

The Kennedy Administration's Alliance for Progress and the Burdens of the Marshall Plan

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*Latin America is irrevocably committed to the quest for modernization.*¹

*The Marshall Plan was, and the Alliance is, a joint enterprise undertaken by a group of nations with a common cultural heritage, a common opposition to communism and a strong community of interest in the specific goals of the program.*²

*History is more a storehouse of caveats than of patented remedies for the ills of mankind.*³

The United States and its Marshall Plan (1948–1952), or European Recovery Program (ERP), helped create sturdy Cold War partners through the economic rebuilding of Europe. The Marshall Plan, even as mere symbol and sign of U.S. commitment, had a crucial role in re-vitalizing war-torn Europe and in capturing the allegiance of prospective allies. Instituting and carrying out the European recovery measures involved, as Dean Acheson put it, “action in truly heroic mold.”⁴ The Marshall Plan quickly became, in every way, a paradigmatic “counter-force” George Kennan had requested in his influential July 1947 *Foreign Affairs* article. Few historians would disagree with the



President John F. Kennedy announces the Alliance for Progress on March 13, 1961.

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¹ Mar. 10, 1961, Memorandum from Arthur Schlesinger, Jr., to President Kennedy, *Foreign Relations of the United States Series, 1961–1963, Volume XII, 10* (hereinafter *FRUS*, Volume XII, followed by page number).

² Apr. 27, 1962, “The Marshall Plan and the Alliance for Progress,” Series 2, Box 2, Papers of Teodoro Moscoso, John F. Kennedy Library (hereinafter series and box number, followed by collection, JFKL).

³ Alexander Bickel, *The Supreme Court and the Idea of Progress* (New York: Harper & Row, 1970), 87.

⁴ Dean Acheson, *Present at the Creation* (New York: W.W. Norton and Company, 1969), 731.

assessments of the significance of the ERP and its import in the confirmation of the global reach of the postwar United States.

Based in no small part upon the perceptions of its success, the four-year program to revivify (and reform) the economies of 17 European countries served as a crucial analogical model in the early Cold War. As the Cuba threat appeared, a little over a decade after the initial days of the Marshall Plan, the John F. Kennedy administration instituted a program known as the Alliance for Progress (AFP) largely because of fears that Latin American states would follow the path of Fidel Castro's Cuba and also as a reaction to the purported do-nothing approach of the Dwight Eisenhower White House, which had supposedly imperiled Latin America throughout its tenure.⁵ Beneficent as AFP might seem, the problems over Cuba best explain the Kennedy interest in a foreign aid program. As one group of prominent business leaders and academics put it, Cuba represented "a symptom" of bad U.S. policy that had not met the legitimate needs of its hemispheric brethren and their aspirations for socioeconomic improvements.⁶ Peril engulfed the Western hemisphere as Kennedy came to office, as a prevailing fear existed with administration officials that "Latin American countries will fall not merely into neutralism but all the way into the Communist orbit."⁷

Much like other initiatives of the Kennedy era, from the Peace Corps to the space program, the AFP was inseparable from the global Cold War conflict. The AFP existed in an era when "helpful" governments, according to National Security Action Memorandum (NSAM) 46, completed just after the Bay of Pigs in April 1961, aided in the effort to isolate Cuba.⁸ The AFP also came to represent an opportunity to prove to Latin American leaders and the Latin American people that the Bay of

⁵ A nearly final version of the Cuban White Paper from early 1961 argued that the changes in Cuba had failed to represent the original welcome promises. Aside from internal repression in Cuba, the Castro regime had allowed "for the seizure by international Communism of a base and bridgehead in the Americas, and for the disruption of the inter-American system." Cuba threatened to spread the communist peril through the Western Hemisphere. "Cuban White Paper" (Apr. 1961), Series 10, Box WH-31b, Papers of Arthur Schlesinger, Jr., White House Files, JFKL. On the comparisons to the Eisenhower White House see, for instance, Mar. 14, 1962, Richard Goodwin to John F. Kennedy on "Historical Genesis of the Alliance for Progress," A Thousand Days Background Materials, Series 12, Box W-2, Papers of Arthur M. Schlesinger, Jr., JFKL.

⁶ Foreign Policy Clearinghouse Conference at Harvard University, "Alliance for Progress: A Program for Inter-American Partnership," Dec. 19, 1960, Series 1, Box 1, Papers of Jack Behrman, JFKL. Jack Behrman, Hans Morgenthau, and Walt Rostow, among others, were involved in producing this report.

⁷ Feb. 13, 1962, Highlights of Discussion at the Secretary of State's Policy Planning Committee Meeting, *FRUS*, Volume XII, 92.

⁸ Apr. 26, 1961, National Security Action Memorandum (NSAM) 46 and "Attitudes of Countries on U.S. Position on Cuba" pursuant to NSAM 46 both available at The George Washington University, Gelman Library, National Security Archive Microfiche.

Pigs had been a misadventure, while at the same time portending a turn away from reliance upon the use of overt or covert force to bring about regime change.⁹ While this pivot represented at least a partial policy gimmick, it fit in with a prevailing ideological shift that would motivate many of the boosters for the AFP. Modernization intellectuals, such as Walt Rostow, had already concluded, before JFK's inauguration, that the United States had to help create allies, and to do so it must fashion economic development in Latin America. The modernization paradigm had its fullest and most complete test-case with the Alliance for Progress. Time would not be kind to many of their assumptions disguised as hopeful aspirations.

Scholars have continuously recognized the importance of modernization thinking and ideology in the Kennedy administration's emphasis that economic aid could both enliven underdeveloped economies and serve U.S. foreign policy goals. Far too little research exists, however, on the direct role of the Marshall Plan in the creation of the AFP and the unmistakable influence that the recent past had in the process of making and carrying out development policy in Latin America. It is therefore important to note that the documentation in this paper reveals that the Kennedy administration embraced and often struggled with the long shadow of the Marshall Plan. Some of this only proves the near inevitable working hand of the recent past, but elsewhere we recognize a presidential administration facing off against sizable expectations that the recent past made more difficult to meet. European recovery emerged as a parallel economic assistance effort that merited study and debate as a policy lodestar for the AFP, if not for other programs.¹⁰

Frequently the Kennedy administration encountered the legacy of the Marshall Plan. It did so in selling the AFP to those it needed to persuade of the initiative's merits, setting benchmarks for the program's success, considering leadership choices and problems, and defending the AFP. The interest in the past also intensified as the effort to bring rapid socioeconomic development to Latin America presumptively floundered, all before the program had even had one year to show results. Though often cognizant of the enormous differences between the policy initiatives for Western Europe versus those for Latin America, many of the key policy players

⁹ See, most notably, on this point: Jeffrey Taffet, *Foreign Aid as Foreign Policy: The Alliance for Progress in Latin America* (New York: Routledge, 2007).

¹⁰ Hubert Humphrey labeled the Housing and Urban Development Act of 1968 "a Marshall Plan for American cities." See, "Housing's Marshall Plan," *Newsweek*, Aug 5, 1968, 55. Humphrey had called for a Latin American Marshall Plan in a 1959 speech at the University of Florida in Gainesville. Whitney Young of the National Urban League urged a "Marshall Plan" to rectify the domestic troubles encountered in American cities and so often faced by African Americans. *Saturday Review*, Mar. 30, 1968, 18.

in the administration persisted in the comparisons, thus contributing to some of the very criticisms of the AFP that the administration sought to challenge. Despite the attempt to publicize early AFP success stories, such as the construction of new schools and roads, and improvements in tax collection within certain countries, the administration had difficulty facing up to the fact that “progress” remained a long-term process. Both explicitly and implicitly, the Marshall Plan accomplished a very important goal: its undoubted currency as a shining example of beating back the Soviet Union (and securing reliable allies) gave an instant credibility to the Alliance. This instant credibility, however, also portended unrealistic expectations.

