

Supply—External Affairs

The Deputy Chairman: Before I leave the chair, may I remind members of the committee that we resume our sittings at 7.30 p.m. this evening and not 8 p.m.

At six o'clock the committee took recess.

AFTER RECESS

The committee resumed at 7.30 p.m.

Mr. Sevigny: Mr. Chairman, at six o'clock I had just mentioned that the members, delegates and observers who were at the conference at Punta del Este were stunned by the magnitude of the aid which was offered to Latin America by the United States. I should like to place before the committee a list of the main points of this aid which has been offered. They are as follows:

(a) an undertaking to commit aid on a long term basis by which it is hoped \$20 billion of outside capital, public and private, can be injected into Latin American economies over a ten-year period. The target is to achieve an increase in real income of 2.5 per cent per person per year. The United States delegation was effective in giving other representatives the impression that an all-out effort would be made.

(b) recognition that aid must be supplemented by practical measures to raise the export earnings of recipient countries, including a lowering of United States trade barriers to the products of Latin America and a sympathetic approach to commodity agreements and measures for stabilization of prices of basic commodities. In particular, the United States undertook to participate in a workable coffee agreement to be negotiated in September.

(c) offer of a crash program for emergency aid to make an immediate impact in the areas where the social and political situation is most dangerous. Claims on this program must be presented within 60 days and the funds to be allocated are estimated to be in the neighbourhood of \$300 million. This is a reflection of the argument clearly brought out in the conference that revolutionary turmoil threatens chiefly the smaller Latin American nations. The objective is to maintain political stability in these areas while long term projects get under way.

(d) concrete demonstrations of the acceptance of planning, a concept to which the United States delegation at the San Diego ECLA conference had earlier given official blessing. This implies more or less an acceptance of the strong possibility that national and multinational economic planning in Latin

[Mr. Sevigny.]

America often may not act to the advantage of existing United States commercial interests in this area.

The conference then endorsed the principle of co-ordination of national development plans and approved the appointment of a panel of planning experts to carry out this role and to assist in the formulation of national plans, in the acquisition of necessary financing from the inter-American development bank, the United States government and other sources. The planning group, although normally independent for administrative purposes is to come under the secretary general of the organization for American states. This arrangement seems likely to enhance the prestige and importance of the organization.

It was indeed fortunate that the United States could speak and make its offer of aid before the Cuban delegation could make its own declaration. As expected, the speech of the leader of the Cuban delegation, Mr. Ernesto Ché Guevara, was a violent attack on the so-called American imperialism and almost an appeal to all Latin Americans to rebel against the power of their strong northern neighbour. Mr. Guevara cut quite a personable figure at the conference. He was dressed in the well-known Cuban battle-dress suit, had the familiar well trimmed beard, was surrounded by the most horrible looking and presumably armed bodyguards, and put on quite a well rehearsed theatrical performance.

Mr. Guevara is very young. He is only 31. He is quite obviously an intelligent man and has acquired most of his training by intuition. But he has a natural talent for the stage and a definite talent for eloquence. His performance would have been worthy of an Oscar if Oscars were given for such performances. It was dramatic and the audience of 1,000 clearly enjoyed the show that our friend Guevara put on. But the hollowness of his arguments and the obvious efforts which were made to break up the unity of the conference met with the indifference which that speech deserved. It became apparent that all delegates were strongly united behind the position adopted by Mr. Dillon and the United States delegation.

It seems that Mr. Guevara, after he had finished his speech, fully realized that he could not carry on with his initial stand and, as a result, the Cuban delegation became much more co-operative as the conference progressed. It advanced proposals and amendments which made sense and which, at one point, were in fact unanimously accepted. Many delegates, towards the end of the conference, even had the impression that Cuba was willing to conciliate and find a basis