

Sergio Gutierrez Olivos Oral History Interview – JFK#1, 06/27/1966
Administrative Information

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Biographical Note

(1920 - 1993). Chilean lawyer and diplomat. Ambassador to Argentina, 1959 - 1963; Ambassador to the United States, 1963 – 1965, discusses role as ambassador, the Alliance for Progress, and other Latin American policy, among other issues.

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Oral History Interview

With

Sergio Gutierrez Olivos

June 27, 1966
Washington, D.C.

By Joseph E. O'Connor

For the John F. Kennedy Library

O'CONNOR: Mr. Ambassador, what was your first contact with President Kennedy [John F. Kennedy], or with John Kennedy before he became President?

GUTIERREZ OLIVOS: The first time I saw him was in December, '62, when President Alessandri [Jorge Alessandri Rodriguez], the Chilean President at that time, visited Washington, an official visit. And I was included in the delegation that came to Washington in that time. I was not Ambassador in Washington then, I was Ambassador in Argentina. But I knew then that I was going to come as Ambassador to Washington, and that's why I was included in the delegation. This was something that probably for many people was not easily understandable because they didn't know I was going to come in about a month or so as Ambassador to Washington. Then I saw the President, and occasionally I had the opportunity to exchange a few words with him.

My real personal contact with him came afterwards, about two months afterwards, when I arrived here as an ambassador. And because of a fortunate coincidence, I was called to participate in the White House in an official ceremony before I was, in a way, a real or a legal ambassador. Because you are not, as you know, a full ambassador until you have presented your credentials to the President. Now it so happened that the Chile-California program, which is the first program of special relations between one state and one country, was going to be launched from the White House with the presence and, in fact, the speech

from the President; and, of course, Governor Brown [Edmund G. Brown] from California was also going to attend.

Now, it so happened that in those intermediate dates between when I arrived and that ceremony, I had been in touch with the people from California, and in a way I had been working with them in preparing this Chile-California program. So the President—and this was in a way typical of

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him, I think—the President asked me to attend this ceremony, which I did. Now, I was not then the official Ambassador, the official representative of my country, so I attended with the charge d'affaires, who was the official representative. Now the President put me on his side, on his right, and he made a speech, and then Governor Brown spoke.

Then he addressed me, he said, "Well, don't you want to say some words?" I prudently expressed to him that this was rather unprotocolar. I didn't mind at all, but I still guessed if it was in order for me to speak without being officially accepted as an ambassador. And, of course, as I say, this was typical of him. He said, "Of course. You are asked and are welcome to say whatever you want." And I did speak.

Now, after that I knew—I don't know whether this is historically true—that probably this was the one, or one of the very few instances in which an ambassador has attended a ceremony in the White House and spoke in the presence of the President, required by the President, and still not being a full ambassador, a real representative of a foreign country. That was, in fact, my first exposure, personal exposure, to the President because I really can't count the previous one in December of '62. The scene I have described about the Chile-California program is probably the middle of February, 1963.

O'CONNOR: I have it marked down here that you also visited the President, though, just shortly after that, on February 21, 1963.

GUTIERREZ OLIVOS: Yes. Probably, I don't remember.

O'CONNOR: That was not the same date, though, apparently.

GUTIERREZ OLIVOS: Probably that was the date in which I presented my credentials. The ceremony that I have described was a little earlier, I think. Or maybe it was the twenty-first, and my credentials were the twenty-third, I don't remember exactly. What I do remember is that after that meeting in the White House connected with this Chile-California ceremony, he was giving a party, some sort of a reception for the Diplomatic Corps. And after that ceremony he asked the Office of Protocol to rush me in into presenting my credentials in order to be able to attend that official reception for the Diplomatic Corps that he was giving, one, two, or three days after. So my recollection is that I actually presented the credentials almost immediately after that ceremony in the White House that I have described.

O'CONNOR: Well, you said you attended, though, not as the Ambassador, but the meeting between President Alessandri and President Kennedy. Can you tell us something about that meeting? Can you tell us what that was about?

