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DEPARTMENT OF STATE

JUNE 26, 1961 FOR THE PRESS NO. 445

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REMARKS BY
THE HONORABLE ADLAI STEVENSON,
UNITED STATES AMBASSADOR TO THE UNITED NATIONS,
BEFORE THE NATIONAL PRESS CLUB,
WASHINGTON, D.C., MONDAY, JUNE 26, 1961.

THE CHAIRMAN (Mr. Cosgrove): Gentlemen, if we may, we will begin the meeting.

Contrary to unconfirmed reports, I have it on good authority that Adlai Stevenson is not running for President of South America. (Laughter)

After the countdown or countout last fall, Mr. Stevenson learned that one doesn't really have to be the victorious candidate to win. Besides his own appointment as Ambassador to the UN, his law practice was practically dissolved by subsequent appointments by President Kennedy. You will recognize some of these at the head table today with the other distinguished guests I would like you to meet at this time.

On my left is His Excellency, who is also the Vice Dean of the Diplomatic Delegation, Fernando Berckemeyer, the Ambassador of Peru. (Applause)

On my right is His Excellency the Ambassador of Chile, Walter Muller. (Applause)

On my left is His Excellency the Ambassador of Argentina, Dr. Emilio Donato del Carril. (Applause)

On my right is His Excellency the Ambassador of Venezuela, Dr. José Antonio Mayobre. (Applause)

On my left is His Excellency the Ambassador of Ecuador, Dr. Alejandro T. Ponce L. (Applause)

To the right is Charge d'Affaires of Colombia, Dr. Ignacio Mesa. (Applause)

On my left is Charge d'Affaires of Paraguay, the Honorable Persio da Silva. (Applause)

To the right is the Counselor of Bolivia, representing the Ambassador, Mr. Julio A. Eguino L. (Applause)

To my left is Charge d'Affaires ad interim and Minister Counselor of Brazil, the Honorable Alfredo Bernardes. (Applause)

On my right is the Secretary of Labor, whom I'm very happy to have with us today, the Honorable Arthur J. Goldberg. (Applause)

To the left is the Governor of Puerto Rico and a member of the Club, Luis Munoz Marin. (Applause)

To the right is the Chairman of the Latin American Subcommittee on Foreign Relations, the Honorable Wayne Morse. (Applause)

On my left

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On my left is the Secretary General of the Organization of American States, Dr. José A. Mora. (Applause)

On the right is the Honorable Thomas Morgan of Pennsylvania, Chairman of the Foreign Affairs Committee. (Applause)

To the left is the Under Secretary of Labor, the Honorable Willard Wirtz--as one of the law partners. (Laughter) (Applause)

To my right is the Assistant Secretary of State for Public Affairs, the Honorable Roger Tubby. (Applause)

To the left is the Acting Secretary of State for International Organization Affairs, the Honorable Woodruff Wallner. (Applause)

To the right is the Director of the Office of East Coast Affairs, Department of State, Mr. Harvey Wellman. (Applause) Mr. Wellman also made the tour with the Ambassador.

Another member of the tour, the Director of News Service, U. S. Mission to the United Nations, Mr. Frank Carpenter. (Applause)

Also on the left, another member of the tour, Professor Lincoln Gordon. The Professor, by the way, is from Harvard, the Economics Section. (Applause)

We have in the audience a number of guests I'd like you to meet. The Postmaster General, J. Edward Day. (Applause)

We have Senator Muskie of Maine and Senator McCarthy of Minnesota and Congressman John Brademas of Indiana. (Applause)

They inform me Senator Kefauver is here too. We had planned to have him fill in at the head table, but he is here with us somewhere. Senator Kefauver. (Applause)

Another member of the law firm is Under Secretary of Labor--oh, I've met him.

The Chairman of the Federal Communications Commission, Newton Minow. (Applause)

The voice of the Ambassador, Mr. Blair, [illegible] Denmark. (Laughter)

We have in the balcony a delegation from the South American countries. They are here with the OAS studying the Alianza for Progress. (Applause)

Congressman Bob Cook of Ohio is also with us today. (Applause)

And the Resident Commissioner of Puerto Rico, Mr. Fernos-Isern. (Applause)

Last Thursday Ambassador Stevenson returned from a 19-day diplomatic reconnaissance to the same area that he had made a trip as a private citizen just 15 months ago. This tour included ten nations and almost seven thousand air miles.