Camelot’s own frequently considered, sometimes embraced, and sometimes discouraged a policy analogy that, in both rhetoric and actions, added one more problem to the situation of both presumed and real Latin American underdevelopment that had enough problems already.¹¹ While the administration took steps to minimize the notion that the AFP was a “quick fix” to Latin American socioeconomic woes, believing that Latin American leaders and the Latin American populace expected too much too fast, the administration had trouble accepting the lack of immediate results.¹² The “best and brightest” of the Kennedy era, despite occasional nods to the difficulty, marched ahead with their trademark confidence; past experiences exerted their share of influence on the strange mixture of optimism and pessimism that often permeated the AFP.¹³ This investigation of the Kennedy administration’s struggles with the recent past can thus help us appreciate how high-level policymakers use, abuse, and often cannot escape history.

¹¹ The focus on the Kennedy Administration has much to recommend it. Richard Neustadt and Ernest May accord the Kennedy administration high marks in its thinking about historical analogies during the Cuban Missile Crisis. As much as anything, the analogies helped promote caution. Those who participated in ExComm, which was the formally constituted group of officials offering counsel to Kennedy during the crisis, considered the merits and limits of analogies, in providing a way through those harrowing days in October 1962. One such frequently encountered analogy involved the so-called Pearl Harbor analogy, which provoked some concern that an apparent first-strike against Cuba could earn the designation a sneak attack akin to that put upon the United States on December 7, 1941. All in all, ExComm participants, even under the intense pressure of the time, subjected analogies to substantial critical scrutiny. See Richard E. Neustadt and Ernest R. May, *Thinking in Time: The Uses of History for Decision-Makers* (New York: The Free Press, 1986), 1–16.

¹² Nov. 29, 1961, Summary Minutes of Meeting of the Interdepartmental Committee of Under Secretaries on Foreign Economic Policy, *FRUS*, Volume XII, 71. Labeling the AFP a mere propaganda exercise would be foolish; nonetheless, many in and around the administration worried frequently about perceptions of the program, particularly within Latin American countries. See, for instance, Apr. 9, 1962, Arturo Morales-Carrion, “Alliance for Progress: Political and Ideological Force,” and June 1963, USIA Report on Latin American Information Program, National Security Files, Box 290, JFKL.

¹³ Michael Latham, *Modernization as Ideology* (Chapel Hill: University of North Carolina Press, 2000). See, in particular, chapter 3 on the Alliance for Progress.

The Marshall Plan as a Lodestar

Even though important indications of a Cold War had already occurred, when Secretary of State George Marshall delivered a short June 5, 1947, address at Harvard University the Truman administration had already decided to pursue some course of European economic aid. Global economic health, if not the viability of global capitalism, may have required the recovery of Europe, but the health of the global economy seemed a tough sell to American consumers no longer willing to accept rationing or members of Congress unwilling to remain internationalist following the defeat of the Axis powers. Larger projects thus remained, notably convincing Congress and a wary American public of the need for such a program and soliciting the requests and plans of European policymakers. Later, as both the United States and its allies worked to ensure that the Soviet Union would not participate in the ERP, policymakers in the United States recognized that forestalling internal economic chaos and further political destabilization in France, Italy, and other European countries had become as important as scaring off Stalin, if not as important as weakening any hold the USSR could have on Eastern Europe. Even in 1946 and 1947, with extensive sentiment among the American people and in Congress to turn attention inward, the United States foreign policy leadership overcame European divisiveness and understandable concerns over a revived Germany to provide for the economic rehabilitation of Europe. President Harry Truman's unpopularity and the GOP's return to power, however short-lived with its control over the 80th Congress, hardly seemed to augur well for a tremendous commitment of U.S. economic resources to European recovery. Yet, Congress approved a program that would ultimately provide \$12.5 billion.

Even as the United States managed to come together to support the effort and the U.S. and its allies fought to keep the Soviets at bay, Joseph Stalin and the Soviet Union reacted to the planned economic reconstruction of Western Europe by solidifying, not inaugurating, Soviet control over the Eastern bloc.¹⁴ In not allowing

¹⁴ For an opposing viewpoint that the Marshall Plan largely caused the division of Europe, see Michael Cox and Caroline Kennedy-Pipe, "The Tragedy of American Diplomacy? Rethinking the Marshall Plan," *Journal of Cold War Studies*, Winter 2005: 97–134. Yet, as Vladislav Zubok and Constatine Pleshakaov put it, Stalin thought the program "a large-scale attempt by the United States to gain lasting and preeminent influence in Europe." The Soviet Union acted accordingly to this threat. The Marshall Plan became, in their view, "a challenge on the same strategic scale as the U.S. atomic monopoly." See Vladislav Zubok and Constatine Pleshakov, *Inside the Kremlin's Cold War: From Stalin to Khrushchev* (Cambridge: Harvard University Press, 1996), at 50–51. Elsewhere, Norman Naimark credits the Marshall Plan with intensifying the need for ideological and party unity in the Soviet Union and Eastern Europe, in particular in the Socialist Unity Party in what would become East Germany. See Norman Naimark, *The Russians in Germany: A History of the Soviet Zone of Occupation, 1945–1949* (Cambridge: Harvard University Press, 1995), 310.

Eastern bloc countries to participate, the Soviet Union thus put its own security over the economic reconstruction of Czechoslovakia, Poland, and other nations. It would not be the first or last time the Soviet Union put its own needs before the needs of the people of Eastern Europe. The Marshall Plan did not cause the Cold War but it certainly confirmed its existence. Henceforth, the largely unprecedented success of the Marshall Plan set in motion a battle against the Soviet Union through finance, trade, and investment. Labeling the program a “counterforce” may go too far in accepting benign American motives; what is far less difficult to accept is that the program’s reputation itself has had a notable history, a history that recognizes the program’s success.

Though few historians have a clear appreciation of the niceties of the program, some consensus exists within the scholarly attention bestowed upon the Marshall Plan. It is largely axiomatic that the endeavor was a crucial moment in the early Cold War and a largely successful policy. Michael Hogan, one leading historian of the program, has insisted that the effort ought to be “judged as one of the most successful peacetime foreign policies launched by the United States.”¹⁵ Rather than judge Hogan’s praise as too near hyperbole, one might consider that even the peerless dissenter William Appleman Williams, who noticed American imperial transgressions wherever he looked in the American past and present, conceded that the Marshall Plan “did represent America’s generous urge to help the peoples of Western Europe.”¹⁶ While some debate over the efficacy of the Marshall Plan exists, it is probable that the willingness of the United States to take on such financial commitments helped ensure its role as a lead nation in the burgeoning Cold War. As scholar Diane Kunz has observed more broadly about U.S. policy during the Cold War: “Economic diplomacy provided the engine that drove the economic and security train of the free world.”¹⁷ In short, countries with stable and prosperous economies made for more reliable allies. In subsequent years, the mavens of American foreign policy knew precisely of this connection between foreign assistance and the reliability of allies. A perception that the Marshall Plan had con-

¹⁵ See, for instance, Michael Hogan, *The Marshall Plan: America, Britain, and the Reconstruction of Western Europe, 1947–1952* (Cambridge, Cambridge University Press, 1987), 430–33 (quote at 433). Here one finds a summary of some of the orthodox thought about how the Marshall Plan’s contributions to recovery were not as profound as conventional wisdom once suggested. Hogan insists that such scholarship is of value as a “corrective to earlier American paeans to the Marshall Plan.”