GUTIERREZ OLIVOS: Well, perhaps I'm not the best man to ask that question because, as I told you, I was then Ambassador in Argentina, and I was asked to come in the delegation

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because I was going to be the future Ambassador. So I actually didn't participate in the meetings and in the preparations held for that visit either in Chile or in the United States. The main purpose of the visit, as I can recall it, was the normal kind of thing in a visit of one head of a state to another, in this case of an American, Latin American President, who was then, in a way, ending up his term as president because—no, excuse me, I was wrong. He had still two years to go. But President Alessandri was over the first half of his term. Our President's terms are six years.

Of course, some considerable economic conversations were held, problems connected with raw materials—then, now, and always for Chile, the copper—the administrative and the operational aspects of Alliance for Progress, which was then a rather new venture, and we were all trying to find our ways about in the best manner of making this a success; some political conversations, of course, about the motif of main concern at that time, which was mostly Cuba. I would say that these composed, let's say, the structure of that meeting. In other words, economic problems, both in trade and raw materials, and Alliance for Progress; political, mainly Cuba; and, in a way, administrative problems in the operation of this new partnership for development that was Alliance for Progress.

O'CONNOR: Did you ever talk to President Alessandri afterwards about that, or did you ever hear his impressions of President Kennedy?

GUTIERREZ OLIVOS: Well, yes. His impression about President Kennedy, of course, he was very much impressed. And he was a man older than Kennedy. Kennedy was at that time probably forty-five, forty-six, forty-five, forty-six, I don't remember exactly, and Alessandri was probably sixty-two or sixty-one. They belonged to different generations, but they were both, each, of course, in his own temperament and in his own way, but they were both very extraordinary men. Alessandri left that meeting—and I do remember talking with him about that—he left that meeting very much impressed by the stature, intellectual stature. Alessandri is a very clever man, and he was very impressed by the intellectual stature, by the knowledge of worldwide problems of President Kennedy, by his amazing memory for data and information in a worldwide scope. One characteristic thing, by his very fast reading and reaching into the substantive fact in a document almost immediately. And nobody could avoid that, being conquered really by his extremely cordial and attractive personality.

I would say that the meeting, we cannot say that it was a meeting of historical importance, of course, because no big decision was made on a worldwide scale, so I'm not trying to up-rate the importance of the meeting. But, at the same time, I would put that meeting as an excellent demonstration of the way in which President Kennedy handled his relations with Latin American countries, and could understand and comprehend and get along with the presidents of these republics and, in this case, with

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a man who was, as I said, of another generation, of a strong personality, and of a very high intellect himself, as Alessandri was and is.

O'CONNOR: Okay, let's jump away from that meeting specifically then and go back a little bit earlier. It's very often said that the entrance of John Kennedy into the presidency witnessed a new policy, new American foreign policy, particularly toward Africa. Do you think this would also be true with regard to American policy toward Latin America? Was there a real difference between the Kennedy approach toward Latin America and, let's say, the Eisenhower [Dwight D. Eisenhower] approach?

GUTIERREZ OLIVOS: Well, you may not know this, but I'm working on a book about it. So . . .

O'CONNOR: I didn't know that.

GUTIERREZ OLIVOS: So, in order not to put into the tape everything that I'm going to say in this book. It isn't too much to say that I could comment rather at length on that subject. I do think that several things, several aspects of U.S. policy towards Latin America meant a very substantial change in connection with previous policies of President Eisenhower. I think that I remember that your question was: do you think that the Latin American policies of President Kennedy meant a great change in connection with the previous policies? Well, very hardly you can make such a broad statement because previous policies covered quite a long period.

O'CONNOR: I was specifically talking about Eisenhower.

GUTIERREZ OLIVOS: Eisenhower. I think that in connection with the policies of President Eisenhower it meant, really, a very substantial change. The inception of the new policies—and let's assume that those new policies are epitomized by Alliance for Progress, which in a way is a summary or a condensation of a number of new approaches in connection with Latin America—the inception of those new policies started, actually, during Eisenhower, not necessarily approved as new policies. What I mean to say is that quite a number of people in the last part of the Eisenhower Administration, and people, in many cases, belonging to the Eisenhower Administration realized that the policy had to be changed.

