

Waging Peace in the Americas : Address by Secretary Acheson; September 19, 1949

I am grateful to the Pan American Society for this welcome opportunity to meet with its distinguished membership and with so many friends from throughout the Western Hemisphere. It is a most appropriate setting in which to discuss the relations within our community of American Republics. There are two reasons in particular why I am glad to be able to discuss this subject tonight. The first is so obvious that we tend to take it for granted. It is that our countries are close neighbors, bound together by a common heritage of struggles for liberty and freedom.

The second reason is that the community between our countries presents us with a unique opportunity to press forward toward the positive objectives of our foreign policy. Much of our effort in other parts of the world has had to be devoted to repairing the destruction caused by war and to strengthening the free nations against aggression. We in this hemisphere have fortunately been spared the terrible destruction of war, and we are relatively remote from any direct threat against our independence. The prospects are, therefore, bright that we can continue to work together in an atmosphere of relative peace and stability. We are in a real sense waging peace, in the Americas.

BASIC PRINCIPLES

Before discussing specific policies, it seems well to restate once more the basic principles on which our policy in this hemisphere must rest. They are:

Our essential faith in the worth of the individual;

the preservation of our way of life without trying to impose it on others;

the observance by all governments of ethical standards based on justice and respect for freely accepted international obligations;

protection of the legitimate interests of our people and government, together with respect for the legitimate interests of all other peoples and governments;

the juridical equality of all the American Republics;

nonintervention in the internal or external affairs of any American Republic;

the stimulation of private effort as the most important factor in political, economic, and social purposes;

freedom of information and the development of free exchanges, in all fields;

the perfection, with the other American countries, of regional and universal arrangements for maintaining international peace;

and

the promotion of the economic, social, and political welfare of the people of the American Republics.

These men are our guiding principles. A statement of the specific policies which rest on these principles can best be made in conjunction with a review of our long-term objective.

NATIONAL AND HEMISPHERE SECURITY

The primary objective of any government is necessarily the security of its territory and people. The Monroe Doctrine is an acknowledgement that the security of this hemisphere is indivisible. With the development of the inter-American system, our countries have jointly created an effective security organization consistent with the Charter of the United Nations.

The [Rio de Janeiro treaty of 1947](#) provides that in case of armed attack on an American Republic, each party pledges itself to assist in meeting the attack. One of the foremost policies of our country in foreign affairs is to fulfill its obligations under the [Rio treaty](#) and to seek the maximum cooperation among the American nations in achieving the objective of a secure and peaceful continent.

I stress this point because the security system which has culminated in the Rio treaty is now facing a crucial test.

For more than 2 years the Caribbean area has been disturbed by plots and counterplots. These plots have in themselves been inconsistent with our common commitments not to intervene in each other's affairs. Increasingly, however, denunciations have been succeeded by overt attempts at military adventure. Since 1945 few nations in the Caribbean area have escaped involvement, and at times the entire area has approached a state of political turmoil.

This situation is repugnant to the entire fabric of the inter-American System. The United States could not be faithful to its international obligations if it did not condemn it in the strongest terms. The energies spent in these adventures could much better have been put to use for peaceful purposes and improving the lot of the ordinary citizen. Aggression or plotting against any nation of this hemisphere is of concern to us. Wherever it occurs, or may be threatened, we shall use our strongest efforts, in keeping with our international commitments, to oppose it and to defend the peace of the hemisphere.

Only last Wednesday the Inter-American Peace Committee, meeting at the Pan American Union, set forth the principles and standards that bear on this situation. It is my hope that rigorous adherence to these principles and standards by all American

governments will assure peace, not only in the Caribbean area, but also throughout the hemisphere.

We, the nations of this hemisphere, have a responsibility not only to ourselves but also to the rest of the world to live together in peace and harmony. Together we have played an important part in creating the United Nations. We must live up to the responsibilities which we have thus assumed toward the other member nations. This means, among other things, that we must abide by our regional commitments and maintain peace in our own midst, if all of the countries of the hemisphere proceed along these lines, as we in this country intend to do, there is no reason why any nation in the hemisphere should fear aggression.

DEVELOPMENT OF REPRESENTATIVE DEMOCRACY

What I have said, however, should not be construed as blind adherence to the status quo. We oppose aggression; we do not oppose change. Indeed, we welcome and encourage change where it is in the direction of liberty and democracy. We have worked long and persistently in common with our neighbors toward this end.

We would like to see a world in which each citizen participates freely in determining periodically the identity of the members of his government. This is an objective for which we will continue to work, subject always to our common policy of nonintervention.

In the Americas we have had periods of high hope and periods of bitter discouragement as we have seen democratic institutions flourish in some countries, only to see them subverted in others. We always deplore the action of any group in substituting its judgment for that of the electorate. We especially deplore the overthrow by force of a freely elected government. In such situations we do not cease to hope that the people will regain the right to choose their leaders.