¹⁶ William Appleman Williams, *The Tragedy of American Diplomacy* (New York: W.W. Norton and Company, 1972), 270. Although, according to Williams, it was not so much the fear of communism but the desires to protect and expand free-trade/open markets that motivated the Marshall Plan project.

¹⁷ Diane Kunz, *Butter and Guns: America’s Cold War Economic Diplomacy*, (New York: Simon and Schuster, 1996), 2.

tributed mightily to forestalling the Soviet Union helped spur thinking that new Marshall Plans could work elsewhere.

Countless events are easy prey for the harsh critic of the policies and actions of the United States in Latin America. The roll call of interventions and U.S. doctrines attracts an almost undisputed view that U.S. power has led to varied negative consequences. On the surface, however, some policies and programs present a more complex picture. One such program that falls within this category is the U.S.–Latin American hallmark of the Kennedy administration, the ambitious socioeconomic development known as the Alliance for Progress. The AFP represented an initiative laden with economic, security, and ideological motivations and implications. John F. Kennedy’s program promised that the 1960s would become, in his own words, the “decade of democratic progress” for the region; the massive U.S. commitment to Latin American socioeconomic improvement that followed is not as easy to disparage as the manifold covert and disruptive actions pursued, both before and since, throughout the Western Hemisphere.¹⁸ The AFP remains one of the most critical elements in evaluating the foreign policy of the Kennedy administration, a foreign policy that bestowed tremendous attention upon Latin America. Some context is in order to appreciate the importance of that region to the brief Kennedy era.

In the immediate post–World War II period, the United States did not afford much attention to Latin American affairs, particularly on matters of economic underdevelopment. The prevailing U.S. view was that the near unanimous Latin American support for the Allied cause resulted from Franklin Roosevelt’s Good Neighbor Policy, which had represented an ostensible turn away from the interventionism and heavy-handedness prior to the 1930s that had led the United States to intervene, often with military force, in various Latin America/Caribbean states. Further, it stood to reason under this view that nearly all of the Latin American countries had come willingly via recognition of their own interests to the Allied cause. Hemispheric unity had helped guarantee the effectiveness of Allied economic warfare; it also had lessened the fears over any of the Latin American countries serving as launching pads for Axis subversion. Yet, not all of the Latin American countries followed the Allied script. Two countries, Chile and Argentina, steadfastly refused to read from the script, only joining the Allied cause late in the war. Nevertheless,

¹⁸ Mar. 13, 1961, John Kennedy Address at White House Reception for Members of Congress and for the Diplomatic Corps of the Latin American Republics, available at John F. Kennedy Library web site, http://www.cs.umb.edu/jfklibrary/jfk_alliance_for_progress.html

the lack of attention the United States bestowed upon Latin America in the aftermath of World War II rankled many Latin American leaders. These leaders clearly wanted to benefit from the awesome economic and political might of the United States. Most notably, Latin American countries desired assistance with continued economic improvement. The war years had been good ones for Latin American economies, and while such growth was far from consistent or equally shared, it continued through the early 1950s. Understandably, Latin American leaders, even as their motives varied, wanted to see such economic success continue.

Despite the apparently good socioeconomic situation in Latin America at mid-century, structural factors and underlying deficiencies still existed. As Latin American economies encountered economic woes as the 1950s progressed, many of these structural deficiencies influenced further economic and social degradation. One unmistakable problem was that the economies of Latin America were hopelessly dependent upon one principal good for their foreign export activity. In Colombia, Guatemala and El Salvador, for instance, coffee exportation amounted to at least three-fourths of their trading volumes. Venezuela, as an extreme example, exported petroleum at beyond 90 percent of its trade volume.¹⁹ Some countries, notably Argentina, had taken steps, such as import substitution measures, to overcome dependence upon the export of one product, but Argentina's relative success was the exception to the continued lack of diversification that made such countries even more susceptible to economic downturns.²⁰ What is more, urbanization woes, joblessness, illiteracy, deficiencies in educational attainment, paltry domestic sources of capital, insufficient infrastructure, poorly managed tax bases, and the poor distribution of wealth placed further strains upon the region and its inhabitants.²¹ However, the increasingly evident economic strains in Latin America did not greatly interest its hemispheric parent, for throughout the 1950s the United States concentrated its attention and foreign economic aid in other parts of the world. Rebuilding Europe and re-creating Japan captured an inordinate amount of the direct U.S. governmental aid. Understandably, as Department of State economic affairs officer and eventual Kennedy Treasury Secretary Douglas Dillon suggested, this indifference "was the cause of considerable resentment throughout Latin America."²²

¹⁹ Richard Gardner, "New Directions in U.S. Foreign Economic Policy:" *Foreign Policy Association Headline Series*, Number 133 (Jan.–Feb. 1959): 47.

²⁰ Joseph Tulchin, *Argentina and the United States* (Boston: Twayne, 1990), 106.

²¹ See Ronald Scheman, "The Alliance for Progress: Concept and Creativity" in Ronald Scheman, ed., *The Alliance for Progress: A Retrospective* (New York: Praeger, 1988), 4.

²² See, *ibid.*, Douglas Dillon, "The Prelude," 63.

As a guiding description of U.S. Latin American policy throughout the 1950s, the views of the father of containment, George Kennan, come across as relevant. Following a 1950 tour of Latin America, the noted expert on Russia submitted a report to Secretary of State Acheson. Kennan noted that Latin America served as an “important place in our efforts to achieve . . . a rebuttal of the Russian challenge.” While the Latin American countries undoubtedly would help in providing resources in any war with the communist camp and in the voices such countries had in the international community, the larger problem involved creating “incentives which will impel the governments and societies of Latin America . . . to resist communist pressures.” To the end of resisting communism in the hemisphere it was thus necessary to support all kinds of regimes. Most of all, however, Kennan opined:

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 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 naturedly; and that we are more concerned to be respected than to be liked or understood.²³

Throughout the postwar era both the Truman and Eisenhower administrations largely followed a policy of opposing the development of new aid/development organizations for Latin America. Neglect, in some sense, was not necessarily a negative occurrence; at least in principle the United States had agreed to the Organization of American States (OAS) charter, which prohibited its signatory nations from intervention in the affairs of the other member nations. Yet the United States disavowed the OAS charter, notably in participating in the overthrow of the Jacobo Árbenz Guzmán regime in Guatemala in 1954. Still, the economic neglect seemed improper to those Latin Americans who looked upon U.S. aid to Europe through the Marshall Plan, only to wonder why Latin America had been instructed to rely upon private capital and the removal of trade barriers in order to encounter economic prosperity. Perhaps the grievance had merit. One might consider that between the end of World War II and 1960, Belgium, Luxembourg, and the Neth-

²³ Mar. 29, 1950, Memorandum from George Kennan to Secretary of State Acheson, contained within Robert Holden and Eric Zolov, *Latin America and the United States: A Documentary History* (New York: Oxford University Press, 2000), 195–98.

erlands got more U.S. aid than all of Latin America. For the Eisenhower administration, for the most part, the continuation of economic interaction remained the preferable route for making things better in Latin America. Private capital, in this paradigm, had to do the job. Treasury Secretary Robert B. Anderson's August 1957 address before the Economic Conference of the OAS exemplified the U.S. posture. In his address, Anderson noted the obvious economic interdependence of the U.S. and Latin American economies. Further, he emphasized the vital importance of hemispheric security in securing hemispheric economic improvement. Most notably, however, Anderson called for using existing organizations, not creating new ones, to foster Latin American economic improvement. Anderson declared:

History had demonstrated the vital role of the competitive enterprise system in the economic life of our hemisphere. Its promise for the future is even greater. Just as truth flourishes best in the climate of political freedom, so in the economic field the system of competitive enterprise promises to yield most in the satisfaction of man's material needs. *I hope that at this conference we can contribute to the growth and strengthening of this system.*²⁴

Thus, the reliance upon private sources of economic aid, loans, and investment remained the preferable policy. Latin American countries needed only to control inflation, remove existing trade barriers, and have faith in the workings of the free-market system.