So what I want to say is that Alliance for Progress as a concept was new, but did not necessarily begin the day which President Kennedy was inaugurated. First, some ideas had been going around and been discussed even in the time of the Eisenhower Administration, but by, let's say, isolated people, and not receiving the backing and the consecration of the Administration as such. In other words, not being stated as new policies. This is one aspect of it. The other aspect of it is that even

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before that, and we can get backwards a long time, these new ideas were being discussed and, in fact, in some cases claimed as new policies and objectives that were necessary by quite a number of Latin Americans. And it was these claims and suggestions and, in some cases, fights of Latin Americans that induced those fellows during the Eisenhower Administration to realize that something had to be done.

Now, when the President was running for president in the campaign, he realized that Latin American and the policies to the developing countries, in general, should receive better and considerably bigger attention, and he began to work and appoint assistants and task forces, et cetera, in order to develop these new concepts. I would say that Alliance, as a specific enterprise, let's say, is different from his policies towards the developing world in general because it was obvious that he wanted to get into a partnership with Latin America that went deeper and broader than his relationships with other developing countries. Still Alliance is, let's say, a more sophisticated and a more intensive expression of his concern for the problems of the developing countries in general.

O'CONNOR: Mr. Ambassador, I had marked down in my notes several meetings that you had with the President, and I wish you would comment on them, if you will. One that I see here is June 14, 1963.

GUTIERREZ OLIVOS: Well, without having notes in front of me or nothing, I cannot tell you for sure what was the subject of that meeting. But I do remember in that time dealing with him, among other things, about a possible visit to Chile, that we were very much interested in getting him to go to my country, the main reason being that we had done a considerable effort to make of Alliance a success, Alliance for Progress a success in Chile. We have done quite a considerable work, and we wanted him to see this. That was a time in which Alliance was already subject to a lot of criticism, and we knew that he was struck by it, with Alliance, and was a matter of showing him what we assumed was going to be a recomforting and reassuring demonstration.

Of course, that was not the only reason. President Kennedy was very much of a beloved figure to the Chilean people, and we supposed that his visit was going to be a big success. The Alessandri government, although considered in some quarters here as being some sort of a conservative kind of government, the fact is that it has made enormous work, not only—I want to be clear about this—not only the Alessandri government, but the Chilean people in general, and we could see that it was good for Chile and for the United States, for the relations between the two countries, to have this opportunity of having the two presidents

again. As I said, President Alessandri left that meeting with President Kennedy very much converted into a deep admirer of President Kennedy, and in a protocolar fashion, it was proper for that visit to be returned, and on the other hand, we attached very fruitful prospectives to this encounter. That is one, I am not completely sure, but I'm very much inclined to believe that that was the subject of one of those visits.

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O'CONNOR: Well, you mentioned another visit off the tape that might have concerned Chilean relations with the United States in connection with Cuba.

GUTIERREZ OLIVOS: Yes. I imagine, or I'm inclined to remember, because I'm not certain, that probably the visit in August was connected with some phase of our mutual concern with the Cuban problem at that time. The policy of the United States Government was to isolate Cuba to the possible maximum degree. And Chile had gone along with this, not only because the Alessandri Administration was very much anti-Marxist, let's say, and in that time it was pretty obvious that Fidel Castro—well, he had said it himself, "I'm a Communist, I'm a Marxist, I have always been nothing but a Marxist," which some people still doubt about the truthfulness of that statement, but still that was what he had said. And it was pretty obvious that Cuba had become a complete satellite of Russia. The missile crisis had demonstrated that up to the degree of absolute evidence, and the policy of the United States, as I said, had been to isolate Cuba more and more. And the last instances of that isolation were being reached at the end of '63.

The idea was to have a special meeting for breaking relations with Cuba, which was the last step in that policy. And some countries, five countries to be exact, still kept relations with Cuba, very minimal relations: economic relations, practically reduced to nothing; and political relations, very deteriorated, as you can imagine, but still with some kind of a diplomatic representation in Cuba and some kind of keeping guard there.

For a number of political reasons, not only internal but also of a regional nature, Chile didn't believe that the pushing this issue as far as making a mandatory obligation for those five countries by a two-third majority in a meeting of ministers of foreign affairs, making mandatory for them to break relations with Cuba was necessarily a wise thing to do. And perhaps Chile in that time, President Alessandri and myself were in a rather privileged position to transmit this point of view to the President because of the simple fact that nor President Alessandri nor myself could be doubted of being pro-Cuba or pro-Marxist. But still we honestly believed that this policy had certain elements that had to be considered about the wisdom of pushing things that far. And I imagine that that was one of the reasons why I visited President Kennedy in that last part of August of '63.