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AMBASSADOR STEVENSON: It's 17,000 miles.

THE CHAIRMAN: I'm corrected, it's almost 17,000 air miles. I don't want to undersell anyone here today.

And in asking the Ambassador to make this special mission part of the Alliance for Progress, President Kennedy emphasized that our cooperation in this Hemisphere should not only be in the economic and social fields. He said, "We need to explore methods of obtaining closer relationships in the cultural field as well as between our schools and universities, our teachers and students, our scientists and artists, our writers and thinkers, in short each manifestation of the diversity of the culture and tradition of our peoples."

And continuing the President said, "I think there are few people in the United States better qualified than Adlai Stevenson to examine and discuss all these possibilities. I'm sure that his journey will contribute immeasurably to our preparations for the Montevideo conference and the strengthening of the inter-American system."

Gentlemen, those are the President's words and I think we have with us today a man who really needs no introduction. Adlai Stevenson is well known to all of us. You know his background and his history and his qualifications for his present assignment. It is my pleasure to present to you now the Honorable Adlai Stevenson, the United States Ambassador to the UN. (Standing ovation)

AMBASSADOR STEVENSON: Mr. Chairman and ladies and gentlemen, I hope you don't know my qualifications for this trip. (Laughter)

Perhaps I should have said "Ladies and gentlemen and fellow Democrats, since this is a more agreeable reception than I ever expected to get at the Press Club. (Laughter)

I also didn't overlook the delicacy and the potential value of your introduction of the law firm. (Laughter)

The time may come, boys, when we will have to go back to work again. (Laughter) (Applause)

I have successfully evaded the Press Club for a good many years and this time you caught me by cable. It's bad enough to be exposed to the United States press and all of the experts on any given area of public interest, but here today I have not only the press but also Senator Wayne Morse. (Laughter)

Who probably knows more about Latin America than I shall ever know; Congressman Thomas Morgan, before whose committee I am about to appear at 2:30 this afternoon, if I get out of here alive. (Laughter)

And the Ambassadors of all the countries that I have visited, including finally my old and esteemed friend who honors me by his presence here today, Dr. Muñoz Marin, Governor of Puerto Rico. And, finally, I have even two Illinois colleagues, Arthur Goldberg and Ed Day.

You know,

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You know, when I came home I thought that things were a little confused in Latin America. But when I came back to find that the Maritime Unions were turning down the Secretary of Labor's attempt to avoid using the Taft-Hartley Act and the President was proceeding to invoke it after he succeeded in getting the advice of Arthur Goldberg, I can only report that the affairs of Latin America are in pretty good shape. (Laughter) (Applause)

I'm reminded of the distinguished scholar on this trip, one of the nine Presidents of Uruguay, who said to me, after we had concluded an afternoon of conversation with the collegium that governs that country, "Governor Stevenson, if you feel a little bit depressed, just remember what a great Spanish writer once said. He said that Spaniards can settle all of the problems of the world except their own country's." (Laughter)

Maybe it wasn't a Spanish writer after all. (Laughter)

Just before I left on this journey at the instance of the President, I went to a big dinner in New York and Bob Hope was there and he turned and said, "My friend, Adlai Stevenson, is about to leave for South America to visit our friends and he will be back the same day." (Laughter)

Well, I want to assure you that that is not the case, that our friends were very friendly, and it took me 18 days to get home.

I remember very well a year ago, plus, when I made a long trip around Latin America listening to an amusing speech by one of its accomplished diplomats, a leader, the Foreign Minister of one of the countries, one of the Republics of Latin America, who said, "You know, in the old days you had a policy called the good neighbor policy. Well, we like that because we always thought of you as the neighbors and we as the good." (Laughter)

And I must say that this time I came away with the impression that Latin America is not only an enormous problem for the United States but that they understand its problem perhaps better than it did when I traveled there before. But it's not just a problem for the United States. It's a problem for the world, for Latin America.

