disturb, by means of pressure, subversive propaganda, threats or by any other means, the free and sovereign right of their peoples to govern themselves in accordance with their democratic aspirations.

4. To proceed with a full exchange of information concerning any of the aforementioned activities that are carried on within their respective jurisdictions.

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1950

A Realist Views Latin America

George F. Kennan

George F. Kennan was the U.S. State Department's leading expert on the Soviet Union when he sent his famous "long telegram" to the State Department from his post in the U.S. embassy in Moscow in February 1946. Kennan warned that Washington's wartime ally was power-hungry and insecure and that the United States would have to be ready to firmly resist the Kremlin's expansionistic impulses. In an unsigned article in Foreign Affairs the following year, Kennan publicly presented his so-called "realist" view of U.S.-Soviet relations; his prescription for a "long-term, patient but firm and vigilant containment of Russian expansive tendencies" became the U.S. Cold War policy of containment. Just before resigning from the State Department in 1950 to join the Institute for Advanced Study at Princeton University, Kennan made his first and only trip to Latin America for the State Department. Excerpted below is the secret, thirty-five page report he submitted to Secretary of State Dean G. Acheson on March 29, 1950.

Mr. Secretary:

Below are some views about Latin America as a problem in United States foreign policy, as these things appear to me at the conclusion of a visit to some of the Latin American countries. Our relationship to Latin America occupies a vitally important place in our effort to achieve, within the non-communist world in general, a system of international relationships, political and economic, reasonably adequate to the demands of this post-war era, and henceforth qualified to serve as a rebuttal of the Russian challenge to our right to exist as a great and leading world power.

If the countries of Latin America should come to be generally dominated by an outlook which views our country as the root of all evil and sees salvation only in the destruction of our national power, I doubt very much whether our general political program in other parts of the non-communist world could be successful . . .

While there are some fairly common and serious misunderstandings as to the nature of the importance to us of Latin America in the event of war with the Soviet Union, there is no question of that importance itself.

This is only in minor degree a question of bases, since Latin America offers little in this respect which could be of serious interest to the Russian adversary in the light of existing military realities. It is also no longer, to the degree that it once was, a problem of the defense of the Panama Canal and of assuring the fusion of our naval power in the two oceans, although that is still important. Finally, it is definitely not a question of the possible mobilization of Latin American military strength against us. In these days, when apprehensions of Soviet military expansion assume such fantastic forms, we could do well to remember that not even the Russians can create military strength where the essential components of that strength, in manpower, in industrial background and in native leadership are lacking.

The military significance to us of the Latin American countries lies today rather in the extent to which we may be dependent upon them for materials essential to the prosecution of a war, and more importantly in the extent to which the attitudes of the Latin American peoples may influence the general political trend in the international community . . .

It seems to me unlikely that there could be any other region of the earth in which nature and human behavior could have combined to produce a more unhappy and hopeless background for the conduct of human life than in Latin America.

As for nature, one is struck at once with the way in which South America is the reverse of our own North American continent from the standpoint of its merits as a human habitat . . .

Against this unfavorable geographical background, which would have yielded only to the most progressive and happy of human approaches, humanity superimposed a series of events unfortunate and tragic almost beyond anything ever known in human history . . . To those portions of the New World where an Indian civilization was already in existence, [the Spaniards] came like men from Mars: terrible, merciless conquerors . . . to whom the only possible relationship was one of tragic and total submission, involving the abandonment of all prior attachments and customs . . .

Elsewhere in Latin America, the large scale importation of Negro slave elements into considerable parts of the Spanish and other colonial empires, and the extensive intermarriage of all these elements, produced other unfortunate results which seemed to have weighed scarcely less heavily on the chances for human progress.

In these circumstances, the shadow of a tremendous helplessness and impotence falls today over most of the Latin American world. The handicaps to progress are written in human blood and in the tracings of geography; and in neither case are they readily susceptible of obliteration.

And, in the realm of individual personality, this subconscious recognition of the failure of group effort finds its expression in an exaggerated self-centeredness and egotism—in a pathetic urge to create the illusion of desperate courage, supreme cleverness, and a limitless virility where the more constructive virtues are so conspicuously lacking.

It is true that most of the people who go by the name of "communist" in Latin America are a somewhat different species than in Europe. Their bond with Moscow is tenuous and indirect. Many of them are little aware of its reality. For this reason, and because their Latin American character inclines them to individualism, to indiscipline and to a personalized, rather than doctrinaire, approach to their responsibilities as communists, they sometimes have little resemblance to the highly disciplined communists of Europe, and are less conscious of their status as the tools of Moscow. The Moscow leaders, we may be sure, must view them with a mixture of amusement, contempt, and anxiety.

Our problem then, is to create, where such do not already exist, incentives which will impel the governments and societies of the Latin American countries to resist communist pressures, and to assist them and spur them on in their efforts, where the incentives are already present.

Where the concepts and traditions of popular government are too weak to absorb successfully the intensity of the communist attack, then we must concede that harsh governmental measures of repression may be the only answer; that these measures may have to proceed from regimes whose origins and methods would not stand the test of American concepts of democratic procedure; and that such regimes and such methods may be preferable alternatives, and indeed the only alternatives, to further communist successes.

I am not saying that this will be the case everywhere; but I think it may well be the case in certain places. And I would submit that it is very difficult for us, as outsiders, to pass moral judgment on these necessities and to constitute ourselves the arbiters of where one approach is suitable, and where the other should be used.... For us, it should be sufficient if there is a recognition of communist penetration for the danger that it is, a will to repel that penetration and to throw off communist influence, and effective action in response to that will.

[A]s of today, the protection of U.S. investments in Latin America rests predominantly on the self-interest of the governing groups in the Latin American countries and on the ability of the American owners to enlist that self-interest through the judicious use of their financial power, where it does not exist from other causes. In many instances, bribery may be said to have replaced diplomatic intervention as the main protection of private capital; and the best sanction for its continued operation lies in the corruptibility, rather than the enlightenment, of the local regimes.

It is important for us to keep before ourselves and the Latin American peoples at all times the reality of the thesis that we are a great power; that we are by and large much less in need of them than they are in need of us; that we are entirely prepared to leave to themselves those who evince no particular desire for the forms of collaboration that we have to offer; that the danger of a failure to exhaust the possibilities of our mutual relationship is always greater to them than to us; that we can afford to wait, patiently and good naturally; and that we are more concerned to be respected than to be liked or understood.

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A New Economic Model for Latin America

Raúl Prebisch

Over the opposition of the United States, the United Nations Economic Commission for Latin America (ECLA) was created in February 1948. The ECLA (or CEPLAN, according to its Spanish acronym) undertook the first regular collection, by Latin Americans, of economic and social data on the countries of the region. But its main contribution was a systematic critique of the economic policies that were being advocated by the United States and global financial institutions such as the International Monetary Fund. Raúl Prebisch (1901–86), the director of Argentina’s Central Bank from 1935 to 1943, was ECLA’s executive secretary from 1949 to 1953. In this 1950 defense of ECLA doctrine, Prebisch argued that the global trade system worked against the economic "peripheries," which export raw materials in exchange for high-cost processed goods.