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# THE HEMISPHERE

## THE AMERICAS

### Troubled Alliance

At his desk one morning recently, Teodoro Moscoso, the Puerto Rican development expert who now bosses the U.S. end of the Alliance for Progress, penned a bluntly worded memorandum to his staff. "On Aug. 17," said Moscoso, "we mark the first anniversary of the Alliance. We mark it. We do not celebrate it. There will be time enough to celebrate when we have achieved a working alliance and an extensive progress. As yet I am not satisfied that we have either."

Moscoso's candid memo amounted to official recognition of a disturbing fact. Seventeen months after President Kennedy's stirring speech announcing the *Alianza para el Progreso*, and a year after it

co's Moscoso was packed to accommodate the Alliance, there was no central clearing-house for aid requests. Washington's lending agencies operated on their own, and the State Department, which was supposed to be in overall command, was plagued by a dizzying succession of Latin American policymakers. First in charge was Assistant Secretary of State for Inter-American Affairs Thomas Mann, who stayed on after the Eisenhower Administration left. Next came New Deal Brain-Truster Adolph Berle, who resigned soon after the disastrous Cuban invasion. Then it was Robert Woodward, a career diplomat who lasted eight months before going to Spain as U.S. ambassador.

**Obstacle Course.** Second-guessing all of them were the ubiquitous White House presidential advisers, chiefly Richard

away, requiring an outstretched hand instead of a rolled-up sleeve. Only three nations—Colombia, Bolivia and Chile—have submitted ten-year master development plans as the Alliance requests. Land reform is on everyone's lips, but only a handful of countries have passed the necessary laws. As one Salvadoran businessman says, "Don't ask us to pass laws against ourselves."

By Washington's estimate, 35 million Latin Americans will benefit from Alliance projects launched in the past 17 months. But the gains are small indeed, considering the fact that Latin America's 1961 per capita gross national product was barely \$329, and its population is increasing at the rate of 2.4% every year.

On the walls of many Latin American cities, Communists, Castroites and others who would like to see democracy defeated have taken to writing *Alianza para el Progreso*. By underlining the Spanish word *para*, they change its meaning from "for" to "stops," and thus steal a slogan for themselves: "Alliance Stops Progress." Even at its best, Kennedy's nicely turned slogan could not hope to achieve all the miracles a hungry Latin America expected. President Kennedy was putting it mildly when he said last week at his press conference: "Measured against all that has to be done, I think we have to do much better."



GOODWIN



ALIANZA CHIEF Moscoso  
No time for celebration.



MARTIN

was solemnly formalized by 20 hemisphere nations at Punta del Este, the program is in trouble. Latin Americans complain that the promised aid flows slowly. U.S. planners are discouraged by the *mañana* attitude of many Latin American governments on the reciprocal social and economic reforms needed to make the U.S. aid dollars effective. Everyone realizes that there has been too much talk about what the Alliance was going to do, and not enough hard work on how to achieve those high ambitions.

**Misleading Figures.** By Washington's reckoning the aid figures are impressive—\$866 million pumped into Latin America thus far, another \$234 million earmarked. But the totals can be misleading. The U.S. has been sending aid to Latin America for years through a bevy of Government agencies: the Export-Import Bank, the Development Loan Fund, Point Four, and others. Lumped together, as they now are under the Alliance, these bits and pieces amounted to an average of \$504 million each year in 1957 and 1960. The \$866 million total is the Alliance, which spread over 17 months, amounts to about much

Goodwin so, who seemed to have a hand in every Latin American decision. Only recently have things settled down. Last week Goodwin was in Europe setting up a "world conference on middle management" to help businessmen train second-echelon executives. In firm charge at last of Latin American policy is Assistant Secretary of State for Inter-American Affairs Edwin Martin, 54, a career Government economist. Under him, Alliance Boss Moscoso seems to be getting the free hand he needs to make the Alliance work.

Even so, many a Latin American loan request must go through an obstacle course of government agencies. Responding to Kennedy's call for an Alliance, little Honduras, which ranks as one of the poorest of the hemisphere's nations, has applied for \$10 million to finance such projects as housing, schools and agricultural equipment. So far it has received \$6,500,000; most of its applications are gathering dust in Washington's pigeonholes.

**Hand vs. Sleeve.** Only a few Latin American nations have made a start on the kind of thoroughgoing reform that the U.S. insists must be their share of the