On our journey, we covered some 17,000 miles and visited all of the ten capitals of South America, and I hope very much, and I expect that immediately following my journey that there will be a similar mission to Central America and to Mexico.

or objective

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Our objective was to consult on the planning for the Alliance for Progress meeting, presently to take place in Uruguay next month, and to consider all the ways and means of improving cooperation between North and South America. And I have here for you today, because I was told to hurry up and get through with my formal business and then you could perhaps ask me some questions, I too have an expert. I have with me Dr. Lincoln Gordon, who traveled with me throughout this journey, along with Ambassador Ellis Briggs, who is one of our senior Foreign Service Officers and who has served as Ambassador in other diplomatic posts in Latin America over many years. He, unfortunately, has been obligated to return to his post in Greece, but Dr. Lincoln Gordon of the Harvard Business School, who has been the head of the President's Task Force on the Alliance for Progress program, has come here and will help me out if I get in trouble, which I suspect will happen any minute. (Laughter)

Well, if you will permit me, I will run through these disorderly notes that I have here and then perhaps you will be good enough to ask me questions. I shall not feel in the least inhibited by the presence here of Ambassadors of these friendly Republics who comprise the southern half of our great Hemisphere.

Well, every country that we visited, almost every country, is now under democratic control. The political stability of these regimes is under severe strain almost everywhere. Communist and other extreme left wing forces have generally gained in strength and aggressiveness in the past year, I felt. And the danger of right wing coups d'etat in several countries is still evident.

In Venezuela -- and I will run through these countries rather hurriedly -- it is still in the stage of continuing fear of a right wing coup, although there are hardening indications that the business community, the financial community and the army now recognize the importance of supporting democratic institutions and the importance that President Betancourt finish his term and establish constitutional democracy in that tormented country.

The alternative, of course, is further loss of confidence, economic stagnation and rising radicalism. The left wing violence in the Caracas slums, however, remains acute. President Betancourt is trying to push ahead on sound lines, including the restoration of business confidence as well as continued social and economic reforms.

In Argentina President Frondizi's regime is getting stronger, I felt, all the time. He is making bold efforts to restore fiscal responsibility and to recover from the effects of Peron's decapitalization of that great country. Eyes there are fixed on the next Congressional elections which either will consolidate the regime or open the way to a possible new attempt at dictatorship.

In Brazil

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In Brazil, President Quadros is less popular now than he was at the start of his administration because of his firm austerity measures to stop the rampant inflation and the financial disorder which had overtaken our largest neighbor in this Hemisphere. Communist agitation in the Brazilian northeast is increasingly vigorous and dangerous, as you all know. The President's attitude on Cuba and on the Communist bloc arises partly from a desire, I believe, to establish Brazil's political independence on the one hand and is reinforced by his fear of alienating domestic groups with an underlying sympathy for the Cuban revolution.

In Uruguay, social and economic conditions are fortunately not explosive. And the situation is relatively stable. Although the system of the collegium executive makes for extreme governmental weaknesses; as I say, there are nine presidents and no one can speak for Uruguay. The main focus of the left wing agitation is among students and intellectuals as is so often the case.

In Paraguay, General Stroessner is clearly in command. His leadership is short of a totalitarian police state by far. But he seems reluctant, although I'm very hopeful that these views will be disproved in the near future, to fulfill his pledges of democratization and some observers believe that some subversive, at least Communist forces, are more powerful than appears to be the case. But I have great hope for Paraguay.

Chile continues to enjoy its broad traditional, ancient devotion to democratic institutions. The relative success of Alessandri in controlling inflation has reduced one serious source of social discontent, but other sources remain in the continuing economic stagnation and the need for positive action on land reform. A dangerous sign was the swing of peasants and votes this spring to the extreme left for the first time, at the same time that the moderate Radical Party was gaining support in the urban centers.

Bolivia, of course, is in an acute and dangerous state. President Paz Estenssoro, a man of vigor and purpose, I felt, is maintaining his authority but by a tenuous thread. Vice President Lechin has been unwilling so far to announce his firm support for the new stand against the Communist mine workers and the student leaders. The basic crisis of governmental authority is now being played out in that strange and wonderful country, with the little army supporting the President but with real uncertainty whether he can sufficiently dominate the situation to disarm the private miners and peasant armies and provide enough stability so that the long awaited and perfectly feasible economic development can go forward.

In Peru, political circles are preoccupied with the 1962 Presidential election. While the present regime of President Prado and of its distinguished Prime Minister Pedro Beltran is strong, there is not yet clear certainty that their coalition of moderate and conservative and anti-Communist elements and the left wing of the Aprista party will be able to agree upon a candidate for the next election.

