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SUMMARY OF GUIDELINES OF UNITED STATES POLICY
TOWARD LATIN AMERICABACKGROUNDIssued by D/S
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Latin America today is in a state of deep unrest. Most of its countries are economically underdeveloped and socially backward. The distribution of land and other forms of national wealth greatly favors the propertied classes. The masses suffer from poor housing, malnutrition and illiteracy. In many countries large rural groups, which include most of the Indian peoples, are not integrated into the economic and social life of the nation. The poor and underprivileged, stimulated by the example of the Cuban revolution, are now demanding opportunities for a decent living. Meanwhile, the population is increasing much more rapidly than the rate of production. International communism, encouraged by its success in Cuba and assisted by the Castro regime, is trying to take advantage of this explosive situation to subvert other countries of the hemisphere.

The Organization of American States has not thus far demonstrated such ability, or interest, in protecting its members from communist subversion and most of them have tended to regard Cuba as more a United States problem than a hemisphere one. The governments generally are alive to the need for economic and social progress, and look to the United States for help in this direction. Apart from Cuba there are few dictatorships left in the area, though it cannot be said that the seeds of representative democracy have yet

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taken deep root in most countries. In meeting the two-fold challenge to Latin America from rising economic expectations of the masses and from communist subversion, the Latin American military will have an important role to play. But the challenge is also, and mainly, to the United States.

OBJECTIVES

The central objectives of the United States in Latin America are:

1. The achievement by each of the countries of the area of permanently democratic and fully representative governments, supported by broadly based viable, economies, in order that they may become active participants in the world community and firmly established on the side of western democracy in the world power struggle.
2. Satisfaction of the basic aspirations of the peoples of Latin America for economic and social justice and welfare, and association of the United States with progress toward these ends.
3. Awareness by the governments and peoples of the area of the threat of international communism and of its subversive nature, particularly as exemplified in Cuba, and the determination and ability, with United States assistance, to defeat it.

LEADS OF ACTIONSECRET

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LINE OF ACTION

For the accomplishment of the aforementioned objectives the major lines of action by the United States are indicated:

1. Strike at the causes of unrest by assisting strongly, through the Alliance for Progress, those countries which are genuinely striving toward economic and social progress; and

2. Strengthen the will and the capability of governments, with emphasis on internal security, to defeat attempts at a take-over by forces supported by or allied with international communism or Castroism.

Other important guidelines of action are as follows:

Political

1. Maintain correct relations with all recognized governments but give special encouragement to democratic governments.

2. Make a planned effort in each country, directed by the Ambassador, to influence leaders and representative groups to initiate or support development and reform progress, using democratic processes.

3. Make clear that the United States is interested in the improvement of living conditions of working people and in the education and health of their children. Encourage and assist non-communist local labor organizations. Help in building up technical skills in the labor force.

4. Strengthen

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4. Strengthen hemispheric solidarity by providing effective United States leadership, living up to all our inter-American commitments, strongly supporting the OAS, consulting with Latin American States before taking any actions which will affect them, and by bringing Canada and later the West Indies into closer relationship with the inter-American system.

5. Seek the resolution of disputes between American States in accordance with OAS procedures.

6. Encourage individual and collective action by the other American Republics against Sino-Soviet bloc influence and subversion through suitable controls on communist representation, activities, entry and trade.

7. Increase awareness of the threats to Latin America from communism by exposing communist activities, exchanging information, and explaining the fallacies of communist doctrine.

8. Seek by all legitimate means available to us, including all feasible measures in the OAS, to weaken, isolate and promote the downfall of the Castro-communist dictatorship in Cuba and establish security arrangements, especially in the Caribbean area, to defeat possible attempts by the Castro regime to subvert governments in that area.

9. Apply pressure and persuasion, unilaterally and through the OAS, on the President of the Dominican Republic to bring about the full restoration of civil rights in that country, the preparation and carrying out in 1962 of free and open elections, and the elimination of all vestiges of the Trujillo dictatorship.

10. Remove

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10. Remove so far as possible sources of friction between Panama and the United States. Seek to develop attitudes in Panama and throughout Latin America favorable to United States construction and operation of a sea level successor to the present canal by 1980.

