

7 March 1952

MEMORANDUM FOR: ASSISTANT DIRECTOR FOR POLICY COORDINATION

SUBJECT: Geographical Area Considerations in the Development of a National Cold War Strategy - Latin America

Reference: ADPC memorandum dated 20 February 1952

1. The only "major" issue of conflict in Latin America is the basic struggle between the Soviet Bloc and the West for political and ideological control of the area. Stated in its simplest terms, our national goal is to gain the confidence of these countries to the extent that they will support the policies of the U.S. and the U.N. during peacetime, and will militarily unite with us - and give us free access to their raw materials - in time of war. The Soviet Bloc, which has no basic strategic aim in Latin America other than to oppose U.S. aims and to include these countries in its ultimate goal of world domination, attempts to counter our efforts by specifically opposing our policies where possible, by emphasizing differences between the Latin American countries and the U.S. and by fostering ultra-nationalistic sentiments wherever found.

2. The following conditions tend to nurture and improve the Soviet's position:

a. Political

(1) The existence of many weak, unstable and corrupt governments, and, in a number of countries, of dictatorships which have little or no popular support. These conditions give rise to constant plotting of rebellion and revolution. The resulting confusion and waste of productive capacity furnish frequent opportunities for Communist activity. The general atmosphere of uncertainty in many countries plays into the hands of local Communists in their efforts to create greater confusion and prevent the successful functioning of democratic governments.

(2) The existence, in Argentina, of a dictatorship which is on the brink of economic collapse and which, as a result, is resorting to every conceivable means of putting the blame for the country's economic

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plight onto other powers. Although originally appearing to be a very conservative political thinker, Peron's hatred of the United States and England is driving him into a position where the only direction he can turn is toward Communism. His earlier efforts to adopt a "third position" are now gradually giving way to a tendency, as yet relatively unnoticed and inconspicuous, to take advice and guidance from Communists. Since Argentina is still, in spite of her sorry economic position at present, one of the richest and strongest powers in the hemisphere, the possibility of her emergence as a Communist-controlled power constitutes a most serious threat to U. S. interests in the area. Since Argentina is the strongest single nation in the area whose policies are generally opposed to those of the U. S., Communist parties and groups throughout the hemisphere are beginning to adopt a policy of supporting Peronism.

(3) The existence in Guatemala of a government dominated by Communists. While Guatemala cannot, at this stage, be considered a Communist state, the influence of Communists in its government and their constant strong opposition to all U. S. interests constitute a serious threat to U. S. interests in the whole area.

**b. Economic and Social**

(1) Probably the greatest factor contributing to the improvement of the Communist position in Latin America is the existence of underdeveloped and unbalanced economies which provide only very low standards of living for the great majority of the populace, but which simultaneously permit the acquisition of very great wealth by a few. The lack of wealth, of social and economic opportunity, and of social benefits for the great mass of the people all provide a fertile ground for Communism, with its glib promises of equality and prosperity for all.

(2) The failure of the Church to take a militant stand against Communism, together with the friction and in some instances open enmity between the Catholic and Protestant churches, has given Communism an opportunity to develop without appreciable hindrance from the Church.

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c. Psychological

The existence of an underlying enmity toward the United States, springing primarily from a feeling of jealousy and from the traditional dislike of the debtor for the creditor or, more simply, of the poor for the rich. Coupled with the jealousy is some fear of possible U. S. aggressive intentions based upon the historical fact of our intervention in several countries during the past half century. In many cases, the United States is made the scapegoat for all the political and economic ills which beset a country. The fact that the U. S. is powerful and has intervened in the affairs of Nicaragua, Mexico, Cuba, the Dominican Republic, and Panama in the past is constantly underscored in an effort to show that the U. S. has imperialistic ambitions in Latin America. The discontented and underprivileged people are frequently more than ready to use the U. S. as a "whipping boy" to give vent to their internal frustrations, and frequently the imperfect democracy practiced in some of the Latin American Republics is held up as an example of the democracy which we so strongly support and recommend. This places the U. S. in a position of defending something which we actually deplore.

3. The circumstances set forth hereafter significantly impede the Soviet program in its attempt to drive a wedge between the U. S. and the Latin American countries.

a. Political

(1) The successful culmination of the American Revolution and the incorporation into U. S. political institutions of the enlightened Western political concepts of the Eighteenth Century provided the inspiration and model for the subsequent movement of liberation and the establishment of free and independent Latin American Republics. Therefore, despite racial divergence, a common political heritage and common concepts of the relationship between man and the State serve as a strong bond between the U. S. and the Latin American Republics. The political heritage of Latin America is distinctly Western, and her citizens are among the foremost proponents of individualism and among the least likely to espouse willingly a system of government based upon regimentation and the absolute power of the State.

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(2) The strict adherence of the U. S. during the past two decades to a policy of non-interference has demonstrated to responsible persons in Latin America the good faith of the U. S. While our past sins in this respect are constantly brought to the attention of the people, there can be no doubt that the "good neighbor" policy has borne considerable fruit and has convinced many that the "colossus of the North" is not bent upon domination of its neighbors to the South.

b. Economic

(1) The United States, together with other leading countries of the "Western Bloc", are and have always been the principal customers of Latin America, as well as the suppliers to Latin America of both capital and consumer goods. Latin America must look to the countries with whom she trades for the financial assistance indispensable to their economic growth and development. The U. S. is, of course, the chief source of new capital and practically the only nation now capable of taking a creditor position with regard to Latin America.

