



DOMINICAN  
REPUBLIC



ECUADOR



EL SALVADOR



CUBA



GUATEMALA



COSTA RICA



HAITI

# PLAN FOR THE ADVANCEMENT OF LATIN AMERICA



COLOMBIA



HONDURAS



CHILE



MEXICO



BRAZIL



NICARAGUA



BOLIVIA



PANAMA



ARGENTINE

Speech by  
Fidel Castro  
Buenos Aires  
May, 1959



PARAGUAY



VENEZUELA



PERU



URUGUAY



UNITED STATES

**PLAN  
FOR THE  
ADVANCEMENT  
OF  
LATIN  
AMERICA**



PERCENTAGE OF POPULATION ILLITERATE  
IN THE 21 NATIONS OF THE ORGANIZATION  
OF AMERICAN STATES

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(\*) Figures from most recent publications of the United Nations.

PERCENTAGE OF POPULATION WITHOUT  
WATER SUPPLY IN CITIES OF MORE THAN  
2,000 INHABITANTS IN THE 21 NATIONS  
OF THE O. A. S.

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(\*) Figures from most recent publications of the United Nations.

**Forty-four percent (almost half!)  
of the children born in Latin  
America die either at birth or before  
they reach five years of age.**

**In North America less than eight  
percent die before they reach five  
years of age.**

(\*) Figures from most recent publications of the United Nations.

*Translation of  
A Speech by Dr. Fidel Castro,  
Prime Minister of Cuba,  
at the Sixth Plenary Session  
of the Economic Council  
of the O. A. S.  
in Buenos Aires, Argentina  
May 2, 1959.*

Honorable Chairman and Delegates:

**F**IRST I want to apologize for having broken a rule of procedure by not speaking from my chair, but I am totally unaccustomed to speaking while sitting down. Furthermore, if I were not standing, the reporters' invasion of the platform would prevent me from seeing the rest of the delegates.

I thank you, Mr. Chairman, for the words of welcome with which you received me, and at the same time I want to express what an honor it is for me to be able to attend this meeting.

We Cubans expect the discussions of this meeting to have important and far-reaching results, and our interest in this meeting is demonstrated by our presence here.

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There are two reasons for our interest: First, we believe that economic development is of profound importance for the people of Latin America. Second, we are convinced that the hour has arrived for the people of Latin America to make a serious effort to get to the roots of, and to find a true solution for, our problems. And that solution is economic.



So from the very outset we do not hesitate to declare our support for the worthy proposal made by the Honorable President of Brazil. To that much needed proposal we give our most enthusiastic backing. Although we were not present at the beginning of these discussions, we have spent the time that we have been in this country—a little more than thirty hours at the most—carefully reading all the speeches made by the various delegates.

I have not brought a written speech. I want to be sincere, so I prefer to risk speaking extemporaneously. A typed script does not always say what we think.

And since we place our confidence in the truths that have become evident to the minds and hearts of the people of our continent, we must not hesitate to state clearly what we feel.

I am without experience at this kind of meeting, and besides, we have just begun governing in our country. That may be why we are able to give a more direct expression to the thoughts and ideas of the people. We still feel ourselves to be part of the people, rather than members of the Government.

We speak here as part of the people and we speak on behalf of a people who are living through an exceptional moment in our history and have great faith in our own destiny. I come here to speak in terms of that faith and with the frankness of our people.

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Listening attentively to the speeches that have been made here, and reading those that were made earlier, we have found excellent oratory, extraordinary remarks and a great deal of evident truth.

Without a doubt, the able men of our continent have usually, in the international conferences, been able to weigh clearly the various aspects of the problems that affect the interests of Latin America. Without a doubt we are clear-thinking enough to analyze and understand our problems. Without a doubt we bring those problems clearly into focus and agree about the [proper] solutions. Where we fail is that many times those solutions do not become realities. For this reason, the international conferences usually develop into no more than oratorical tournaments.

And consequently I must say, in all frankness, the people of our countries learn very little, if anything, about—and are concerned very little, if at all, about—the matters discussed in the

international conferences. Very little, if at all, do the people of Latin America believe in the solutions agreed upon at the international conferences.

The people of our countries simply have no faith. And they have no faith because either they see nothing realized, or what they do see realized many times contradicts the principles adopted and proclaimed in the international conferences. The people have no faith because for many years they have been waiting for true solutions and have not found them.

