will be called upon to play that role.

Finally, the Catholic Church—together with Roman law and the Spanish language—is one of the principal unifying forces in this vast continent. In an age of rampant nationalism, the common bond which the Church provides may have a powerful

impact in overcoming the separatist tendencies of the age and in achieving hemispheric unity.

In conclusion, I would emphasize that quite apart from the specific programs which we may support in implementing our policy in Latin America—programs of aid, trade, private investment, education or propaganda—what is equally important is our success in solving our own preëminent social problem—achieving equality for the Negro—and our attitude toward our fellow citizens in the hemisphere. In a continent where the large majority of people are non-white, a continent that includes societies like Brazil which have developed a harmonious multi-racial society, it is hard to exaggerate the importance which people attach to our efforts to extend the benefits of modern civilization to the Negro minority in the United States, just as Latin American countries are striving to make them available to the majority of their own people.

President Kennedy is revered for opening up a new era in relations between the United States and Latin America, not primarily because he promised material assistance, but because he conveyed an understanding and respect for Latin American people, for their culture and many of their traditions. He did not regard Latin American people as inferior or expect them to see the solution to their own problems in blind imitation of the United States. It is this attitude of understanding and respect that must permeate not only our leadership, but our entire society. This will not be easy to accomplish—as most adults in this country were educated in schools where the overwhelming majority of textbooks and reference books either ignored Latin America or reflected a condescending attitude toward Latin Americans. Written chiefly by authors sympathetic to a northern European cultural inheritance, which historically has been fundamentally unsympathetic to Latin culture, these books have been all too important an influence in shaping the attitude of generations of Americans. Change in popular attitudes comes slowly. A full appreciation of the importance of Latin America will come only when our educational system begins to reflect the priority stated by President Kennedy when he described Latin America as the most critical area in the world.

WHAT NEXT IN SOVIET PLANNING?

By Leon Smolinski

ACADEMICIAN Victor Glushkov, the head of the Soviet program of research in cybernetics, estimated recently that, failing a radical reform in planning methods, the planning bureaucracy would grow 36-fold by 1980, requiring the services of the entire Soviet population. Such warnings are not exactly novel. Some forty years ago, the dying Lenin wrote: "Vital work we do is sinking in a dead sea of paperwork. We get sucked in by a foul bureaucratic swamp." In 1933, Leon Trotsky saw acute symptoms of the same disease. "Bureaucracy acts at random," he wrote, "it rejects objective criteria, it does not recognize laws other than the law of its own will, it substitutes commands for plans and pressure for calculation."¹

Trotsky's indictment reads surprisingly like Premier Khrushchev's recent attacks upon Gosplan and its methods. The disease he recognized has now reached an acute stage and may seriously impede further growth of the Soviet economy. Until recently, analysis of these important processes was difficult because of the lack of information. In particular, little was known about the way in which economic decisions are actually made at the top and at the enterprise level. Interesting disclosures made recently about these previously forbidden matters have not yet received the attention they deserve.

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A centrally planned economy is usually looked upon as a more or less efficient machine for the production and distribution of goods. A cybernetician would view it somewhat differently: as a machine which, more or less efficiently, generates, processes and distributes information. The two functions are intimately related. Channels of information and flows of commodities are, in fact, interrelated parts of a highly complex network. To produce a carload of, say, ball bearings, it takes not only so much steel, machinery, manpower and time; it also takes an information input in the form of data concerning the availability of resources and the demand for the product. These data are gathered, processed and forwarded to the decision-makers who issue orders to pro-

¹ *Biulleten' opozitsii*, 1933, No. 33, p. 2.