Cold War fears did not stay out of the hemisphere completely. Nothing, aside from the important developments yet to come in Cuba, awoke U.S. interests in Latin America quite like the open and violent display of discontent, particularly in Caracas, Venezuela, visited upon Vice President Richard Nixon during his April 1958 visits to eight Latin American countries. Upon his return Nixon, echoing a view many shared, indicated that communist groups had clearly orchestrated the protesting crowds he had encountered. (John F. Kennedy would later say, obviously in jest, that these attacks had more to do with a dislike of Nixon than with "rising expectations" or communist insurgency.) More than anything, however, the United States continued to exercise power without being willing to ensure the economic and social improvement of its sister countries in the Western Hemisphere. Eisenhower, near the end of his second term, did offer some support for heightened

²⁴ Aug. 19, 1957, Treasury Secretary Anderson before the Economic Conference of the Organization of American States, in Robert Burr, ed., *Dynamics of World Power: A Documentary History of United States Foreign Policy 1945–1973*, Volume V (New York: Chelsea House Publishers, 1973), 341–50.

governmental assistance. Based in no small part on Milton Eisenhower's recommendations and Nixon's troubles during his 1958 goodwill tour, the Eisenhower administration dropped its long-standing resistance to the founding of an Inter-American Development Bank. Other programs, notably a program later renamed "Food for Peace," were already in place to help Latin American economies.²⁵ In addition, Eisenhower did offer tacit support for Brazilian President Juscelino Kubitschek's Operation Pan America, a forerunner in many ways to Kennedy's AFP. Regardless, Latin American socioeconomic development remained low on the priority list until the results of the 1960 presidential election came in.

One key event, however, induced an even more dramatic change in the attention devoted to Latin America. The successful Castro revolution in Cuba, which culminated in the January 1, 1959, ouster of Fulgencio Batista, unleashed a powerful concern that fit within the very model that had prompted the Truman and Eisenhower administrations to devote so much attention to other areas throughout the world. For countless years since its purported unshackling from colonial chains, Cuba had remained a pseudo-colony of the United States. Preponderant amounts of the country's sugarcane and other raw materials found their way northward to Cuba's powerful neighbor to the north. U.S. quotas for Cuban sugar had largely determined the economic life of the island nation. Part of this economic nexus involved the periodic usage of U.S. military force and coercion to restore order to the island when turmoil threatened to undermine the sanctity of the economic relationship. Worse still, the United States had legal authority to use its military force in Cuba pursuant to the Platt Amendment—an amendment only removed from the Cuban Constitution in 1934. Cuba's successful revolution, removal of the Batista regime, nationalization of various businesses, and closer ties with the Soviet Union were ominous events; what those events portended for the rest of Latin America spread trepidation throughout the U.S. foreign policy apparatus.²⁶ Suddenly a vital reason existed to care, differently at least, about Latin America. While the Eisenhower administration was not sure what to make of Castro or the new Cuba, over time a view emerged that Castro had become both a threat and a Soviet ally. The unfolding events of the new Cuba induced a reinvigorated interest in Cuba and all of Latin America. There could be no more Cubas. The AFP of the Kennedy years would serve

²⁵ The Food for Peace initiative involved the donation or sale of U.S. agricultural products to numerous countries, many within the Latin American region. This program helped domestically by finding uses for agricultural surpluses, but such agricultural support had only grown since the New Deal. Despite the negotiating strength such a program offered the United States, it would have been unjustifiable to let such goods merely rot.

²⁶ Thomas J. McCormick, *America's Half-Century: United States Foreign Policy in the Cold War*, (Baltimore: The Johns Hopkins University Press, 1989), 143.

as a dramatic reversal of the do-nothing stance regarding the socioeconomic health of Latin American countries.²⁷

According to Kennedy speechwriter and advisor Ted Sorenson, “no continent was more constantly in the President’s mind . . . than Latin America.”²⁸ The successful, Castro-led Cuban revolution and Khrushchev’s January 1961 “wars of national liberation” speech remain perhaps the most important elements in accounting for the Alliance for Progress initiative. From the outset of his administration, John F. Kennedy sought to create dramatic differences between his vision for U.S.-Latin American relations and the vision of his predecessors. He had already afforded considerable attention to economic aid as an important component of American foreign policy, doing so during his days in the United States Senate.²⁹ Following his election, the Kennedy team put together a task force devoted to the preparation of new visions/policies on relations with Latin America. That task force encountered the long shadow of the Marshall Plan.

In order to provide some necessary context, we should consider some of the more important goals of what became the AFP. The AFP aimed to improve per capita income, wealth distribution, and the diversity of any one country’s economy within Latin America. It also promised agrarian reform, increases in industrial productivity and diversity, an end to adult illiteracy and the guarantee of six years of primary education, enhanced life expectancy, construction and ownership of low-cost housing, increased economic comity amongst Latin American countries, and improvements in Latin American exports.³⁰ Elsewhere, the administration put forth the program as something to create a “broadly-based political stability” throughout Latin America, a view that definitely fit within the modernization ideology paradigm.³¹ Much like the Marshall Plan, there was also crucial propaganda value. In its delineation of the overarching goals of the United States Information Agency in Latin America, that agency listed the two goals of revealing the true nature of the Castro regime and the fact that cooperation with AFP “will achieve in this decade the just aspirations of the Latin American people.”³² Few within the administration doubted that the AFP served

²⁷ See, Stephen Rabe, *Eisenhower and Latin America: The Foreign Policy of Anti-Communism* (Chapel Hill, The University of North Carolina Press, 1988), 100–116.

²⁸ Theodore Sorenson, *Kennedy* (New York: Harper & Row, 1965), 533.

²⁹ Taffet, *Foreign Aid as Foreign Policy*, 24–26.

³⁰ Teodoro Moscoso, “The Alliance for Progress: It’s Program and Goals,” Series 12, Box W-1, Arthur M. Schlesinger, Jr., Papers, JFKL.

³¹ Jan. 17, 1962, Research Memorandum Prepared in The Bureau of Intelligence and Research, *FRUS*, Volume XII, 79.