O'CONNOR: Well, can you tell us something about your specific reasons, or President Alessandri's specific reasons for not wishing to isolate Cuba further and perhaps what President Kennedy replied, or what his attitude was in speaking with you?

GUTIERREZ OLIVOS: Yes, I think so. There were several elements—there to consider. First, the relations with Cuba for those five countries that still maintained relations with

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Cuba were really unmeaningful from a point of view of helping Cuba in any way. Maybe the contrary could be said that those diplomatic representations there were, on one hand, helping some Cubans to either find refuge or escape from Cuba, on the other hand, were observation posts of some value. And in the first place, then, we believed there was no real, or let's say pragmatic, purpose in requiring, or pushing this breaking of relations as a necessity. This is one reason.

The other reason is that even though the condition of Cuba as a satellite of the Soviet Union was very much in evidence, still, for a reason of brotherhood or community, culture, or whatever—and because of the enormous disproportion, let's say, between Cuba, the small island, et cetera, and the United States, the big power, the biggest power in the world—there was also some kind of emotional impact in whatever was connected with Cuba in Latin America. I mean you had, we believed, to be careful in not doing too much of a martyr of Cuba because still you could strike some cords of an emotional sympathy, if not necessarily towards Castro, to the Cuban people, et cetera, among our people.

The third reason is that Chile, being a very democratic country in which the Communist Party, you know, enjoys full freedom to organize, to publish, to campaign, to do whatever it wanted, and Chile, being also a country in which the democratic play allows a considerable sector of leftist, not necessarily Communist, but leftist public opinion, we were, properly I think, concerned with the effect of a movement that was going to appear as unnecessary, as I said, from a pragmatic point of view and, in a way, was going to appear, though that was not necessarily the situation, as an imposition from the United States on these other republics. So the fact is that there were some other Latin American republics that were even more adamant in the prosecution of this policy towards Cuba than the United States itself. But, and this is something that very frequently happened in our relations between the United States and Latin America, certain of these things are imputed to the United States even though not necessarily the full responsibility for that is in the United States. This was pretty much the case.

In this case of Cuba there were some countries that were more extremist, let's say, than the United States themselves in pushing this policy. But we were, the Chilean government was concerned with the effect that it may have in public opinion and the political spectrum of Chile the appearance, which was not necessarily entirely true but was not necessarily entirely inexact, that the United States was pushing this kind of a policy in front of these five remaining countries. You know that ultimately, well, the meeting was held, and the two-thirds were obtained, and the breaking with Cuba was adopted. And President Alessandri even though, as I said, had not opposed, because that's not the word to explain, but has felt a duty and demonstration of wisdom to transmit to President Kennedy his concerns about the consequences of this policy, when the breaking of relations was adopted by a two-thirds majority Chile broke relations with Cuba in the next twenty-four hours.

We fulfilled completely the legal mandatory implication of that two-third vote. Besides that, of course, there were some legal problems.

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We didn't believe that the nature of the case was such to make it legally-proper to call for that meeting, but I have given you the substance of the political background because I think that's the most important part to be remembered in this concern. I think that our legal reasons were not necessarily bad ones and were not necessarily a coverage for the other reasons. And we were very frank in expressing the two types of reasons that we had, both the legal and the political.

O'CONNOR: Was President Kennedy sympathetic at all to your arguments?

GUTIERREZ OLIVOS: I cannot say that he was sympathetic, but I can say that he was receptive, in a sense, in that he was that type of man that could be favorably impressed by an honest expression of opinion.

No, I don't think that he agreed with me, but he heard me discuss the whole thing with frankness, and I think that was the kind of presentation that he liked to receive either from a man or from a government.

O'CONNOR: Okay, I'd like to hear you then comment on some of the problems which were important in 1963, especially, between Chile and the United States that you might have become involved in, in conferences, let's say, with Secretary Rusk [Dean Rusk] or other people in the State Department connected with Latin American affairs, such as Edwin Martin [Edwin M. Martin] or Teodoro Moscoso or...

GUTIERREZ OLIVOS: Well, I think Teodoro left.

O'CONNOR: That's right, he was gone then.