We realize, however, that the attainment of the democratic ideal in any country depends fundamentally upon the desires and efforts of the people of that country. The nature of democracy is such that it can be achieved only from within.

Democracy as we endeavor to practice it is a continuing development toward political maturity -- not a formula to be imposed upon a nation by a self-appointed ruling class, as is the case with certain other forms of government. Its attainment is essentially a spiritual and personal problem to be solved by the people of each country for themselves.

We are encouraged in our purpose by the realization that the strength of democratic institutions throughout the hemisphere today is measurably greater than a generation ago. In spite of occasional disappointments, we note a steady forward progress. The spirit of democracy is alive and bearing fruit.

RECOGNITION

Our policy with respect to recognizing new governments in the hemisphere is not inconsistent with our encouragement of democracy. We maintain diplomatic relations with other countries primarily because we are all on the same planet and must do business with each other. We do not establish an embassy or legation in a foreign country to show approval of its government. We do so to have a channel through which to conduct essential governmental relations and to protect legitimate United States interests.

When a freely elected government is overthrown and a new and perhaps militaristic government takes over, we do not need to recognize the new government automatically and immediately. We can wait to see if it really controls its territory and intends to live up to its international commitments. We can consult with other governments, as we have often done.

But if and when we do recognize a government under these circumstances, our act of recognition need not be taken to imply approval of it or its policies. It is recognition of a set of facts, nothing more. We may have the gravest reservations as to the manner in which it has come into power. We may deplore its attitude toward civil liberties. Yet our long-range objectives in the promotion of democratic institutions may, in fact, be best served by recognizing it and thus maintaining a channel of communication with the country involved. In this way we are also able to discharge our basic function of protecting the interests of our government and our citizens there. Since recognition is not synonymous with approval, however, our act of recognition need not necessarily be understood as the forerunner of a policy of intimate cooperation with the government concerned.

ECONOMIC POLICY

The economic field offers the greatest opportunity for constructive action. Two sets of problems arise. The first are derived largely from the disruptions of the war, and we hope may be described as short-run problems. The second results from the fact that in wide areas the standard of living is still miserably low. This is a long-run problem, although no less urgent.

It was apparent that the war would be followed by a period of economic stress. In some areas the effectiveness of the economic machine had been destroyed. The effect of the war on various relationships which previously had been the basis of world trade -- for example, the reduction in earnings on overseas investment by European countries -- raised new issues with respect to achieving equilibrium. Although the heaviest initial impact of this problem fell on Europe, the fundamental disequilibrium has now extended around the world so that for every country the maintenance of trade and the balance of payments has become a major problem of foreign relations. It was obvious in its initial stage that there could be no real recovery in trade without the revival of production in Europe. Therefore, the European Recovery Program must be regarded not merely as a program to meet the individual problems of the European countries but also to revive the flow of goods to and from Europe. We are all aware of the serious character of the present balance-of-payments problems, and it is one to which we must direct our thoughts in the most constructive way possible.

While material well-being is no guaranty that democracy will flourish, a healthy and prosperous people is a far more fertile field for the development of democracy than one which is undernourished and unproductive. That is why we are and must be preoccupied with the long-term problem of economic development.

The record of our economic cooperation in this hemisphere is substantial. It is one of such proved soundness that it forms the precedent and the basis for the more constructive labor ahead.

For 10 years past a large work of technical cooperation has been under way throughout our countries. Our government participates in this work through many of its agencies, such as the Department of Agriculture and the Public Health Service. Our Institute of Inter-American Affairs is cooperating with agencies of the other governments in outstandingly successful programs to improve basic living conditions. Technicians and administrators from the United States and from the host countries work side by side in partnership with each other. They work among the peoples in the remote countryside as well as in the cities. The Institute of Inter-American Affairs has now been authorized by Congress to continue and to expand this work. These programs have furnished the inspiration and the proving ground for the world-wide program of technical cooperation envisaged in Point 4 of President Truman's inaugural address.

In 1935, we created the Export-Import Bank which has become a uniquely successful institution in the field of economic development. The steel mill at Volta Redonda in Brazil is in full operation and a lifelong desire of many Brazilian statesmen and businessmen has become a reality with a plentiful supply of steel products to complement the vigorous growth of industry in that country. At Concepcion in Chile we shall soon see the realization of another project which has been brought about by the combination of energy on the part of Chilean leaders and cooperation by the Export-Import Bank in supplying the material needs to bring the idea into fruit. There are constructive evidences throughout the Americas of the good use to which Export-Import credits have been put -- in the Artibonite Valley in Haiti, in meat packing plants in Mexico -- in highways in many countries, in ships, power systems, public works, agricultural projects, large and small industrial undertakings. The total amount of loans advanced by the Bank to the other American Republics is over 700 million dollars. Defaults on these loans are insignificant.