At present, the anti-government front runner would appear to be Fernando Belaúnde, an attractive and vigorous younger man who is preoccupied with many large plans for internal development of his fascinating country, but says, for example, that he knows something about Peru but nothing about

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Cuba,

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Cuba, and avoids foreign policy controversy. While the government is trying to make social improvements in housing and land settlement with some success, there has been as yet, no successful basic, fundamental attack on the vicious tax and land reform problems. But the government recognizes this necessity, as in so many of the countries of Latin America.

Here, too, therefore, the present relative calm, except in the universities, probably conceals some explosive undercurrents. But we and Western ideals have no firmer friends than the present government of Peru.

In Ecuador the government is headed by President Velasco Ibarra, who seems confident that there is no Communist problem in his country and that if there is he can deal with it by the force of his personal, peaceful philosophy and he is a great scholar and also by his extraordinary personal popularity. The student leadership in this interesting country has recently been captured from the Communists for the first time in 16 years. And the program of the government to improve domestic conditions is good and timely, in view of the country's badly disordered economy.

The present leadership in Colombia is, of course, excellent. But the stability of the regime depends now on finding a conservative presidential candidate to carry on in the period 1962 to 1966, in accordance with the curious bipartisan national front arrangement which was worked out in 1958 to stop the violence and which replaced the dictatorship at that time. Bandit type violence remains a major problem in several outlying provinces of Colombia, now aggravated by Communist infiltration.

The domestic program of President Lleras Camargo is precisely in accord with the Act of Bogota, and the thinking underlying the Alliance for Progress.

You will want to know something about the obvious questions that always interest us. Communist penetration, and so on, have increased, I believe, in vigor and effectiveness since my more leisurely journey through these countries in 1960. This is marked especially in four groups: the university students, the professors, the school teachers, and the labor unions. Urban slum dwellers, especially where there is severe unemployment, are also ready victims and hitherto unorganized rural areas, of which outstanding examples are northeastern Brazil and rural areas in Chile and Colombia and Ecuador.

A good deal of propaganda material is being imported from Cuba. Several governments commented on activity by Cuban agents, sometimes with the help of Cuban diplomatic missions. The Cubans appear, however, to be becoming increasingly cautious about gunrunning and blatant abuses of diplomatic missions for subversive purposes. I must tell you I was followed on this journey or preceded by two or three diplomats from Cuba. It sort of reminded me of those truth squads that the Republicans had. (Laughter)

I remember

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I remember saying at a diplomatic banquet somewhat to the amusement of the audience, in the campaign I think of 1956 when the truth squad arrived at the airport about the same time that I did, that they bore exactly the same relation to the truth that the fire engine did to the fire, they would extinguish it if they could. (Laughter)

The theme of these gentlemen, and very accomplished senior diplomats of the Cuban Foreign Service they were, was generally to interrogate the Foreign Ministers and the Presidents of the countries that I just visited as to their view on monintervention and on self-determination. I must recall vividly the responses that some made who will have to be nameless because I don't want to embarrass them. One of them told me that he had said, "Yes, we believe in self-determination in this country and we believe that self-determination means the right of the people to choose all of the time. Have you those conditions in Cuba?" Another one said, "Yes, we believe in those principles of the American system, of the American structure, but we also believe in all of the other principles of the American system."

I think these kinds of responses are indicative of the feeling that prevails among the thoughtful leadership in most all of Latin America.

The alignment of Cuba with the Communist movement has greatly added to the appeal of Communism, however, since it can now take on the guise of an indigenous Latin American revolutionary movement. There is very widespread popular sympathy for the proclaimed goals of the Cuban revolution, including land reform, popular education, social equality, the removal of foreign business influences, and defiance of the Yankee Colossus. The failure of the April invasion attempt gave added impetus to Communist Castro penetration since it seemed to imply immunity of left extremism in Latin America from United States retaliation. There is little popular appreciation of the Sovietization of the Cuban regime. Latin America thinks of Cuba as -- by and large, the common ordinary people think of Cuba as a social reform, as a social revolution, whereas we think of it as Communism. They are unaware for the most part, I felt, of its establishment as a police state apparatus of terror or the other perversions of the original revolutionary objectives of Mr. Castro.