³² “Our Latin American Program,” May 15, 1961, USIA to President John F. Kennedy, Box 8, Subject Files, 1961–1965, Richard Goodwin Papers, JFKL.

various intertwined ends; separating the economic from the political from the propagandistic, even now, is quite difficult. Suffice it to say that the success or failure of the AFP, both overall and within particular countries, had a recognized value in the Cold War information battles.³³

Historians and other evaluators have, for the most part, not held the AFP in high regard. Most have regarded it as economically foolish and ideologically arrogant. The mediocre results of the AFP, across its decade-long existence, justify such criticism. The AFP at its best was a “noble failure,” according to Latin American expert Joseph Tulchin.³⁴ Others have lamented that the United States was simply “ill-equipped to lead a crusade for fundamental reforms in Latin America.”³⁵ James William Park offers similar criticism in placing the AFP within the “shattered illusions” of the 1960s, and stating that its failure was due more to U.S. domestic political changes than to systemic problems or problems from Latin America.³⁶ Of note is the fact that even stalwart JFK supporters have called the program in to question. Arthur Schlesinger, Jr., the doyen of Kennedy’s praisers, called the endeavor “oversold,” while Theodore Sorenson has indicated that, despite apparent successes in some areas, “reality did not match the rhetoric which flowed about

³³ The March 13, 1963, meeting of the National Security Council contained a frank discussion of just how much so the United States had to employ the AFP for political and informational purposes, again under the large problem of Cuba, and to what extent it had not done so effectively. Mar. 13, 1963, Summary Record of NSC Meeting, Series 6, Box 314, National Security Files, JFKL.

³⁴ Joseph Tulchin, “The United States and Latin American in the 1960s,” *The Journal of Inter-American Studies and World Affairs* (Spring 1988): 2.

³⁵ Gordon Connell-Smith, “Latin America in the Foreign Relations of the United States,” *The Journal of Latin American Studies* (May 1976): 143.

³⁶ James William Park, *Latin American Underdevelopment: A History of Perspectives in the United States, 1870–1965* (Baton Rouge: Louisiana State University Press, 1995), 204. The United States during the 1960s featured countless political and social developments of lasting influence. In this age of racial polarization, counterculture emergence, Supreme Court activism on behalf of individual liberties, and the “Great Society,” occurred a revolution of sorts in terms of the expenditure of federal tax dollars. The United States Congress asserted its will in taking numerous programs off the automatic pilot. Henceforward, the appropriations for varied programs needed to meet annual review and consideration. The U.S. funds for the AFP were not self-perpetuating; annual foreign assistance authorizations were necessary to fund the program. Within this setting, where approval one year could easily be undermined the next, it is not surprising that the AFP became domestically politicized. A valuable, yet often ignored, element of the AFP era is the extent to which congressional politics was possibly a contributing element to the failure of the program. Some voices questioned aid as a viable mechanism for waging the battle against forces inimical to the United States. The Citizens Foreign Aid Committee (CFAC), a misnomer by this account, was fervent in its opposition to proposals to augment aid for Latin American countries, in particular Chile, in the 86th Congress. The CFAC reasoned that economic interaction with Cuba had not kept that nation from going over to the other side, so economic aid, unpopular with its constituency at least, should not take the place of “realistic tolls of traditional diplomacy.” “Fantastic global handouts” were simply bad policy. The CFAC comments contained within U.S. House Committee on Foreign Affairs, 86th Congress, in Committee on Foreign Affairs, 86th Cong., 2nd sess. (Washington: GPO, 1963), 45–47.



President Kennedy meets with presidential aide Arthur Schlesinger, Jr., in the Oval Office, July 26, 1962.

the Alliance.”³⁷ Other varied explanations exist to lambaste the AFP and offer explanatory suggestions for the program’s failures, but it simply never became anything like a sequel to the Marshall Plan.

JFK and the members of his Latin America policy apparatus thought about the recent past. Kennedy’s Latin American Task Force, a group put together to advise the soon-to-be-inaugurated President, provides a telling example. The policy group consistently analogized the Communist threat in Latin America to the threats of the 1930s and World War II era. The Task Force even went so far as to call the situations in Latin American “more dangerous.” What is more, the Task Force declared in its official report that the situation in Latin America created a need to replicate the success of the immediate postwar era. Task Force member and former New Dealer Adolph Berle emphasized, in meeting with JFK only a short time before the inauguration, that Latin America represented the place where the United States could lose the Cold War if it did not take the hemispheric threat seriously.³⁸

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Berle, a veteran voice in policy matters, represented a key link to the past. Having served as a New Dealer, an Assistant Secretary of State, and Ambassador to Brazil, Berle’s perspectives and past experiences greatly influenced and represented the Latin American policy choices of the Kennedy administration. A representative sample of Berle’s thinking occurred in a speech he delivered in February 1961 before a group of New York City attorneys. In fact, Berle’s appearance offered up a test-run of some of the same rhetoric the new administration would employ throughout 1961. During his speech, Berle likened the AFP directly to the Marshall Plan. Similarly, he likened the Cuba of 1961 to Greece in 1947.³⁹ Were these simply rhetorical flourishes, efforts to appeal to the unpersuaded or genuine attempts to get the country to recognize that the same dangers from 1947 had up-

³⁷ Sorenson, *Kennedy*, 537.

³⁸ Jan. 10, 1961, Adolph Berle to Teodoro Moscoso, Series 3, Box 4, Personal Papers of Teodoro Moscoso, JFKL.

³⁹ *New York Times*, “Berle Likens the Alliance for Progress to the Marshall Plan,” Feb. 13, 1961, 9:1.

dated themselves, closer to home, in 1961? It is difficult to distill the motivations for Berle and the Task Force, but not difficult to recognize that the administration and its Latin American policy voices had already decided that the Marshall Plan gave credibility to the entire policy-shift and agenda for Latin America. In the same February 1961 address, Berle responded to an early and consistent criticism of the plans for aiding Latin American economies, the idea that the United States could not purchase the allegiance of hemispheric partners. Since the United States had secured allies in Western Europe through U.S. financial assistance following the war, he posited, it could expect similar success through extending aid to Latin America. The appearance in New York City did not just reveal isolated citations of the policy parallels. In another speech example, only a few days after the Yuri Gagarin spaceflight in April 1961, Berle again made sure that the public realized that the AFP promised to keep other countries from going the way of Cuba. Speaking before an audience in Washington, he said:

There is a close parallel between the situation today and the situation as it stood in 1947. Then the Communist bloc was seeking to take over Greece under the camouflage of revolution. The United States moved in to support Greek independence. The Communist forces denounced the Marshall plan as the overseas Communists in Castro's name now denounce the Alliance for Progress. Then the Communist bloc planned to upset every government in Western Europe as today they threaten Latin American governments.⁴⁰

Berle continued on to remind those in the public that JFK had instituted “a newer form of Marshall Plan to all Latin America.”⁴¹ The Task Force Report did far more to acknowledge the differences between the endeavors and the fact that that progress would be much slower with the AFP. But public consumption normally required far less circumspection. The differences were in the details. Policy-planning, with Berle as an intimate participant and primary initial public spokesperson, featured an abundant connection with the past also. While Berle brought the past and the present together, he was not the only administration official involved with the AFP who countenanced Marshall Plan comparisons.

In early March 1961, the Kennedy administration staged a ceremony to launch the program. Despite warnings from Latin American policy players Richard Goodwin

⁴⁰ “Adolph Berle Before the Women’s National Democratic Club, April 24, 1961,” in *State Department Bulletin*, May 22, 1961, 763–64.