[The International Bank and the International Monetary Fund created at Bretton Woods in 1944](#) largely on the initiative of the United States, today are actively contributing to economic development and fiscal stability in this hemisphere. The Bank already has made loans to several American nations for basic development, and the Fund has assisted in the solution of currency problems. Through our representation in both institutions, we shall continue our vigorous support of these constructive policies.

These specific programs represent actual deeds -- not merely words. Nor are they isolated examples, but rather parts of a broad program of economic cooperation which, while

reflecting our national self-interest, can leave no doubt as to our deep and lasting concern with the economic welfare of the other American Republics.

PRIVATE CAPITAL AND PUBLIC FUNDS

Loans of public funds, however, can only be supplementary to the efforts of private capital, both local and foreign. This country has been built by private initiative, and it remains a land of private initiative. The preponderance of our economic strength depends today as in the past upon the technical and financial resources and, even more, upon the abilities and morale of private citizens. I venture to say that the same thing is true of the other American nations.

In providing assistance for economic development, it would be contrary to our traditions to place our government's public funds in direct and wasteful competition with private funds. Therefore, it will be our policy, in general, not to extend loans of public funds for projects for which private capital is available. It is our purpose, also, to emphasize the desirability of loans which increase productivity.

Nor do we necessarily believe that rapid industrialization is good per se. Industrial development is an important factor in raising living standards, and therefore we have cooperated actively to this end. However, we feel that a balance should be achieved between industry, agriculture, and other elements of economic life. In many countries, large and small, the greatest immediate progress toward material well-being may be made through modern and diversified cultivation of the land. Irrigation projects, the use of agricultural machinery, the restoration of old land through fertilizers - these simple measures may do more to raise the standard of living than a dozen new industries.

We have had these principles in mind in elaborating the Point 4 program. Because we believe that the job ahead should be done primarily through private initiative, we have requested Congress to authorize the Export-Import Bank to offer certain guaranties against risks peculiar to foreign private investment.

We hope that the flow of private capital can be stimulated also by the negotiation of treaties to create an atmosphere favorable to increased private investment abroad. We are concerned with two types of treaties: first, treaties to avoid double taxation; second, treaties to define our economic relations and give reasonable assurances to our investors while safeguarding the interests and integrity of the other country.

SPECIAL NEEDS OF COUNTRIES

We believe that this general program can best be developed in full consideration of the special needs of individual countries. The conditions of the various nations of the hemisphere differ widely. Nor can all of our international problems be dealt with in the same way. In the field of economic development we have a common goal of high living standards and increased trade - just as in the political field we have a common goal of security and

individual freedom. However, the process of economic development depends upon the efforts and resources of each individual country. There is no common formula. To be sure, the process can be facilitated in various ways by international organizations, such as the United Nations and its specialized agencies and the Organization of American States. But, in the last analysis, it depends upon the energy and resources of the individual countries themselves. The United States is prepared to lend its assistance, both directly and through international bodies, to working out specific programs with individual countries. Possibly this principle might be expanded to the working out of regional programs if two or more countries should seek to plan jointly for economic development.

I cannot stress too strongly that progress will come most rapidly in countries that help themselves vigorously. Economic development, like democracy, cannot be imposed from outside. Positive self-help is also essential to establishing conditions of economic stability and of fair treatment for private investment and the rights of labor. In countries where such conditions are provided, it will follow that we can collaborate more effectively in working out development programs. Public and private capital will be attracted more readily to such countries. While this is dictated by logic rather than emotion, it has been our experience that these conditions are generally founded in countries where constitutional and political democracy exists.

CONCLUSION

These then are our three major objectives - the security of our nation and of the hemisphere; the encouragement of democratic representative institutions; and positive cooperation in the economic field to help in the attainment of our first two objectives. If I have said nothing new tonight, it may well be because, in a family of nations as in families of individuals we should expect nothing more sensational than growth.

We can take satisfaction in the stability of our policy in the hemisphere. The good-neighbor policy as we practice it today is, for us, an historic, bipartisan, national policy. It has been wrought by Democrats at both ends of Pennsylvania Avenue -- President Roosevelt, Secretary Hull, and Senator Connally, and also by Republicans at both ends of the Avenue -- President Hoover, Secretary Stimson, and Senator Vandenberg. And this by no means exhausts the distinguished list who have contributed to this great policy.

It is the firm intention of President Truman, as it is of myself as Secretary of State -- of the entire personnel of my Department and, I believe, of the people of my country -- to work for ever closer relations between the nations of this hemisphere. We seek by positive good will and effort to strengthen the Organization of American States, within the more extensive design of the United Nations, as the most effective expression of law and order in this hemisphere.

We and the other American Republics have determined and pledged ourselves to carry on our common policy of the Good Neighbor as a living and constantly growing reality.

Source: Avalon Project. Yale University.

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