

GATT; and as its foundations, there was an insistence on freedom of private enterprise. With its refusal to accept the Latins' proposals, the United States announced a more liberal lending policy and outlined the further liberalization of U.S. trade and commercial policy which President Eisenhower intended to ask from Congress.

3. Thus the conference opened with a serious gap between entrenched positions. As was expected the Latin nations presented their proposals and as was expected the United States rejected them. The abruptness of the rejection was not, however, expected and at one stage in the conference it looked as if the Latin-Americans would not only be disappointed, as they had expected, but that they would be offended as well, for the U.S. delegates were for a time bluntly over-emphasizing the negative aspects of the U.S. policy. For the first time in O.A.S. meetings they did not strive to amend every resolution so they could vote for it. They frequently abstained, sometimes in the face of 20 favourable votes. For a time they were registering their abstentions too emphatically. However the U.S. delegates changed their attitude in mid-conference and cooperated as best they could within the limits imposed on them by the Humphrey doctrine, both in meetings and outside. In bilateral talks they did much to make the others appreciate the extent and the practical value of the aid which was available to them within these limits; and of the goodwill of the U.S. people and government toward Latin America.

4. At the close, the U.S. delegates were pleased with the results. They felt they had made both their position and their goodwill clear to the others and had improved relations while doing so. I think a better understanding was reached: I think relations at the best remained about as they were. State Department officials thought it had been extremely beneficial to have Humphrey and others unfamiliar with Latin America see at first hand the nature of the problem. They think they will henceforth be more sympathetic to the area.

5. The Latin members most closely associated with the major concrete proposals were disappointed because the United States would have none of it. Many others, though, were satisfied. In the first place, it turned out better than they expected. They took comfort from the assurances of increased U.S. support; from the advances made toward reducing double taxation in the United States; with the promise of some U.S. cooperation in some of the studies, notably coffee and bananas. They were heartened particularly by what they considered were indications that the Holland-Humphrey line could be breached. Those indications included the change in U.S. attitude mid-way through the Conference, which I mentioned above, even though that was a change of manner not of matter; and the unofficial speech by Congressman Fulton calling for more aid to Latin America.

6. I think the conference will in retrospect be regarded as important. The reality of the U.S. position toward Latin America had never been made as clear and this may lead the Latin Americans to adopt a more practical approach to the solution of their problems. Even those who disliked the most the medicine they had to swallow may come to acknowledge its salutary effect. For nations who are not members of the Organization the Conference was significant in that the United States firmly rejected narrow inter-American solutions in favour of a generalized multilateral approach emphasizing the importance of free initiative.