Therefore, we should begin by recognizing this fact: The peoples of Latin America have lost their faith in the international organizations that should represent their respective countries, international organizations in which the interests of the people of the various nations often fail to receive true expression.

So it becomes necessary to revive the faith of the peoples of our countries, and the faith of our peoples cannot be revived by making promises to them. The faith of the peoples cannot be revived by stating theories to them, nor by addressing rhetoric to them. The faith of our peoples can be revived by accomplishments, by realizations, and by true solutions.

We should keep very much in mind that the most terrible degeneration that can take place in a man or in a nation is the degeneration that follows loss of faith and loss of self-confidence.

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We should very conscientiously consider the possibilities of achieving a final solution to our problems. Such a final solution can be brought about principally by a united effort of all the countries of the hemisphere, and [is possible, to a great extent,] because of the concepts we hold in common.

Our needs coincide completely, our aspirations coincide completely, and we the nations of Latin America have the same plans for the countries of Latin America.

We must not forget that our peoples are flesh-and-blood realities, that the satisfaction of their needs is urgent, that the economic and political problems of Latin America are serious. Not to find adequate solutions in time would show unpardonable blindness on the part of the leaders of the nations of Latin America.

Without the least doubt, all of us hold essentially the same point of view. All of us are clearly aware of the needs of our

peoples, because those needs are not difficult to determine. They are not difficult to see. All of us are affected by identical problems.

When we differ, we differ simply in the way we approach the solution of our problems, but, fundamentally, we all know what our problems are. And since we know what accounts for our problems, we may not be far from knowing how to solve them.

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As we understand it, the lack of one clearcut plan is simply the result of the influence that old ideas exert over us. Today we should face problems of today. However, we often call upon old ideas when we are trying to solve problems which, I repeat, require new solutions.

I would say that it is important [to consider] more than just the formulas being shuffled back and forth in an attempt to solve our problems. The cure for our economic problems depends on the **degree of conviction** with which we are going to **apply** the remedy to our ills. What matters most is the **amount** of medicine with which we treat our ailments.

We might arrive at adequate, correct, conclusions regarding the solution of our problems and yet approach those solutions with discouragement or skepticism, or in the erroneous belief that the ills we know —enormous as we know them to be, widespread as we know them to be, and complex as we know them to be— are going to be cured by using a dosage of medicine far too small. We have a tendency to apply anesthesia and painkiller rather than corrective medicine. Soon we find ourselves once again with the same complaints. So the courage with which we begin this work is the most vital consideration.

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I am one of those men who believe firmly that any obstacle, no matter how difficult it may be, can be overcome when it is faced with true determination to overcome it. For us, for this continent, for all the nations of this continent, for all the peoples of this continent, and for all the governments of this continent, the problems implied in the underdevelopment of Latin America

are problems of greatest importance, with the most far-reaching effects.

More critical, perhaps, than what has been said here by the representatives of the various countries of Latin America attending this meeting are certain other situations known to all of us. The delegates of the various countries represented at this meeting cannot ignore the problems of each and every one of the peoples of Latin America. We delegates cannot ignore the specific and concrete suffering in the rural areas of our various countries. And the democratic representative governments that are the majority of those represented here know the dangers which —as a consequence of the problem of underdevelopment— threaten every one of our representative democratic constitutional governments.

It has been said here that one of the causes for underdevelopment is political instability. Perhaps the first very evident truth that should be established clearly is that the political instability of the governments, the political instability of the nations of Latin America at this time, is not the cause for underdevelopment, but is, rather, the consequence of underdevelopment.

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This is one of the fundamental truths that must be stated. This is not a matter that calls for retracing our history, although our history was complex and although our history followed a course different from the course followed by the history of the colonies of the United States. To comprehend the present reality of a score of underdeveloped nations —nations whose underdevelopment we absolutely cannot try to explain by attributing it to their instability—the right thing to do is to contemplate the contemporary world.

All of us who have something to do with the work of governing, all of us who share the responsibility for the governing of a country, can see this truth clearly whenever we study our internal problems.

Some of us have a great deal of experience in governing. Others of us have less experience inasmuch as we have only recently undertaken our governing responsibilities. However, although we are not very experienced, we are absolutely honest. We are well endowed with ideals and we are fervently devoted to doing everything that is best for our people.

But there is something more. All of us know what prodigious efforts the peoples of Latin America have made in the last ten

years trying to free themselves from the military dictatorships. All of us are conscious of the sacrifices that our peoples have made. All of us are aware of the hopes that those sacrifices have awakened in our peoples and the hopes that the victories of the democratic regimes have awakened in the hearts and minds of the people of Latin America.