Much more intensive action in evidently needed to promote the democratic cause in intellectual savants in Latin America. Ministers in several countries commented once again on the absence of cheap paperback translations into Spanish and into Portuguese of United States classics and of important nonfiction, contemporary works, including my own. (Laughter)

Which I am happy to say I do have Spanish translations in most cases and I seem to be very well known. I'm not sure whether they read them just the day before I arrived or not, but they point to the contrast with the highly subsidized and widely distributed editions that we have all encountered in our travels abroad of Marx, Lenin, of Mao Tse-tung and other Communist writers.

Far more, as we find now, as you probably know, distributed all over South America, do-it-yourself handbooks on how to be a guerrilla war

fighter

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fighter printed in China, "How to Overthrow the Catholic Church", printed in China, and so on. A far more affirmative attack on the problem of urban slum conditions and the rural insecurity is also evidently needed if these large groups, no longer politically passive, are to see some hope for a better life under free institutions.

In connection with the misunderstanding of the true character of the current developments in Cuba, I believe that excellent use could be made of students and of professional intellectuals among the Cuban exiles, especially those who fought with Castro in his early days, to speak and write and circulate among their counterparts throughout the Hemisphere. Their testimony would have a credibility which no North American can be expected to achieve.

We encountered a unanimous and intense, and I don't exaggerate, intense interest in the Alliance for Progress Program. President Kennedy's March 13th address was described as having created a profound impression in Latin America, the most favorable since Franklin Roosevelt's announcement of the Good Neighbor Policy. Without exception, governments emphasized the political importance of making the Uruguay meeting of the Inter-American Economic and Social Council a success, to use their word. And that means not merely another in the long line of inter-American meetings.

On the other hand, there was no clear or uniform definition of what constitutes success. There was a wide variety in the concept of the meetings of objectives and procedures and great disparity in the intensity and the character of national preparations for this program. A few governments appeared to believe that the meeting would be the occasion for the cutting of an aid melon, so to speak, with little regard to self-help measures or structural reforms in such fields as land tenure and taxation. But all paid at least lip service to the concept of self-help. And several were in deadly earnest on this front

In terms of technical work on long-term programming for national economic and social development, Colombia, Chile, Brazil and perhaps Venezuela seemed to be well in advance of their sister nations. Several others handed us interesting proposals, some handed us shopping lists, so to speak, of public investment projects on which they look for aid by loan and otherwise.

Argentina emphasized the importance in her rather special case of industrial development, as contrasted with social investment which has made such long progress for so many years in that great country. Many governments advanced claims for special consideration on political or other grounds. In several cases less emphasis was placed on outside aid for public investment than on trade and commodity price policies.

Argentina, Uruguay, Chile, have declared frequently their strong emphatic interest in American policy support for their commercial negotiations with the European Common Market. And there was the most intense interest in joint action to stabilize commodity prices and to raise the prices of key import items in this country, export items for them, notably coffee. Some 14 countries, as you know, of Latin America

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are largely dependent for their foreign exchange position on their export of coffee.

I believe our mission greatly clarified the thinking of many South American governments on the types of results which we might hope to achieve at the Uruguay conference, especially in the fields of investment, programming and the coordination of outside aid. We must clearly expect active discussion of commercial policy and of commodity markets and we should have well defined positions on these issues.

A forthcoming attitude in these fields would do much to overcome the disappointments which are likely with respect to the amounts and the conditions of financial aid. As to aid, it is a fact that the needs are enormous. The desire for accelerated growth is great and universal and the capacity for effective use of aid is being rapidly augmented by the systematic programming of public investment, often for the first time.

In most cases the general concepts and priorities are not far out of line with our own thinking. It is evident that large increases in the rate of economic and social investment and United States aid as compared with recent years are expected throughout South America. Fortunately, most of the governments appear to be thinking mainly in terms of hard loans which can be financed by the World Bank, by the Inter-American Development Bank, the Export-Import Bank, to the extent that their real credit worthiness permits.

This in turn may be largely dependent, of course, on action in the commercial policy and commodity market areas. If Congress furnished the authority for making long-term commitments, there is no question but that the ability of the Latin American governments to carry through sustained development efforts, including the needed structural reforms, will be greatly enhanced.

Our mission demonstrated, I think, the vital importance of recreating confidence in a collective approach to the problems of Communist subversion and of indirect aggression if the inter-American system has any hope of survival.

The abortive Cuban invasion attempt of last April, coupled with subsequent public disclosure and controversy, did not enhance Latin American opinion about the United States, I think we might as well face it, because non-intervention is still a cardinal article of faith throughout our good neighborhood. But I suspect there is a great deal of unspoken disappointment, actually, that the invasion failed, that even in these cases, most of them I dare say, would have denounced any unilateral invasion publicly.