⁴¹ Adolph Berle, “Our Role in Latin America,” *The Reporter*, Nov. 23, 1961.

and Lincoln Gordon to avoid Marshall Plan comparisons, Kennedy's address included frequent reference to postwar Europe.⁴² Kennedy cited the communist menace only indirectly, but it is unmistakable what he meant in referring to "the alien forces which once again seek to impose the despotisms of the Old World on the people of the New." Because of the hemispheric friendship and threats from outside the hemisphere, the United States had to take the lead in fostering socioeconomic improvement throughout the Latin American world. Although careful to specify that the initiative would require sacrifice on behalf of Latin America and its various populations, Kennedy did not resist the opportunity to laud the United States for its prior success with the Marshall Plan. The Alliance for Progress, according to Kennedy, would become a successful venture, "just as we helped provide, against equal odds nearly, the resources adequate to help rebuild the economies of Western Europe."⁴³ Here, as would be picked up elsewhere, the rhetoric of past success abounded. While it might have been too much to ask for in requesting a more balanced view or one that clearly distinguished the programs, or their chances of success, from one another, this does not simply alter the dilemma. By making such explicit references to a past program with contemporary currency, a point of comparison was established; however, by using an example of such esteem, the administration only raised the stakes for the fledgling AFP.

Unsurprisingly then, when the administration solicited congressional support in March 1961 for its ambitious foreign aid agenda, Western European recov-

⁴² Lincoln Gordon, a consultant to the Kennedy Task Force on Latin America and eventual ambassador to Brazil, had participated as a Marshall Planner. Gordon suggested, in a memorandum to Richard Goodwin before Kennedy's formal address in March 1961 launching the program, that the administration should be careful in making any comparisons between the two programs. For Gordon, however natural it was to make the comparison, it was ultimately "a misleading analogy." Gordon encouraged the administration to recognize the differing historical settings of Western Europe and Latin America. Clearly, according to Gordon, the AFP would need much more time to bring about social and economic improvement. As such, and unlike the Marshall Plan, Gordon cautioned, "greater emphasis must be placed on the necessarily slow process of institutional reform. *The effort will take much longer.*" But Gordon, even after discouraging the comparison, cited the success of the Marshall Plan in restoring confidence, and thus argued the AFP could do likewise. He also stuck with the Walt Rostow notion of meeting goals within a decade. Gordon's early voice of patience, though, was a lone one within the administration. Lincoln Gordon's papers from his time in the administration remain closed. Once the JFK Library makes these papers available to scholars, one would reasonably expect to find substantive evidence that speaks to the Marshall Plan-AFP linkages. For Gordon see, March 6, 1961, Memorandum from Lincoln Gordon to Richard Goodwin, JFKL, National Security Files, Series 5, Box 290. Another occasional skeptic, Arthur Schlesinger, Jr., even with the constant memoranda he sent along, scarcely urged a persistent refusal to avoid the Marshall Plan analogy.

⁴³ Mar. 13, 1961, "Address of John F. Kennedy for Members of Congress and for the Diplomatic Corps of the Latin American Republics," John F. Kennedy Library web site, <http://www.jfklibrary.org/Historical+Resources/Archives/Reference+Desk/Speeches/Speeches+of+John+F.+Kennedy.htm>.

ery remained a parallel. Precursors had begun with the Marshall Plan, which, in the administration's plea, was "a towering and successful program to rebuild the economies of Western Europe and prevent a Communist takeover."⁴⁴ The Marshall Plan had worked; its excellent reputation could help ensure support from those committed to the Cold War but reticent to wage such a war through vast economic programs.

The citation of the Marshall Plan thus served as a rallying cry. It was perhaps a natural reference to make, but one must wonder whether downplaying the connection ought to have been more in order. Kennedy's appearance before the Inter-American Economic and Social Council later in the year featured an explicit reference to the apparent precursor and offers valuable evidence to the early, misleading nature of the analogy. In extolling the recently completed Charter of Punta del Este, the foundational document of the AFP, and the forthcoming formation of the council of "nine wise men" to pass judgment on development plans submitted by Latin American countries, Kennedy made what, at best, might be labeled an odd reference to the Marshall Plan. Kennedy exclaimed to those in attendance that, "not since the Marshall Plan has a group of allied nations embarked on a program of regional development guided by a regional body largely selected by the developing nations themselves." The choice of words alone is indeed interesting. The apparent purpose of this opening salvo was to commend the effort for the extent to which Latin American countries were already helping themselves and playing vital roles in implementation. Grouping the countries from two very different parts of the world as "participants" or "partners" did not recognize the vastly different hegemonic roles of the United States in each assistance program. More vexing though, to conflate the countries as "developing" reminds us of the misgivings of not recognizing that even selling policy, let alone carrying it out, has to have a solid appreciation of history.⁴⁵

Speech-making, whether from Camelot's own to JFK, though is perhaps an easy target. Administration officials also debated the propriety of the comparisons as they developed the AFP, thought about its prospects, and worried about organizational questions. Richard Goodwin, one of the administration's key voices on Latin American policy, recognized the importance of the AFP to the administration

⁴⁴ Mar. 22, 1961, "Foreign Aid Message of President Kennedy to the Congress," *Documents on American Foreign Relations* (New York: American Book-Stratford Press, 1962), 39.

⁴⁵ *Ibid.*, Nov. 29, 1961, "Remarks by President Kennedy to the Inter-American Economic and Social Council, Washington," 435.

and its record. He argued that quick results would be too much to expect but that the right people had to oversee the program. Early on and throughout the heyday of the AFP, personnel worries earned the attention of various policymakers. Goodwin lamented to JFK that “nothing is more discouraging than to compare the caliber of people who were drafted into the Marshall Plan effort with those who now run our Latin American aid program—a program which you have said is comparable in scope and magnitude to the Marshall Plan (italics added).”⁴⁶ Yet, the very man that Goodwin recommended for the top spot with the AFP, John Leddy, had labored as a participant in GATT negotiations and in European economic affairs.⁴⁷ Goodwin’s early aspirations for calm patience with the AFP did not persist. A few short months before the assassination of Kennedy, Goodwin sent along, directly to Kennedy, bitter comments about the AFP. Goodwin found it “disappointing” that the AFP was “operating at about one-half effectiveness.”⁴⁸ Goodwin cited numerous failures that testified to this failure of effectiveness. It seemed like there was nobody willing to put his neck on the line for the AFP. Worse still, there was too much “mediocrity in high places” running the show.⁴⁹ Goodwin, who had early in the administration been named Deputy Assistant Secretary of State for Inter-American Affairs, drew clear attention to the remarkable precedent of success that the Marshall Plan broadcast and its burdens upon subsequent foreign assistance efforts, but continued to countenance the comparison.

Others shared in Goodwin’s problematical distancing from the policy analogy. Arthur Schlesinger, Jr., also expressed understandable concerns, but again without leaving the Marshall Plan aside. Early in Kennedy’s tenure, the memoranda machine, Schlesinger, recommended Paul Hoffman for some of the same reasons that Goodwin had recommended Leddy. Hoffman, the one-time leader of the Studebaker Auto Company, had contributed considerably to the Com-

⁴⁶ Sept. 28, 1961, Memorandum from Richard Goodwin to President Kennedy, Series 6, Box 63, President’s Office Files, JFKL. Elsewhere, outside of the administration, expressions of doubt over the value of the analogy were common. C.L. Sulzberger of the *New York Times*, for instance, suggested that those seeking success should not “expect sudden dramatic results.” Sulzberger urged patience, as the scope of the endeavor was not comparable to the paltry contributions to European recovery. Yet for those who wrote about the program, and many did, a constant point of discussion was the slow pace of success. The Marshall Plan had spoiled the United States. For Sulzberger see, Dec. 30, 1961, *New York Times*, 18:4.