All of us cherish the dream that the last of the tyrannies will soon have disappeared forever from the face of our continent. However, this may be a mere illusion.

No one here would be able honestly to affirm how much longer several constitutional governments of Latin America are expected to endure, how much longer this era of democratic awakening, that cost so much sacrifice, is expected to endure.

No one here would be able honestly to affirm how much longer the constitutional governments can endure while they remain trapped in conditions of cruel need, in conditions that give rise to all kinds of social conflicts and offer opportunity to those who are waiting for the vulnerable moment to seize power, once again, by force.

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How is it possible for democracy to be preserved under these conditions? We have declared the democratic ideal to be the ideal of the peoples of this hemisphere. We have declared that the democratic ideal is the ideal that can best satisfy the dreams of the peoples of this continent.

Nevertheless, the economic and social conditions of Latin America make it impossible for our peoples to attain their democratic ideal.

Be it a dictatorship to the left or a dictatorship to the right, a dictatorship is a dictatorship, and [those in power] completely deny the principles toward which the peoples of Latin America aspire. If we are sincerely worried that our countries might fall into the hands of dictatorships of the left, it is only fair and honest to show equal concern lest our countries fall into the hands of dictatorships of the right.

After all, the true democratic ideal is what Latin America wants, what Latin America aspires to. We show the people one face of evil and hide from them the other face, equally ugly, of that same evil.

The very ones who deprive the peoples of their freedom, on their own soil, very often speak to them about democracy. The very ones who mock democracy speak to them of democracy. The people see nothing but contradiction on all sides.

For this reason, our people have, unfortunately, lost faith. They have lost the faith that is in these moments so necessary for the preservation of the Pan-American ideal—which is not theoretical democracy, not “democracy” with hunger and need, and not “democracy” under terror and oppression.

The Pan-American ideal is true democracy with absolute respect for the dignity of man, true democracy in which all the human liberties prevail, true democracy in a regime of social justice. The peoples of Latin America want *ni pan sin libertad ni libertad sin pan* (\*).

Although this is a meeting to discuss matters of economy, I am not the first speaker to refer to problems involving other principles of interest to all of us. Furthermore, I do not see how the economic ideal can be separated from the political ideal. I do not see how the political problem can be isolated from the economic problem.

We said that underdevelopment is an insidious enemy of constitutional governments, governments that find themselves so strangled by conditions of poverty that they are pushed into the grip of armed minorities. We made this statement precisely because we have known two kinds of governments.

We have been subjected to strong-arm governments that suppress all the liberties—freedom of press, freedom of assembly, freedom of association, freedom of election—and use fire and sword to maintain the so-called peace and order, about which they do so much bragging. Under these governments of strong-arm rule, resentment grows, poverty worsens, suffering increases.

So, as soon as the people can overcome the restrictions imposed on them, they put constitutional governments into effect. Full of dreams and with their hopes high, they begin to exercise the rights that the new regime guarantees them. They begin trying to satisfy all their needs as quickly as possible.

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(\*) *Ni pan sin libertad ni libertad sin pan*: approximately equivalent to “Neither Freedom with Famine, nor Plenty without Freedom”.

Then, since the tremendous problem is precisely that there are not enough resources to satisfy their needs, since the resources available do not reach far enough, all kinds of conflicts arise. These conflicts are forthwith called disorder. These conflicts are forthwith called anarchy by the enemies of democracy, by those who are waiting for the opportunity again to seize power by force.

Neither with theories, nor with arguments, nor by reasoning can the democratic governments solve these problems that become ever more acute. So the theory is advanced that in order to attract investments, there must be complete peace and order. The theory is advanced that in order to attract investments, there should be no strikes. In other words, these are the requisites often cited for economic development of a country.

But what is never explained is just how such conditions can be achieved by the use of democratic procedures and without placing further restrictions on the people, without further depriving the people.

What democratic government can stay in office after placing restrictions on the people, after further depriving the people in order to comply with the conditions demanded as requisite for capital investment, sacrificing thereby its popular support at the very time that the armed minorities are waiting for the democratic government's vulnerable moment in order to seize power?

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How can a constitutional government solve this tremendous dilemma if we are going to accept, after all, the contention that the only solution is strong-arm rule, which indeed solves nothing, but, rather, aggravates the evils that may be manifest under the ideal system of government and furthermore obliges us to renounce completely the democratic ideal?