In some countries there has been a tendency to regard the Cuban problem as essentially a bilateral one between the United States and Cuba, which might be negotiable if we only relaxed our hostility and

permitted

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permitted the larger Latin American states to act as mediators. I believe that we succeeded in convincing the Presidents and governments concerned that the problem is by no means a bilateral problem, that such issues between us as compensation for expropriated properties are of secondary order, which could be negotiated if other circumstances were favorable, and that the real cause of concern is the establishment of a beachhead for Communist penetration and subversion throughout the Hemisphere.

It follows that the issue is one of concern to all of the American Republics, affecting Latin America even more than the United States, because it is the Latin countries which are more vulnerable and actually the object of indirect aggression today. It is they, therefore, who should be primarily concerned with action to deal with this universal problem.

It was generally and strongly felt that no collective action could be officially considered until the economic conference was concluded and had demonstrated its success as a major step toward economic and social development, towards the creation of some sense of hope among these miserable masses in so many of the Latin American countries.

This conclusion was based partly on the need to obliterate the memory of the April invasion effort, but far more on the need to show to dissident left wing elememts in their countries that there is real promise of economic and social progress under genuinely democratic regimes working in cooperation with the United States.

As to the possibility of collective action after the Alliance for Progress meeting in Uruguay, I can't predict of course with any confidence. But I think it's quite possible that there will be strong leadership in Latin America to deal with this new form of outside intervention under the Rio Pact in the treaties constituting the system of the Americas. The action can be meaningful only if it is supported, of course, by two of the three largest Latin American countries -- Argentina, Brazil and Mexico. This point is agreed by all concerned, regardless of whether the legally necessary 14 votes could be secured without including any or more than one of these three great countries.

Mexican concurrence at the moment does not seem likely. The possibilities of Argentina and Brazil concurrence depend of course in large measure on developments in the immediate future. This presents many problems which I'm sure that with the sympathy and with the understanding and with the mutual anxiety for accommodation and accord that I discovered can be worked out.

In my view, this is a problem which we are going to have to confront for sometime to come and it is entirely suitable that not only that the problem exists but that we deal with it as patiently and as orderly and in as persuasive way as we can.

Now

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Now let me conclude this other hurried once-over, this tour d'raison, by saying to you that the most important discovery to me on this journey was that all of the governments of Latin America realize now that they have to translate economic and social reforms into action, and they have to get results, that the old societies must change, that the mold of the past is broken by events, by the revolution that has swept the world, and that they must identify themselves with these essential changes to support any successful economic reform movements. That is to say, they must be for the benefit of the people, and demonstrably for the benefit of the people. I think this is marked progress and of the utmost importance.

I look forward to an increasing realization that with strict correctness and probity and sincerity of behavior on both sides that the realization that South America needs us and that we need South America and that they and we can work in greater cooperation to make the American system stronger is very likely.

And now, if you wish, Mr. Chairman, I should be glad in whatever time remains to us to attempt, with the assistance of my colleague, Professor Lincoln Gordon, to answer your questions. (Applause)

THE CHAIRMAN: Thank you, Mr. Ambassador. While we may have hooked you with a cable, you certainly hooked us so far as the time remaining for questions. (Laughter) We have barely 15 minutes and we must have 15 minutes worth of questions here. Nonetheless, we will start right off the bat.

"Why are the intellectuals of South America attracted to Communism?"

AMBASSADOR STEVENSON: I think it's a generalization and they are not all by any means attracted to Communism. Some are because of old Marxist, social democratic attitudes that have persisted in intellectual circles, as we know, for a long time. Likewise, a consciousness of social injustice, of the unfairness that exists in social structures where the rich are few and the poor are many and the gulf between both is enormous.

THE CHAIRMAN: "Did you find evidence of the reported stepped up activity in South America by the Communist Chinese? If so, can the United States devise any effective counter measures?"

AMBASSADOR STEVENSON: I wasn't somehow as conscious of this, perhaps because I wasn't looking for it, as I was on my first journey. But I can give you a few illustrations and perhaps Linc Gordon can give you some more. I know meeting in Brazil, I was informed by the President that some hundred, I believe, or at least I was informed that some hundred, fellowships for study in China had been offered to the University of Minas Gerais alone. The dollar curtain is a real problem to South Americans seeking advanced education.