GUTIERREZ OLIVOS: Left. My recollection is not completely precise, but my impression is that Teodoro left in the first part of '63, as coordinator—or in the middle of '63 probably. The reason for our meetings with Secretary Rusk or other officers of the government, they were very much connected with: a) the Cuban situation that I have given you the substance of our position in connection with my conversation with the President, a) Cuba; b) Alliance for Progress, both in its inter-American implication, or in its implication in connection with the Chilean development. And, of course, most of our meetings and discussions, et cetera, were connected with this last part.

As I said, Chile was doing a big effort; Chile, in fact, when the Punta del Este Conference in '61 was held, had already prepared a national development program. So we, in a way, together with Colombia, were the two countries that could start, first, because we had the national development program already prepared when some other countries had to

start to work on it just then. So, in '63, we were very much involved putting into effect the whole Alliance, not only concept, but the whole Alliance reality. Well, this involved quite a considerable number of problems.

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The organizational setup here, in the States, and the organizational staff in Chile, or in Latin America in general, was not prepared. Let's be honest about it, it was not prepared to take charge of such an ambitious and broad program. So difficulties, not only difficulties of understanding what we were trying to do but difficulties in implementing those things, would arrive at every moment. Well, the United States' people would tend to be exasperated by our inefficiencies, and we tended to be exasperated by your inefficiency. And so it was difficult to assemble, first, the whole machinery, and then to put that machinery into work smoothly.

That, I would say, was probably the substance of 80 per cent of my meetings with the people from the State Department, exceptionally with Secretary Rusk, but mainly with the Assistant Under Secretary for Latin America, with the coordinator of Alliance for Progress, Bill Rogers [William D. Rogers] and Moscoso. And, well, the other meetings were concerned, I assume, with the routine matters that one day appear to be extremely important, but after two years you don't remember very exactly. I was here in '63 and '64 and...

O'CONNOR: The beginning of '65.

GUTIERREZ OLIVOS: ...and the beginning of '65. And in those two years and months I can say that the matters of long-range importance were, most of them, concerned either with Alliance, with Cuba, or with Communist infiltration, et cetera. And then afterwards, of course, we had an election in '64, and that was discussed too.

O'CONNOR: Well, in connection with these two problems, let's start with the Cuban problem. For example, I wondered if you got a more sympathetic understanding from any other members of the American government, particularly members of the State Department, than you got from President Kennedy? In other words, was there any divergence of opinion, as you saw it, between President Kennedy and between him and some of the people in the State Department, such as Edwin Martin or Secretary Rusk, over the Cuban problem, over Chile's position regarding Cuba?

GUTIERREZ OLIVOS: Well, I think that when the Cuban problem became very much of an issue... I mean, an issue was to remain a long time, but when the isolation of Cuba as a policy reached its last stages, let's say, Thomas Mann [Thomas Clifton Mann] was in charge. Ed Martin had already left, I think, to Buenos Aires. Let me put it this way: I think that Secretary Rusk and President Kennedy were equally open as far as receiving a divergent opinion. They were probably not agreeing with it, but still disposed to hear and discuss and go over it, and sometimes

expressing even a realization of the problems that this policy may involve to other countries—in this case, Chile.

Thomas Mann, he tended to be less receptive. I mean, he was a harder man to deal with in this respect. I had no problem with him because he

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likes to be frank and it happens that I like it, too. So we had very frank exchanges, and I don't think Thomas ever resented me being like that and I didn't resent him being like he was. But if you ask for a difference, yes, there was a difference. I would say that with Thomas the analysis of the problem, you know, was mostly done through a discussion, and in the case of President Kennedy and Secretary Rusk the analysis was more of a, let's say, calm operation. But I must add that, of course, in order to understand that, you not only have to make a reference to the personality or the characteristic of the individual, but you have to make a reference also to the position of the man. I mean, you cannot, of course, conceive an Ambassador discussing with the President of the United States a matter in the same manner that you discuss it with a man directly in charge of the problem. So, well, you ask for a difference, and there it is.

O'CONNOR: Okay, in regard to the Alliance for Progress. I don't wish, again, to duplicate what you are going to say in your book, but I would be very interested in hearing you talk about some of the difficulties in implementing the Alliance for Progress in Chile that you alluded to just a few minutes ago. And I'm particularly interested in knowing whether there are any special personalities that you would hold responsible for failures to implement the problem, or for successes in implementing the project.