What would become of Latin America if the constitutional governments that exist today should fall into the hands of the armed minorities?

How can constitutional governments solve this tremendous dilemma?

What destiny awaits Latin America if we do not find a solution to our problems?

What destiny awaits Latin American if those minorities which

understand no solution except terror, brutality, exile, imprisonment, and the destruction of all human rights should seize power precisely in these moments when our problems are most critical, precisely in these moments when our birth rate is rising, and our economic development is static?

What alternative is left to the peoples of Latin America?

What consequences this would produce! And if this were to happen, who could stop the tremendous conflicts that might lead to a terrible civil war, to a tremendous struggle between the [ideologies] that are disputing for control of the world today? Who can be sure that this course of events will not cause Latin America to risk being estranged from the ideals of democracy, the ideals of this continent?

Fear is not involved in this consideration. I concur with the statement of the Delegate from the United States in that we are not alarmists when we mention this possible course of events. No. There can be no ulterior motive in stating realities. There can be no ulterior motive in pointing out evil.

The United States is disturbed at the possibility that Latin America might have such a fate; but Latin America is even more determined that we should not have such a fate. Latin America does not want to be converted by neglect, by mistake, or by lack of clear and timely vision, into a battlefield like those battlefields into which other parts of the world have been converted.

Therefore, when we speak as we do we are thinking about the interests of Latin America. Latin America faces dangers that the United States does not face. We have problems that the United States does not have. In the United States, political stability is guaranteed by economic stability, together with other unique factors. Therefore it is sometimes difficult for the United States to understand the problems of Latin America.

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In the eyes of those who have not had problems like ours, we sometimes seem to be a race incapable of self-government. To them, we seem to be a race incapable of solving our own problems and it

is easy for all this to be attributed, falsely, to the fact that our background is different from theirs.

So it is necessary to set forth these truths here. It is necessary to point out that the trouble is not in us, that the trouble is fundamentally in our economic and social conditions. It is necessary to point out that we have not had the good fortune to be able to develop our countries as much as the Northern Countries have been able to develop theirs.

It is necessary to point out that the fault does not lie in the Latin American's capacity to govern himself. What is at fault is not the intelligence of the Latin American. The source of all our ills is to be found in the tremendous economic problems that the nations of Central and South America have been cursed with since the very beginning of Latin American history.

It is right for these truths to be declared, and they should be declared frankly, because we know very well that by stating them we are doing harm to no one. To the contrary, it is very harmful to us for these truths to be withheld.

So we should declare the truth, first to our fellow Latin Americans, and then to the delegates of the United States; and finally, we should repeat it in an appeal to public opinion in the United States. The United States government should pay attention to public opinion there. [The United States delegation] here can do little if our problems are not understood in the United States. That is why Latin America should do what we recently did in the name of Cuba (\*).

We went to the United States to present our problems to the people of the United States. We can add that to our pleasant surprise, when we appealed to public opinion there by presenting the truths that we Latin Americans are often afraid to say here in these meetings, the people the United States understood those truths and applauded [us for stating] those truths.

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(\*) Fidel Castro, with a group of aides, rebel soldiers, and others, went to the United States, April 15, 1959, to speak at the American Society of Newspapers Editors' annual meeting in Washington D. C. He also appeared on television programs, spoke at Harvard University, and Princeton University and spoke in Central Park, New York City.

All of us agree that the economic development of Latin America is indispensable. All of us are conscious of our economic backwardness. All of us know, for example, that the consumption of the average Latin American is six times less than the consumption of the average citizen of the United States. The total consumption of our families—our workers, our professional people, our intellectuals—is six times less than the total consumption of these groups in the United States.

All of us are aware that our average income can be raised to the United States standard and even to higher standards only by the economic development of our countries.

We have used the word cooperation because we are aware that under the circumstances that confront us, each of our countries can, by itself, do little or nothing to advance our economic development.

All of us recognize our [economic] impotence and we appeal for cooperation. However, I ask myself: What can we the nations of Latin America offer each other? What can we share with each other? The deficit payments, the poverty, and the economic crises that we all have in common?

When we speak of cooperation, we are thinking of the countries able to extend to us the cooperation we need. For our part, the peoples of Latin America must cooperate by making every effort to establish a standard of absolute honesty in government. If we want the standard of living to rise equally in all our countries, we the peoples of Latin America must set up high moral standards.