Economic and Social

1. Give priority help to Latin America, especially during the next ten years, for improvement in health and education, reform of tax systems and administration, housing improvement, better and more equitable land utilization, construction of roads and other public facilities, establishment of productive enterprises and for better distribution of income.

2. Devote special attention to the improvement of rural areas and of living conditions of subsistence Indian and campesino groups.

3. Urge and assist all countries to establish long-term, balanced development plans.

4. Encourage the Latin American nations to base their economies on a system of progressive free enterprise, and create a climate conducive to responsible private investment, particularly local investment. Help them develop measures to prevent abuses of the system. Encourage governments to develop as official projects those service enterprises and industries which are important to the economy but are neglected by private investors.

5. Urge and help governments to take all steps possible to encourage the maximum supply of capital from domestic sources, and advise them on

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how to accumulate domestic capital. Encourage them to look to private investors and to international regional lending institutions as the major sources for external development capital. Negotiate tax agreements, investment guarantee agreements, and Treaties of Friendship, Commerce and Navigation, as needed and feasible, to provide incentives for private investment.

6. Extend financial assistance, consistent with United States loan policy considerations, for Latin American economic development and for budgetary and balance of payments purposes.

7. Encourage other free world countries to provide capital and technical assistance to Latin America.

8. Continue to negotiate sales and grants of surplus United States agricultural commodities.

9. Expand and improve technical cooperation, and progress it on a long-term basis. Provide technical assistance especially in rural areas, for development of rural extension services and for support of schools teaching elementary farming methods.

10. Utilize the Peace Corps for improving economic and social conditions, particularly in rural areas, and getting elementary knowledge to the population.

11. Encourage the use of selected military personnel and units in development projects, when circumstances permit, and the formation and training of engineering-type military units which could be used in such projects.

12. Try

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12. Try to maintain stable long-term trading policies and to avoid restrictive practices which adversely affect Latin American exports to the United States. Encourage the establishment of Latin American customs unions which conform to GATT criteria.

13. Seek cooperative practical methods of bringing an end to the pattern of violent changes in commodity prices, and of encouraging the development of the first stages of processing raw materials. Encourage and assist sound programs aimed at diversification of production.

Informational, Cultural and Scientific

1. Provide strong informational support for the Alliance for Progress, with emphasis on the principle of self-help.

2. Increase the output, especially in Latin America, of informational material designed to expose the communist conspiracy in Cuba and its betrayal of the Cuban revolution.

3. Increase the student exchange program. Encourage the enrollment in Latin American universities of American students selected for their ability to propagate democracy, financing this program mainly through student loans, not grants.

4. Make available at give-away-prices books in appropriate languages by American and other authors that explain the concepts, ideals and methods of democracy.

5. Seek

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5. Seek through technical assistance and other appropriate programs to help Latin American educational institutions, and encourage American institutions of learning to cooperate in this effort.

6. Promote greater cooperation in the scientific field through such means as the establishment of science teacher training programs, and the provision to Latin American institutions of new teaching materials.

7. Emphasize throughout Latin America the non-military character and objectives of United States space programs, in order to obtain Latin American cooperation for the implementation of such programs.

Military

1. Assume primary responsibility for military operations in the Atlantic and Pacific Oceans and the Caribbean Sea, and seek Latin American acceptance of this arrangement.

2. Encourage acceptance that each of the Latin American countries is responsible for contributing to the defense of the hemisphere by maintaining internal security against communist-Castroist guerrilla and subversive threats, and security of its coasts, territorial waters, bases and strategic areas against external aggression.

3. Make available to Latin American countries, on a grant basis if necessary, the training and military equipment they need to carry out the aforementioned missions according first priority to assistance for internal security.

4. Encourage

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4. Encourage standardization of military doctrine, unit organization and training along United States lines.

5. Seek to discourage or prevent the acquisition of military equipment or training by an American State from communist governments.

6. Encourage Latin American countries, particularly in the Caribbean area, to enter into special security arrangements with the United States, consistent with the Rio Treaty, designed to thwart communist attempts at infiltration or subversion.

7. Encourage Latin American countries to limit their armaments to the levels and types required for the missions described in paragraph 3 above.

8. Seek to make the Latin American military ever conscious of its role of protectors of the people in their constitutional rights.

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RAJ:Bradock/bk