I mentioned

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I mentioned a moment ago, hurriedly in passing, the fact that you find everywhere now these leaflets on how to attack the Catholic Church printed in China, and on how to become a guerrilla fighter printed in China, and so on. Perhaps Dr. Gordon would have something further to add on this score.

PROFESSOR GORDON: No, just more of the same type.

THE CHAIRMAN: "Can cooperatives make a contribution to the stability of the South American countries?"

AMBASSADOR STEVENSON: Yes. I'm sure of this. At least I feel quite sure of it, that the cooperative movement has some roots in South America but they are relatively meager, and that much can be done in this respect. We see it now in the building and loan associations which are developing throughout these countries where they are trying to improve the wretched housing conditions that prevail around most all of the great Latin American cities. I think the cooperative movement, both producer and consumer can be extended very carefully throughout the Latin American economies. I know that the labor movement in some countries--Ecuador notably--I recall are extremely interested in what they can do to improve cooperatives and create cooperatives among their membership, especially in the housing field.

THE CHAIRMAN: "What steps should be taken to develop domestic free trade unions in Latin America?"

AMBASSADOR STEVENSON: Well, I think I attach the utmost importance to the labor movement in Latin America, which is vulnerable to Communism as it is most everywhere, which has been the seat of much of the Communist agitation, labor along with the universities, and that the development of free labor movements is something in which we can help them very measurably, both by virtue of experience and with a very little money, mostly counsel mostly methods.

Some work has already been done to a very considerable extent by the AFL-CIO by their representatives in Latin America. I think if we can do more of this, it could be most useful. Some of these labor movements have shown great progress since I last visited these countries. In several they have succeeded in eliminating Communist influence or domination of major labor unions. In more, however, there is an up-hill struggle, especially aggravated now by the sort of popular respect for the Cuban revolution, where, as I say, people think of it as a social revolution, not as Communism.

THE CHAIRMAN: "What can the U.S. Government do positively or neg tively to induce Latin American Governments to initiate social changes that the Kennedy aid program deems essential?"

AMBASSADOR STEVENSON: It's very hard to impose, and quite wrongly, I think, for us to impose conditions, that is, to say, "do this or else." I think what we can do is to point out that we can direct our aid in channels which are calculated to improve the conditions of people. But we can also help them, I'm sure, with technical advice on tax reform, on social planning, on things of this kind that in some cases we have

perhaps

Approved For Release 2003/01/29 : CIA-RDP80B01676R000800090019-7

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perhaps more experience than they. I don't believe we can use economic aid as an ultimatum. I don't believe we should.

But I'm sure that we can encourage those elements in the community where they are conscious of the need for these social reforms to make their aid effective, to modernize their societies, we can be helpful.

The great thing about South America, like all of the world, is that the masses of the people are on the move now. They realize that no longer is disease and poverty and hunger the immutable destiny of man. And they propose to modernize their societies. They propose to have a better life, either by the voluntary methods of democracy or by involuntary methods, if necessary. They propose to do it one way or the other. And their governments are conscious of this great underlying movement.

THE CHAIRMAN: "What's the role of the military in the Latin American picture? And should the U.S. aid in the accomplishment of this role?"

AMBASSADOR STEVENSON: I have a feeling this one came from Congress. (Laughter)

I must say that when I came back from Latin America a year ago I was shocked by the extent to which the proportion of the national budgets went for military expenditure. This time I felt somewhat different. The problems of internal security are very great. For the most part, the military, which has often been the bulwark of dictatorship and often been the instrument of dictatorship, are showing increasing signs of responsibility, of democratic conviction, And, of course, in a number of countries at least they represent the conservative, solid, secure foundation of any regime.

It's again a subject that is extremely difficult to generalize about. My own feeling is that as a matter of policy we should help them to man and arm sufficient forces for internal security because the crisis has not yet been reached. For external activity or for any major contribution to the Hemispheric defense, I think they are ~~necessary~~.

THE CHAIRMAN:

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THE CHAIRMAN: This may be another Congressional question. "To really help Latin America, would a multibillion dollar program about the scope of the Marshall Plan be necessary? Does the Administration intend to ask for a program of this size?"