Even if foreign capital were equally distributed to all our countries, Cuba, for example, might progress while other countries might remain backward, because the political systems of the latter might permit the capital intended for industrialization to be diverted into the private hands of a dictator, or capital might be invested in a way that would not bring benefit to the people of the country in question, but, instead, would make the dictators more powerful by making them still richer. In this way certain nations of our continent might fail to receive the advantages that should result from the cooperation that we seek.

No system of government is more corrupt than a dictatorship. It is true that some constitutional governments are also corrupt, but the constitutional governments must be careful because they have to submit to elections; and if there is true democracy, if the citizens really vote, the governments can lose these elections.

Furthermore, in a democracy public protest serves as a check on corruption.

In a democracy, freedom of expression serves as a check.

In a democracy, the electoral process serves as a check and this electoral process is repeated every few years.

But in a dictatorship, none of these checks can exercise an effect. A dictatorship can steal ten, fifteen —not millions of pesos, but *years!*— fifteen years, twenty years or even more. Nobody accuses the dictators. Nobody denounces them. Nobody is permitted to accuse them or denounce them. Nobody reproaches them. And nobody replaces them.

So, parallel with the effort for economic advancement, the peoples of Latin America should make an effort toward moral reform. We must realize that when high moral standards are set up, when it is made difficult for certain rulers to obtain aid (for the reason that they represent neither the interest of their peoples nor the will of their peoples), then we will not only be improving the political conditions of the countries of our continent, but we will also be improving the economic status of the countries of our continent.

Our cooperation should not be allowed to bolster up dictatorships. That is one of the risks we might run unless we agree that dictatorship is not the system of government ideal for economic development, and unless we agree, further, that administrative corruption is degrading, is a discredit to us. Administrative corruption conspires against economic development.

We democratic governments should not be satisfied just to be democratic. We should also be honest. To enstate honesty is a major part of our cooperation in improving our economic conditions.

We must keep very well in mind that we should not, in these conventions or meetings, represent the interests of minorities. Here we should represent interests of majorities. With this in mind, we should commit ourselves and our peoples to whatever sacrifice may be necessary, and we should not ask sacrifices from just one group—the workers, for example—and fail to ask sacrifices from the other groups in the country.

In an undertaking of this kind, equal sacrifices must be made by all groups in the country. This is something that can be understood perfectly well on every economic level, just as it has been understood

in Cuba. In Cuba the government is carrying out its work with the support of the majority in each economic class in the country [all] motivated by a great national interest.

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Everything depends on our ability to lift the people out of this state of lethargy in which they have been living. Everything depends on encouraging them in their great hopes for the future, the same great hopes all Latin America holds for the future, the same great hopes the entire continent holds for the future.

Industrialization has been discussed here. We in Cuba are confronted with this problem and we know there is only one way to provide jobs for our 700 thousand unemployed.

We are not going to give them worthless currency. Nor can we feed them from the air. We are not going to employ them in some unproductive work tantamount to digging one hole to fill another. The unemployment problem can be solved only by establishing industries. But when we set out to establish industries, we find the following problems:

In the first place, the industries must be paid for, not in pesos but in gold or dollars, and we do not have enough gold or dollars. So, how are we going to acquire these industries?

In the second place, we could acquire industries by trading our own products [for factories and equipment]. But here, too, we find that we do not produce enough to trade, because what our respective countries produce barely suffices to pay for the consumer goods we import and, in many instances, not even for that.

Furthermore, even if we had resources of our own or even if we could industrialize our countries, we would find ourselves with the handicap that there are certain industries which our respective domestic markets alone cannot support. The case of the printed goods industry and the case of the automobile industry are examples of industries we cannot support by our own domestic market, just as the big investment required to set up laboratories to produce antibiotics is not justified for a limited market.

So we find there are many industries that our countries cannot establish because there is no market for them or because the market for them is too small. It is for this reason that we have come to the conclusion that our market must be increased.

How? By selling to a common market in all Latin America.

Of course, a common market in all Latin America cannot be achieved from one day to the next. It is necessary to make serious adjustments and to study all aspects of this problem.

But we should state here that a common market is one of the goals which we aspire to reach. Inasmuch as our limited markets prevent us from developing certain industries to the extent that would justify the investment they require, a common market would represent a step forward in the progress of the underdeveloped nations of this hemisphere.

There are other factors. The industries that produce goods for domestic consumption need an extensive domestic market because no industry can prosper when there is not a big enough market for its products. Another tragic circumstance in Latin America is the fact that the majority of the population lives in the rural areas and has no purchasing power. So in Cuba, we have found a two-fold solution to our present problem: Land Reform and Industrial Development.