GUTIERREZ OLIVOS: In the...

O'CONNOR: In the Alliance for Progress.

GUTIERREZ OLIVOS: But in the United States part, or...

O'CONNOR: Essentially in the United States, or in Chile, as far as that goes. I'd like to hear your comments on both.

GUTIERREZ OLIVOS: Well, going a little more into specifics. The fact that a country had a national development program didn't mean that it was, let's say, ready to receive assistance from Alliance for Progress. Alliance for Progress was, and is, an enterprise based on internal effort basically and primarily. So many people think that Alliance was, and is, like opening a window in a bank, say, "Well how much do you want?" and "Here it is." Well, it isn't like that at all. You have to do, you are committed to do, quite a number of difficult tasks, both in the social, in the educational, and in the economic development. And the main difficulty as far as Chile's concerned, but I think as far as any Latin American country is concerned, is to put into

operation all these changes both in basic structures and to put into operation this movement towards social progress, economic advancement and growth, making a wise balance of how much your own resources can accomplish, and requiring foreign assistance to operate both, to come, to assist both in the areas of more urgent need but, at

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the same time, of greater significance. I would say that the biggest difficulty in Alliance was, and is, to keep a wise balance in these two terms.

If you do too much on the social level, you are giving satisfaction momentarily to your people, but it so happens that your country's not developing enough in the economic sense. If you stress too much the economic development you are in some way putting for tomorrow or the day after tomorrow the satisfaction of the social needs of your people. And there are certain areas, like education, for instance, or health, that are generally considered to be of the social nature, but that has a very big impact on the economic development. So this is a very hard and difficult operation to set. That is one element.

The other element is this: that because we have launched and we have committed ourselves in this program, you cannot postpone too much the satisfaction of the more pressing social needs of your people because you have, in a way, served notice to them that those needs are being taken care of, or are going to be taken care of, and in a rather short term. So you cannot go back and say, "Well, forget about it. I'm not going to do it no longer," and mostly in a democratic country like Chile. That was another element.

The third element is that, as I said in the beginning, the fact that you have a national development program, you know, doesn't mean that you are ready because you have to be able to show projects, developed units from the beginning to the end in order to implement that program, because that program is some sort of a projection of what you can accomplish in year one, year two, year three. But those projections and goals and the expression of means to attain it, those have to be translated into projects. And those projects require not only a considerable degree of sophistication in the staff—economists, engineers, sociologists, educators, et cetera—but requires, as I said in the beginning, that the substantive part of those projects must be paid by the country. Foreign assistance is assumed to cover the remaining resources, the balance of the resources which are needed and, in most cases, as it happens with Alliance, with things to be provided by the United States and bought here. So they do not provide you with local funds to pay what you have to spend in your country.

Well, the mounting of all this system and the operation of all the system, and the judgment about where to go first and what to push further, what to make it wait for time, et cetera, posed, and is posing, quite a considerable number of problems to all Latin American countries, and in those initial years so much more so. Well, I think that that in a way takes care of the problems about difficulties. Now, I don't think it's of real interest pin-pointing it down to say, "Well, that project so-and-so had this kind of a problem," because I don't think it would be of a real lasting interest.

Now, in connection with the people that were more important. I think that Ted Moscoso did a tremendous effort in those confusing and confused initial periods to mount and operate all this. Bill Rogers, I think, did

a good, a very good work, extremely able, knowledgeable. He has— and Ted had too, of course, but for Ted Moscoso it was easier because he is a Latin, and Bill Rogers is not. And in spite of that, Bill Rogers could understand and work with the Latin temperament in a rather extraordinary way.

I worked with and I have the highest opinion and consideration for David Bell [David E. Bell]. I think he's an extremely remarkable man, both as an economist—I am not an authority in that, but as far as I can judge, I think that he's an extremely competent man in that field— but also as a man that even though he is mainly concerned with what people consider to be economic problems, David Bell is an extremely good administrator and extremely good, to my judgment, extremely good diplomatic politician. Maybe he will be surprised to hear this because probably he doesn't consider to be one, but I think he is. He is remarkably impressive as a diplomat.

