

edged Europe as a cornerstone of its foreign policy. The U.S. and Europe are joining in political discussions on a number of areas, most notably on Africa, and on global economic problems. The Carter Administration has also pursued human rights objectives in Eastern Europe, with some success. However, Carter Administration policies have irritated European friends. Until late 1978 the U.S. allowed the dollar to deteriorate to a point alarming to its allies. Carter finally undertook massive rescue efforts in November, but it seems likely that management of the dollar, as well as the management of the U.S. economy in general, will continue to be a source of tension between the U.S. and Europe. The Administration has also angered several countries, most notably France and Germany, by its approach to the energy problem. Overall, the relationship between the U.S. and Europe appears to be healthy, but there is a danger of increasing tension as the energy problems continue and the U.S. economy worsens.

Japan

Although Carter has repeatedly declared that Japan is the cornerstone of his Asian policy and has made important security concessions to the Japanese in order to demonstrate his commitment, tension exists between the two countries because of the trade issue. The Administration has thus far been successful in insulating the security arrangements from the trade conflict. Continued strained relations, however, over the increasingly important trade issues may affect other areas. The Administration is devoting a great deal of effort to solving the trade problems and has achieved several agreements recently, but they may be limited by the complexity of the situation in both countries. Domestic factors are significant in both Japan and the U.S. The Administration must inform the public that the trade negotiations can only progress slowly and, at the same time, it must demonstrate a strong interest in securing agreements.

Latin America

Latin America provides the most striking illustration of the divergence between rhetoric and substance. The Carter Administration began its Latin American policy efforts with a flurry of activity directed toward improving relations dramatically with the long-neglected Latin American countries. The high priority that was initially accorded to Latin America was indicated by the unprecedented number of Carter speeches on Latin America, the widespread travel throughout Latin America by the Carter entourage, and numerous other symbolic gestures. Yet by 1978 it was clear that Carter's Latin American policy had clear limitations. The Administration's human rights policy became eroded in light of his support of the Somoza regime. Although Carter initially felt that his

human rights philosophy could have its greatest impact on Latin America because of the widespread existence there of authoritarian regimes and the absence of vital U.S. interests, the Administration discovered that it did, indeed, have important interests there. The Administration did create a distance between itself and the repressive Pinochet regime in Chile, but has mishandled the carrot and stick approach in aid to Brazil, Argentina, El Salvador and Guatemala. As a result, these countries have become alienated without much having been accomplished in the human rights area. The Administration's early initiatives in Cuba appeared to be appropriate until it was confronted with Cuban adventurism elsewhere. Despite more laudable intentions than its predecessors, the Carter Administration has not fared well in its relationship with Mexico, which has assumed increasing importance. Apart from the legacy of bad relations that any administration would have to overcome, the Carter Administration has created its own problems. The mishandling of the oil deal, the embarrassing comments made by Carter during his recent trip to Mexico, and the failure to settle the alien problem have hurt relations. Finally, the Carter Administration must be congratulated on its Panama Canal efforts. The Panama treaty was initially defined as a priority issue, and the Administration followed through.

Middle East

Although the Carter Administration has had an ambitious, relatively sensitive and, to an extent, innovative approach to Middle Eastern affairs resulting in several important accomplishments, U.S. interests there have been seriously undermined by recent unforeseen events. However different the Carter Administration may have been from its predecessor in its more even-handed approach to Arab-Israeli issues, its strategy continued to rest ultimately on the two "pillars" of Iran and Saudi Arabia. The significance of the collapse of Iran and the cooling of the Saudi friendship as a result of the Camp David settlement cannot be underestimated. It seems that the foundations for protecting the oil supply through regional security arrangements have been weakened. The U.S. apparently intends to change its approach from a relatively passive one to a more active "Carter Doctrine for the Middle East" with the Middle Eastern visit of Defence Secretary Harold Brown last winter, the training of Saudi military by the U.S., the dispatch of an aircraft carrier to the Arabian Sea in February in response to the Yemen conflict, and the possible separation of the U.S. Middle Eastern Command from the European Command. Thus, the Administration recently has recognized that a different strategy is necessary to protect American interests in the Middle East.