If the farmers of our country do not have enough income [to have purchasing power], to whom are the industries going to sell what they produce? We have reached the conclusion that the Land Reform is indispensable to our industrial development and we believe, furthermore, that the extraordinary number of unemployed can be reduced only when some of them are employed [in agriculture] producing for the consumption of factory workers and others are employed in factories producing for the workers in the rural areas.

This is technically known as increase of agricultural productivity and production. But it must be given a better oriented name. Instead of being called by a technical term, this process should be called "Land Reform".

Since the problems of Latin America are like those of Cuba, land reform is the only way to solve them.

In the tax system it is necessary to avoid placing a great burden on the very ones who have the least and it is necessary that fair tax systems be set up. Therefore, when any people honestly wants to solve its problems, every group must be willing to make the needed readjustments and sacrifices.

Our countries all have tremendous expenses. For example, in certain countries, expenses of the armed forces absorb a considerable

part of the national budget. I know that these are problems difficult to solve, but I want to point out that the countries of Latin America should cooperate to bring about the improvements that are within our reach.

Certain advances do not depend on poverty, but, rather, depend on us. To be honest, it is necessary only to be determined not to steal. To be so determined, it does not matter whether there is poverty. What is needed is a sense of decency, honesty and loyalty in those who govern. Cooperation [on the part of the countries of Latin America] is fundamentally a question of our cooperation in a great effort to bring about the conditions best for the economic development of Latin America.

As far as capital is concerned, hadn't we agreed that if we cannot sell our products in sufficient quantities, we will never be able to count on resources of our own? How are we going to save? By subjecting our peoples to still more hunger?

How are we going to get the capital? At this point I am going to state the viewpoint of the Cuban delegation.

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There are three ways to obtain capital: By saving. By obtaining financing of our own. Or [by accepting] private investments. I understand that economists until now have discovered no other way.

Saving would be a solution if we could freely sell all we produce. If the most industrialized country, which is the United States — and with which our commercial relations are fundamental— and Canada should remove all the protective tariffs that affect our basic products, if they should remove the subsidies on those articles, we could sell to them everything we produce, and thereby obtain the gold and dollar reserves necessary as capital for our industrialization. If Cuba, for example, could sell eight million tons of sugar, we would be able to obtain the capital needed for our industrial development.

But such changes would imply a change in the [economic] structure of the United States. I am not going to be Utopian, because our own experience has taught us the difficulties that as a result of certain well established interests — are always to be encountered when an attempt is made to eliminate some of those [import] restrictions.

We are aware that such a change on a scale large enough really to allow a considerable increase in our exportation of primary products, would be one of the most difficult ways for the United States to cooperate with us.

Such a policy change would be difficult for the United States to put into effect unless in the future they should adopt the policy that England once adopted: that is to concentrate their national effort mainly on the production of manufactured goods.

They could do that. The United States is one of the countries in which the index of agricultural productivity is highest and in which only a small part of the population is engaged in agriculture. But, I repeat, we should keep in mind that, at present, it is highly improbable [that such a change be made] —at least, as we see it.

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The other way to obtain capital is by private investment. This is the formula that has been proposed lately as a solution, but it is no solution. On other occasions when possibilities for our economic development have been studied, it has been insinuated, it has been more or less implied, that private investment could provide the capital for industrialization, but that certain previous conditions are required for private investment,—to begin with, a "climate" [safe for investment].

What is meant by a "climate" [safe for investment]?

In the midst of seven hundred thousand unemployed can there be a "climate" [safe for investment]? Can there be a "climate" safe for investment where the population has such a low average income? It is well known that when a country attains even a modest [improvement in their] standard of living, it is very difficult to reduce their standard of living. By reducing the standard of living constitutional governments forfeit their popularity. And loss of popularity, to a constitutional government, means loss of the [privilege of governing].

A "climate" [safe for investment] cannot be achieved in the midst of conflicts that stem from hunger, poverty, and unsatisfied needs. Only by force can such conflicts be suppressed, and whenever they are suppressed by force, by fire and sword, democracy is discarded.

Then, how can we achieve this required "climate" [safe for investment]? Could the problem of Latin America as a whole be solved by private investment? We are discussing solutions for all

the countries of Latin America. Private capital would go to those countries with the best conditions, those countries which are in the best economic situation and in which, for that very reason, the social conflicts are less. Private capital would not go to the countries in which the greatest social conflicts appear. Then, large areas of the continent would remain neglected and abandoned to their own fate. Private investment would not solve the problem in these areas.