AMBASSADOR STEVENSON: Well, I don't think we know what's necessary and that is why we are having this meeting in Uruguay, to try to determine what sort of planning has been done, what planning remains to be done, what integrated total economic development programs the various countries need and can develop. And until we know more about that and know more about what the over-all needs are, we can't very well determine what proportion we can contribute. Obviously they are very, very large. But the program is a long one. It will take a decade at least, I think, to make any major change in the conditions of the life of these people.

The important thing is to hold out hope to them, that they can look forward to improvements as time goes on. This is not a Marshall Plan, as you know. For the most part these are loans, not grants, insofar as that is important. And I remind you also that this is now a program to help them to help themselves. We can only do a small portion, at best, of the enormous total task. They have to do it themselves. Little things like stabilization of commodity prices can mean far more than economic assistance. The change in the price of coffee by half a cent per pound can wipe out all of the economic assistance that we could hope to give them for a long time.

These are the considerations which I think we can help to get at now, if we really mean business, and I believe we do. I remind you also that in the case of the Marshall Plan, if my recollection serves me and if it doesn't, I'm sure Dr. Gordon will correct me, our contribution to the increased gross national product of those countries through the Marshall Plan was something less than 3 percent. But it was that 3 percent that made the difference. I think the situation is somewhat the same in Latin America.

THE CHAIRMAN: "What's the practical likelihood that Brazil now or in the near future will join any collective Latin American action against Cuba?"

AMBASSADOR STEVENSON: I think that we need Brazil and Brazil needs us. And I look forward to Brazil's active participation in any collective action calculated to save the American system and to protect our Hemisphere from these new forms of aggression with confidence.

THE CHAIRMAN: "Should there be continued tractor bargaining with Castro?"

AMBASSADOR STEVENSON: I really can't answer that question. I'm not informed about it and what's more I thought I read in this morning's paper that it was all over. But I can tell you that his behavior in this connection was not popular in South America. We found bitter expressions of resentment at these kinds of blackmail tactics in a number of countries where we traveled.

THE CHAIRMAN:

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THE CHAIRMAN: "Do you think it is possible, in view of Khrushchev's position, to come to some arrangement with Mr. K on Berlin on the basis of withholding atomic weapons from West Germany?"(Laughter)

AMBASSADOR STEVENSON: You have addressed that question to the wrong court. (Laughter) (Applause)

But don't tempt me. (Laughter)

THE CHAIRMAN: "Do you think President Kennedy should give the American people a stronger warning on the danger of war that might be forced in defending Berlin?"

AMBASSADOR STEVENSON: I think you will have to excuse me from undertaking to dispose of Berlin. I am willing to stick with Buenos Aires and Rio and a few other places, but Berlin I'm leaving to my betters. (Laughter)

Don't think I haven't learned something. (Laughter) (Applause)

THE CHAIRMAN: "Do you think the free world can pool our resources fast enough and effectively enough to meet the Communist challenge?"

AMBASSADOR STEVENSON: Well, this is the great question of our time. It would be easy to stand here and say to you in blithe good spirit, of course. I don't know. I think this is a question that is going to be answered by not only the United States but by all of the free countries. And until we make this our business and are determined to do it with the same resolve that we are determined to protect ourselves in the event of outright attack, I'm not by any means confident we will succeed.

There are many things we can do and many I think we must do, if we can rationalize our thinking about this problem and separate it from our domestic concerns and give it the priority that it's entitled to.

I can point out here, for example, that in Germany they have an enormous, a very high tariff on coffee. If that tariff were reduced, the export of coffee would be increased very measurably from this Hemisphere and aid the economies of a number of these countries which are in sore distress. I would say then that I don't know what the answer to that question is, but it's going to be with us perhaps for years to come. And I think it's the first concern of every responsible thinking American and everyone who believes and cherishes Western ideals.(Applause)

THE CHAIRMAN: Mr. Ambassador, we thank you for coming here today. We thank you for a very interesting and informative report.

I would like to show our appreciation by presenting you with this Certificate of Appreciation and a copy of the Club's 50th Anniversary book which brings together our first 50 years and with that the final question. And you must realize, sir, that I don't write these questions. I merely read them.

"I would appreciate hearing you reflect on how you felt after the Democratic Convention nominated John F. Kennedy, thereby blocking perhaps forever your chance of becoming President of the United States. (Laughter)

AMBASSADOR STEVENSON: [illegible] I felt fine. (Laughter) (Standing ovation)

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