⁴⁷ For Leddy and GATT see, Thomas W. Zeiler, *Free Trade World: The Advent of GATT* (Chapel Hill: University of North Carolina Press, 1999).

⁴⁸ Sept. 10, 1963, Memorandum from Richard Goodwin to President Kennedy, *FRUS*, Volume XII, 146.

⁴⁹ *Ibid.*, 147.

mittee for the Marshall Plan and its efforts to sell the Marshall Plan. Later still, Hoffman served as the leader of the Economic Cooperation Administration, the administrative group that oversaw the Marshall Plan.⁵⁰ Hoffman had also sat on President Truman's Committee on Foreign Aid, the so-called Harriman Committee, under the leadership of W. Averell Harriman. Harriman's Committee had proved crucial in solidifying the policies and plans in 1947; the inclusivity of the group and its November 1947 "Report on European Recovery and American Aid" also helped ensure a consensus.⁵¹ Schlesinger urged such a high-profile appointment to help turn attention away from recent misadventures (i.e., the Bay of Pigs) and to emphasize the importance of the AFP. History mattered to the Special Assistant to the President and White House liaison to the intellectual community. Schlesinger's academic training makes this less than surprising; regardless, Hoffman had helped engineer the revival of Europe, so he assuredly, with history as a guide, could take charge of the effort in Latin America.⁵²

The Marshall Plan also merited study as a guide for what the administration could expect from the U.S. commitment to Latin America. As Richard Goodwin learned from one International Cooperation Agency (later part of USAID) report, the Marshall Plan had produced investment returns well in excess of the original U.S. investment of \$12.5 billion. Moreover, the report suggested what had become the conventional wisdom: few doubted that the United States had "saved" Europe through economic assistance. Intervention had helped keep U.S. military expenditures lower than they might have been, spurred on U.S. exports to Europe, and helped ensure U.S.



President Kennedy consults with Lincoln Gordon in September 1961. Gordon frequently advised against employing the Marshall Plan as an analogy to the Alliance for Progress.

⁵⁰ May 6, 1961, Memorandum from Arthur Schlesinger, Jr., to John F. Kennedy, White House Files, Series 6, Sub-collection 2, Personal Papers of Arthur Schlesinger, Jr., JFKL.

⁵¹ On Paul Hoffman see Greg Behrman, *The Most Noble Adventure: The Marshall Plan and the Time When America Helped Save Europe* (New York: Free Press, 2007), 132.

⁵² In addition to these recommendations for AFP leadership posts, one must also recognize that important Kennedy White House advisors, McGeorge Bundy, Lincoln Gordon, Walt Rostow, and Arthur Schlesinger, Jr., had participated as Marshall Planners.

economic health.⁵³ Goodwin and Lincoln Gordon, unlike some others involved with Latin American policy, frequently advised against employing the Marshall Plan as an analogy to the AFP.⁵⁴ Nevertheless, the interest in the Marshall Plan had informed Goodwin's perceptions of what the United States might expect from the AFP.

Comparisons of the two programs found a mild proponent, though, in a man who might have known better, Teodoro Moscoso. Moscoso, a leader in the economic development of Puerto Rico in the 1950s, had first earned an appointment as ambassador to Venezuela in May 1961. Later in that year, he became the lead on the AFP. Though he frequently cited the differences between the programs, he too often relied upon the analogy. As he intoned in a June 1962 commencement address: "It is not visionary to foresee Latin America, ten years from now, a thriving region similar to Western Europe today—with people, goods and ideas moving freely and in ever larger numbers across frontiers—a continent whose peoples are assured a great and purposeful destiny."⁵⁵ Through his public presentations of the AFP and private discussions, Moscoso often found himself in the position of defending the program against the charges of its lack of success. He often bitterly complained that far too many critics expected the repeat success of the 1948–1952 Marshall Plan; yet, in registering such a complaint, he too would send mixed messages on the comparability of the programs. The Marshall Plan, he said on numerous occasions, seemed like a guaranteed success; it too had its opponents and skeptics. Postwar Europe also had to work together to foster a continental program. Both regions faced inflation. The similarities, in Moscoso's analysis, often competed with the dissimilarities.

On other occasions he noted that both programs had shared goals of producing a widely felt economic growth, relying upon localized sources of energy, not just an infusion of U.S. capital and assistance. Europeans had helped themselves, so too could those in Latin America.⁵⁶ Often though, Moscoso confused what may have been historical fact with the hopes of the present. While he spoke of Latin

⁵³ July 25, 1961, Memorandum from James P. Grant to Richard Goodwin and "Aid Costs and Returns: The Marshall Plan Experience," Box 1, Alliance for Progress, Richard Goodwin Papers, JFKL.

⁵⁴ Their reasons for doing so were often not spelled out clearly. In an all too common occurrence, their recommendations often went unheeded.

⁵⁵ June 13, 1962, Teodoro Moscoso, "Fordham University Commencement Address," Series 1, Box 1, James Stanford Bradshaw Papers, JFKL.

⁵⁶ Apr. 10, 1962, Teodoro Moscoso "Speech Before the Institute for International and Foreign Trade Law," and June 13, 1962, Teodoro Moscoso, "Fordham University Commencement Address," Series 1, Box 1, James Stanford Bradshaw Papers, JFKL.

Americans seizing the process and putting together development plans, the administration complained of lethargy. But when it suited his purposes, he could turn on the analogy. Critics of the program—including those from the administration—expected too much, too fast. He hinted that those who tirelessly invoked the comparison just ignored the obvious: the two aid programs did have important differences, and the Marshall Plan comparisons only intensified the derision of the AFP.⁵⁷ But just as Moscoso derided the analogy he could turn around and welcome it. On occasion he also received direct requests from the administration to explore further the connections between the programs.

Increasing dissatisfaction with AFP progress only enhanced the interest in the Marshall Plan. In April 1962 John F. Kennedy requested that McGeorge Bundy carry out a study of the organizational framework of the Marshall Plan. Perceived organizational shortcomings earned some of the blame for the AFP's lack of rapid success, so a comparison to the Marshall Plan seemed an appropriate place to gather insights.⁵⁸ The lack of red tape and the ECA's separation from the State Department has often earned attention as a factor in the Marshall Plan's success. In what may be the response to this request, Moscoso, most likely with assistance, prepared a full-length comparison of



Teodoro Moscoso (left) after being sworn in as Coordinator of the Alliance for Progress on November 14, 1961. He often found himself in the position of defending the program against the charges of its lack of success.

the two programs. He recognized the differences in prompting the response in Europe and Latin America. War-ravaged Europe required help to end trade imbalances, restore trade among the European states, and overcome balance-of-payments problems; Latin American assistance, on the other hand, was to ensure that capital went to improving the investment climate and the longer-term prospects of attacking the problems that the Marshall Plan funds targeted immediately. Both situations, though, involved U.S. meddling and prodding reform—a delicate task. Moreover, the report argued, the Marshall

⁵⁷ See, for instance the interview with Moscoso, Leonard Cross, “Has the Alliance for Progress A Chance?” Sept. 1963, *Look*, 80.

⁵⁸ Apr. 23, 1962, “Memorandum for Mr. McGeorge Bundy,” Series 6, Box 62a, President’s Office Files, JFKL. Concerns about the AFP and its organization often turned on criticisms of Teodoro Moscoso’s alleged lack of administrative talents.