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Furthermore, there are investments which do not interest private capital—for example, hydroelectric plants that require a 200 million or 300 million dollar initial investment. Private capital prefers to exploit petroleum resources. That is a sure investment. Private capital is not interested in certain kinds of investment that do not produce big profits. As a result, those investments have to be financed by loans, rather than by private investments.

Can we expect the "climate" for those investments to improve? How can the precarious governments of Latin America believe that private investments are going to solve our problems in the future? Since certain problems have not been solved in thirty years, how can we believe that they are going to be solved now, precisely when our rate of development drops and there is even greater unrest?

Even if private investment could provide all the capital we need, we are all aware of the potential industrial disputes between labor and management. So, at a given moment, conflicts would arise between the companies and the workers. When such conflicts involve workers and companies of the same country, the problem is an internal problem. But when conflicts arise between companies from North America, for example, and workers of some other country, the trouble takes on an international aspect, and we are confronted with another issue to further aggravate friction and misunderstanding between the two countries involved.

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If we want to solve our problems in the most harmonious way possible, with greatest mutual understanding, and in the best



possible spirit of friendship between all nations of the continent, we should learn from experience and realize that we must seek final solutions, not solutions that will [serve us] for ten or fifteen years and then become problems.

We are not opposed to private investment. But in our industrialization program the private investments we should encourage are those that can be made by private sources of capital within our respective countries. Funds should be made available to them by government credit institutions, mobilizing resources provided through international credit institutions. We believe in the usefulness, in the experience, and in the enthusiasm of private investors. But we should hope for the private investments to be made by firms within our respective countries. Does this mean that we will exclude international investors?

No. Companies with international investments will have the same guarantees and the same rights as the national firms.

We are not here to discuss one more time the solutions agreed upon at previous meetings. We are looking for new solutions, solutions that will really solve our problems. Then, we must come to the honest conclusion that the safe "climate" for investment under discussion here is a condition we are unable to offer. We should also recognize the fact that private capital goes where conditions are best. The most backward countries cannot achieve that "climate" [safe for investment].

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So the third type of investment, the one that is made through public financing, remains [for our consideration]. Why not agree that under the present conditions the best way to cooperate in a program of economic development is through a program of public financing?

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I have read thoroughly the speech of the delegation from the United States. They refer to the cooperative efforts that have been made through various international organizations. They refer to the contribution they have recently made to the Inter American Bank for Development. They refer to the aid that, in certain cases,

has been given to certain countries. All this is true. The contribution that has been made through these organizations is an important contribution, but it has not been sufficient.

I do not say that the spontaneity with which their help has been given has been insufficient. But I repeat that the help itself has [obviously] been insufficient because, otherwise, why is Latin America still underdeveloped, notwithstanding our countries' access to those credit institutions?

Of the billion dollars of capital in the Inter American Bank 500 million dollars represents contributions made [with great difficulty] by the countries of Latin America. [It must be remembered that] our countries have inflationary conditions, that our money is soft currency, and that for money to be acceptable in the Interamerican Bank, it must be backed by gold and dollar reserves.

The funds that hemispheric cooperation has, thus far, made available to us are not sufficient.

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As the delegation from the United States says, it is true that the United States contribution has meant sacrifice on the part of the United States taxpayer. But the people of the United States, because of their strong economy, can make the sacrifices that underdeveloped countries cannot make.

At other times the United States has made those sacrifices, not to benefit the peoples of Latin America, not to help in this hemisphere, but, rather, to help in Europe, in the post-war reconstruction and in even more distant areas such as the Middle East.

The people of the United States have made sacrifices to provide foreign aid, but that foreign aid has not been directed to the peoples that are most closely linked to the United States by tradition, by policy, and by their economic situation. Why can't the peoples of Latin America look forward to receiving from the United States the kind of backing and the kind of facilities that they have extended to other parts of the world?

We are not asking for a gift of capital for our industrial development. We are proposing that we borrow that initial capital, to be repaid with interest. So the sacrifice of the United States taxpayer will actually benefit the future generations of the United States.

In all our countries, this generation faces today's problems by making sacrifices to help the future generations, because we ourselves will not receive the benefit [from what we propose]. This generation must make sacrifices so that those future generations may have a different way of life, so that those future generations will not have to live in despair but will be given the chance for a better life.