I have had to deal with him, and, well, he goes far beyond being just the foreign aid director. Of course, he's a man of great intellectual caliber in my judgment; he is able to appraise, well, political, cultural, social problems which sometimes must be very far from his own experience because I don't know where he may have acquired such a broad spectrum of references. But he still has that, and he is able to understand an enormously wide range of problems, situations, and characteristics. I would say that, even though not necessarily or not directly connected with Alliance as such, but as the man responsible for the whole foreign aid program, I would say that David Bell is.... Quite a considerable part of the merit has to be attributed to him.

Now, in the case of Chile it was, in a way, different. I would say that the then Director of the Budget, now Minister of Finance, Sergio Molina was an important man. I think that Raúl Sáez, now vice president of the Chile Development Corporation, was a very important man. Initially, in the first stages, the then Minister of Finance, Eduardo Figueroa, who not only was in charge of beginning to mount the operation, let's call it, the great Alliance in Chile, but he was, and I worked with him in Punta del Este and I think that Eduardo Figueroa was very important in the discussion at Punta del Este to solve some gaps and to build some bridges.

O'CONNOR: This was in the first Punta del Este.

GUTIERREZ OLIVOS: Yes. Punta del Este, the economic Punta del Este in August, '61. President Alessandri himself took a very direct part in the mounting of the whole operation in Chile, not directly and every day and permanently, but just in the broad lines, very much. He has a great interest in and he has been all his time involved in economic problems, and he put Sergio Molina, the then Director of the Budget, in charge of Alliance in Chile but reporting directly to him. And we finally ended up by building

up a system that has worked, with all necessary reservations made, in a satisfactory way.

O'CONNOR: Well, you've mentioned now several men and had very high praise for them all, but I was interested equally in critical comment.

GUTIERREZ OLIVOS: Well, let me see. Another man that I think was—I continue with the praises—another man that I think was very good, you know, was Herbert May and then Sullivan [Charles A.

Sullivan], the present Under Secretary of the Treasury.

Now about the people that would deserve criticism. Well, to be frank, I think that many—don't ask me to name the names—many congressmen and senators never quite understood the necessity for foreign aid nor for the Alliance. Yes. They were, let me add that they still are, very hard to.... It's sometimes even very hard to argue with them because they are so deeply convinced about the futility of all this program, and even more about the.... I think that I detect in them a certain feeling, like the one that Senator Fulbright [J. William Fulbright] has spoken the other day, of complacency, or arrogance, reactions of that sort. They think that foreign aid, first of all, is a giveaway. David Bell has lost his time trying to demonstrate that more than 90 per cent of foreign aid is reinvested, or invested in this country, that 80 per cent or 85 per cent of the goods and machinery, et cetera, bought in this country are transported in ships of American flag, et cetera, et cetera. But still they are convinced that this is giveaway. Second they seem to be offended by not receiving the gratitude and recognition and the respect or the friendship of the beneficiaries of this program. And all this applies also to Alliance, and much more to Alliance, in a way, because Latin American countries are nearer and because after, let's say, the imminent danger of Castro, this kind of mentality, you know. Attributes more and more any frustrating or discouraging experience to the hate by the Latin Americans to the United States. And it's enough that one fellow writes on the wall, "Yankee, Go Home," for saying, "Well, the whole Latin America wants it."

So, if you ask me to be critical, I think that many congressmen and many senators should deserve it. I think also that some journalists or commentators constantly exposing a very bad image of Latin America are also detrimental to the program because United States citizens are human beings and any human being is hardly encouraged to help or to assist a fellow that in substance he despises because he is presented with such a despicable image of that fellow that he says, "Well, I am involved in an official program with a fellow that is worth nothing."

O'CONNOR: Do you have anybody specifically in mind when you're mentioning that? You sound like, you know...

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GUTIERREZ OLIVOS: Yes, yes. For instance, let me say that I think this Senator Passman [Otto E. Passman] is very representative of what I am saying. I think that among the columnists.... What's the name

of this lady that writes in the Daily News? Virginia Pruitt has frequently taken positions of that sort, or this other sort, of saying, "Well, we give assistance, but you are not anti-communist enough. You want our money, but you don't want our policy," as if we were exchanging policy for money.

[END OF INTERVIEW]

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