(2) The assistance which the U. S. has extended to Latin America has created obligations which cannot be overlooked. The programs initiated and carried out by the Office of Inter-American Affairs and under the Point IV Program, as well as assistance rendered by the U. S. military services, have created favorable reactions wherever they have been undertaken. These programs have generally resulted in improved educational, agricultural, and military facilities and have reflected to the credit of the U. S.

c. Social and Psychological

(1) The people of Latin America are naturally drawn toward the U. S. by many social and religious ties. Greatly increased travel of Latin Americans to the U. S. and increased inter-marriage have created a relationship difficult to destroy. The fact that our countries have been established on the moral principles of Christianity and that we mutually subscribe to the theory of the independence and dignity of the individual create further social ties. These ties are being constantly woven more closely by virtue of the steadily increasing number of Latin Americans who receive their education in this country.

(2) The native temperament of the people, due primarily to their Latin background, makes them extremely difficult to discipline and organize. This factor has contributed importantly to the failure of the Communist Party everywhere in Latin America to build a mechanism comparable in any sense to the highly disciplined militant parties which exist in most other parts of the world.

(3) The very strong influence of the military throughout Latin America is another factor which impedes the Soviet program. Since the Army constitutes the dominate factor in practically every country and since practically all Latin American officers are strongly opposed to Communism, this influence has constantly impeded the growth of Communism.

4. The principal Communist vulnerabilities in Latin America may be summarized as follows:

a. The organizational weakness of the Communist Party with regard to both internal party structure and inter-country party organization. This weakness results in part at least from the "Latin temperament" of the people and in part from the lack of forceful and dynamic leadership.

b. The materialistic and anti-religious aspects of Communism render it susceptible to attack in an area like Latin America where the vast majority of people are traditionally Catholic and where religion is a great fundamental strength.

5. There does not exist any overriding adverse factor in Latin America which must first be solved before we shall be in a position successfully to prosecute a program of covert psychological warfare.

6. There are no major strategic factors which now block or cripple Western efforts in Latin America.

7. Among existing potentialities in Latin America which need vigorous reinforcement for maximum exploitation, the following may be mentioned:

a. The Point IV Program. In any long-range plan for the improvement of the U. S. position in Latin America, the most important factor is economic. If we are to raise the low standard of living which now constitutes the greatest advantage which the Communists hold, we must give economic assistance to the Latin American countries on a scale far

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greater than any now planned. A mechanism should be established whereby such assistance can be given without carrying with it the feeling that "Uncle Sam" is putting its neighbors to the South on a dole. Too often in the past the U. S. has been first generous and then niggardly, and by its abrupt changes in economic policy has undone the good which some of its economic assistance has accomplished.

b. Overt propaganda through the USIE and through all of the American media which reach Latin America should be increased and should be slanted toward the problem of demonstrating the inherent danger of Communism and proving to the Latin Americans that this danger is not remote from them. Great improvement could also be made in the field of overt propaganda in its attempt to persuade the Latin Americans that the "American way of life" should be their way. Too often the emphasis is on the material prosperity of the U. S. rather than on the social, cultural, and other advantages which that prosperity brings.

c. The present rather weak and uncoordinated efforts of religious groups to combat Communism should be vigorously reinforced. Tremendous advantages to the Western program would ensure if it were possible to persuade all religious groups to unite in a campaign attacking Communism because of the Godlessness inherent in Marxist doctrine. At the present time there are too many instances where Catholic and Protestant groups are fighting one another, as in Colombia for example, instead of uniting in an effort to attack their common enemy.

8. Existing strategic policy toward Latin America is considered to be generally satisfactory. (The only alteration which might improve conditions pre-requisite to successful "cold war" operations would be the adoption of firmer policies toward Argentina and Guatemala. Should Guatemala be successful in its attempts to strangle and possibly expropriate the United Fruit Company and if the U. S. does not take vigorous steps to prevent this, it will be difficult for this country to avoid finding itself in a position similar to that which Britain now occupies in the Middle East.)

9. In considering courses of action to be taken in the next twelve months and covert capability to support such action the foremost fact to be borne in mind is that such capabilities will be definitely limited during the coming year. It is therefore vital, if covert activities are to be effective, that they be carefully concentrated where they can accomplish the most. OPC has only begun to establish itself in Latin America, and its assets as to personnel and covert mechanisms are not capable of covertly supporting many different and wide-spread activities.

a. The following are suggested as the most feasible courses of action which can be taken within the next twelve months in Latin America:

(1) A greatly increased propaganda and psychological warfare program.

(2) An effort at the highest national level to persuade religious leaders of all faiths to join in a concentrated campaign against Communism based upon its anti-religious, materialistic foundation.

(3) The initiation of a large-scale program for the economic development of the vast undeveloped area immediately to the east of the Andes. The ostensible impetus for such a program should come from the various Latin American countries concerned, and the U.S. participation should be entirely covert. It is emphasized that the initiation, rather than the accomplishment, of such a program is what is needed. It is believed that such a combined effort on the parts of the countries concerned - which would include every country in South America except Uruguay, Ecuador, and Chile - could create a factor of unity which is now so seriously lacking. If those countries were to unite in a sort of international TVA for South America - thus offering to the common man great hopes for an increased standard of living, there would be created a positive force to counteract the negative approach of Communism.

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