Plan had worked so well, in part, because the ECA had so much autonomy from the State Department. The AFP too could benefit from such autonomy—but as he noted, the agency did not currently benefit from such freedom of action. Echoing Goodwin’s earlier complaints, the quality of the individuals involved with leadership positions continued as a complaint. Implicit in the recognition of the reputable Marshall Plan soldiers was the fact that the AFP personnel could not succeed without matching the near legendary status of the Marshall Planners. The continued interest in the AFP as a giant radio, beacon of anti-Castroism also earned historical criticism and suggestion. The Marshall Plan had achieved an informational success through film, radio, and literature, but as of 1962 the perception existed that the AFP had not met a similar benchmark of public awareness. While administration officials came to realize the vast economic and social differences between Europe and Latin America, many held further unfavorable views of the AFP since it had not replicated what amounted to the propaganda success of the Marshall Plan.⁵⁹ AFP planners and the recipients of aid and assistance in Latin America encountered constant pressure to show results. Moscoso even had placed on his office wall a sign that spelled out his mission. The sign said: “Please be brief. We are 25 years late.”⁶⁰ Not surprisingly, prior to the one-year anniversary of the Punta del Este conference in the fall of 1962, Moscoso decided against any ceremonies whatsoever to mark the occasion. This decision was of course made well in advance of the one-year anniversary. The reason for this decision: there simply had not been enough progress. The program had not even been given one year to show results.

Kennedy, in public pronouncements about the program, did portray it as being up against long odds. When doing so he did mention the differences between the two policy programs. In fact, Kennedy cut to the core of the problem well when he said, at a March 1962 press conference, that “the problem in the Marshall Plan was rebuilding. Here [referring to the Alliance for Progress] it’s a case of building, in many cases.” The Marshall Plan, though, had helped construct a mentality, perhaps even a past that policymakers simply could not escape. Kennedy, Goodwin, even Moscoso often recognized that rebuilding Europe was a much different task than building Latin America, but the analogy survived. If the immediate surroundings did not create enough pressure, the lingering perceptions of Marshall Plan success and comparability made measures of AFP success all the more unobtainable.

⁵⁹ Apr. 27, 1962, “The Marshall Plan and the Alliance for Progress,” Series 2, Box 2, Papers of Teodoro Moscoso, JFKL. Also, Mar. 16, 1962, T. Graydon Upton, Executive Vice-President of the Inter-American Development Bank, Memorandum to John F. Kennedy, Series 8, Box 95, President’s Office Files, JFKL.

⁶⁰ Dan Kurzman, “Moscoso Spur: We’re 25 years Late,” *Washington Post, Times Herald*, May 21, 1962, p. A4.

A Most Difficult Burden to Bear

It was not that the administration did not recognize impediments to the modernization of Latin America; ultimately, though, it just did not think such impediments would win out. Schlesinger, Lincoln Gordon, and Richard Goodwin, in particular, frequently made recommendations to Kennedy that mentioned the difficult task ahead. But even these voices would eventually return to the trademark can-do spirit that led the administration into a competition, with a trademark Cold War success story as evidence of U.S. resolve.⁶¹ Consistently these three would encourage avoiding the analogy only to then, often in the same speech or memorandum, admit that the AFP had to succeed and would succeed, just as the Marshall Plan had rescued Europe. Perhaps the ultimate failure, though, involved not addressing the vast differences. Doing so might have led to a more rigorous examination of the tremendous differences involved with the *re-creation* of Europe as a modern capitalist economy vis-à-vis what amounted to the *creation* of Latin America as such. Undoubtedly the mere existence of the Marshall Plan made the effort to bring socioeconomic development to Latin America attractive, just as the Marshall Plan put burdens upon those who formulated policy. Now, historian Stephen Rabe represents a consensus, for those who even recall the AFP, when he tells us that the AFP represents “a notable policy failure of the 1960s, superseded only by the U.S. debacle in Vietnam.”⁶² The program did outlive Kennedy but it no longer earned the attention that it once had. The orthodox historical judgment on the program’s disappointment hardly differs from the pessimistic appraisals that so often existed early within the Kennedy administration. The past is always there, but policymakers need to be careful in seeking its guidance, particularly as policy change, however substantial, does not produce rapid benefits. Though the Kennedy administration tried to distance its program for Latin American development from the past, its failure to succeed in doing so only added burdens to the AFP.

Money did ultimately roll into Latin American countries during the incipient days of the AFP, but skyrocketing birth rates, failed efforts at economic diversification, and continued concentration of wealth all prevented the achievement of economic growth rate goals. Rather than cure the whole body, the effort was able

⁶¹ Regardless of the extent to which top Kennedy officials did or did not distance themselves from a foolish analogy, it is apparent that other organs of the U.S. government, and media outlets throughout the U.S., were not as reticent in embracing the analogy. Publications from the *Christian Century* to the *Nation* and *Harper’s* lined up as early as 1962 to lament the lack of immediate results. Time and again, the contemporary media complained with reference to the stunning success of the Marshall Plan. The conflation of underdeveloped recipients of aid with recovering countries of post-World War II Europe rings hollow. Outside of the administration some did and some did not recognize the extensive differences of rebuilding Western Europe and building Latin America.

⁶² Stephen Rabe, *The Most Dangerous Area in the World* (Chapel Hill: University of North Carolina Press, 1999), 148.

to apply pressure only at some locations. The extent to which expectations were in fact arrogance, fueled in the shadow of the Marshall Plan, is not a superficial point. Thus, one of the clearest problems with the analogy was also something that hit exactly upon the sentiment some undoubtedly hoped to evoke. Fears over communists making further inroads in the “traditionally American” sphere were not idle fears; these fears motivated actions, language, and intensity. The Marshall Plan already possessed an identifiable trademark of success. Significantly, while the visible success of the Marshall Plan represented the dividends from a combat with communism, this was a combat without battlefield casualties and destroyed cities. The trademark of the Marshall Plan emerged precisely as the trademark that the Alliance boosters most wanted to capture. The prevailing perception of the time was that the Marshall Plan was essential to the economic recovery, social stabilization, and security of Europe. The Marshall Plan had succeeded, so it was an article of faith that the Alliance for Progress would encounter similar success. In a sense, the name recognition of the Marshall Plan bestowed both a faith, albeit misplaced, and a powerful burden on the Alliance for Progress.

Diplomatic historians have come to embrace larger vistas, recognizing in the process that ideas about security, power, trade, and social categories have exerted tremendous influences upon how policies are developed and ultimately judged.⁶³ These ideas, though, are not just the ephemeral output of a policy slide rule, quickly forgotten as policymakers move on to the next project; the active hand of the past, particularly a well-known recent past, ensures that those who make policy can scarcely afford to operate without a deep awareness of a past, particularly one they attempt to emulate. We operate and make choices based upon what we know—or at least think we know; policymakers are no different. But the lessons from the past are not easy ones to learn, let alone apply. The Marshall Plan created benchmarks and ways of thinking about economic recovery that the AFP planners could not avoid, perhaps even to their peril as they did not always approach the comparisons between the programs with judiciousness. For policymakers the recent policy past is anything but forgotten; it might even serve as one of the greatest obstacles they have to overcome. The contemporary and immediate earn easy explanatory relevance, but along with the historic conditions that created an “under-developed” Latin America, the Marshall Plan helped further inspire the impatience that further ensured that history would not repeat itself in Latin America.

⁶³ For a recent survey of the field see Thomas W. Zeiler, “The Diplomatic History Bandwagon: A State of the Field,” *Journal of American History* (March 2009): 1053–73.