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When we solve our economic problems, we will have established the foundation for the future of humanist democracy, dedicated to the belief that all people are entitled to liberty without want—as good a doctrine as can be found to fulfill the dreams of man.

What we are proposing is not something that will jeopardize the economic interests of the United States. The trade between the rich countries of this hemisphere and the countries of Europe is greater than the trade between poor countries of Latin America and other poor countries of Latin America and greater than the trade between the rich countries [of this hemisphere] and the poor countries [of this hemisphere]. The trade between Canada and the United States is greater than it was before the economy of Canada was developed. The trade between our countries and the United States would increase in proportion to the increase of our development.

We could raise our standard of living by exploiting our natural resources, by building up each of our domestic markets and by creating, at the same time, a common market for all our nations. We will then have all the conditions necessary to enable us eventually to develop as the United States is developed, and the United States then will be even more highly developed than today.

If the two hundred million inhabitants of Latin America were to consume as much as the 179 million inhabitants of the United States consume today, we would have a real foundation for a fully developed Latin America without unemployment. The United States not only provides employment for its own citizens, but also for hundreds of thousands of citizens of Latin America who go to the United States to work.

Recently I had the opportunity to meet with tens of thousands of Latin Americans who are working in the United States, tens of thousands of Latin Americans who have been able to find work there and who have been permitted to work there. They earn good salaries there and yet, they want to be able to come back to their own countries to work, even though they were to earn much less here than they are earning there. I have seen cases of individuals who earn five hundred pesos monthly there and yet ask to be [provided] work for as little as one hundred fifty pesos monthly back in their own countries.

If our countries were to develop, there would be employment in Latin America for all the population that migrates [to the United States] in the maximum number allowed.

At present, if they were able, there are several million Latin Americans who would emigrate to the United States in search of a livelihood that they do not find in their own countries.

When our countries develop, there will be a greater possibility of carrying out the democratic ideal that is the dream of Latin America.

After taking all these considerations into account, where should we direct the effort of Latin America? Toward obtaining initial investment capital through a loan from that country which, because it is the most highly developed, can offer this financing to us.

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The financial consultants of the Cuban delegation estimate that a ten year loan of 30 billion dollars is needed to carry out the economic development of Latin America.

If there is really a desire to develop fully the economy of Latin America, a 30 billion dollar, ten-year capital loan can make that possible.

Nobody should be frightened by those figures. Actually you are all aware of what is needed. The population statistics show the expected growth rate of Latin America and estimate the amount of capital needed to provide employment for a given number of

workers. There is no reason to fear figures. These calculations are based on clear and definite facts.

However, we go around in circles. We write out the equation, but we do not solve the problem—of what is needed and how we can obtain it.

I declare that what we need we can obtain only from the United States and only through public financing. We understand, furthermore, that [a 10-year, 30-billion-dollar loan] is the easiest way for the United States to help Latin America, because experience of recent years shows us that any other procedure, such as that of eliminating the trade tariffs, would be, politically, more difficult.

Furthermore, the large scale loan is the foreign aid program the United States has used in Europe and in the Near East. Why ignore, in Latin America, the program which was considered best for other places and which would benefit both Latin America and the United States?

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When we discussed these international matters with interested and informed persons in the United States and when we made statements to newspapermen and made appeals to public opinion there, we found that there was a real willingness to accept this foreign aid thesis, inasmuch as there is no other substitute, no other way really to solve our problems.

We spoke politely and without reserve, because nobody should be afraid to speak the truth [especially] when, in his own judgment, the truth is to the advantage, not of one, but of all.

Public opinion and the government of the United States will be convinced of the truth stated here. Not many days ago it was reported in the press that three United States senators had begun taking steps in this direction.

The important thing is that we should be convinced, that we should conclude with conviction, that the solutions I have discussed are the true solutions and that the assistance that Latin America needs should be made available in **the amount** needed to solve, really to solve, the problem of underdevelopment. Not to solve it half way but to solve it completely, so that we can build the lasting foundation for a democratic family of nations in this hemisphere.

I consider that I have done nothing more than my duty by setting forth these ideas at this meeting.

Thank you.

A copy of this material is filed with the Department of Justice where the required statement under the Foreign Agents Registration Act of the 26th of July Movement in the United States as an agent of the 26th of July Movement of Cuba is available for public inspection. Registration does not indicate approval or disapproval of this material by the United States Government.