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“Ideology and the Alliance for Progress: Charting the Boundaries of the Welfare State”

Revolution, progress, and empire converged on Latin America in the mid-20th century, each spurred by rapid globalization. Emerging states battled to assert their hegemony within their own borders, drawing the attention of foreign politicians, industrialists, and social planners alike—all eager for opportunities to extend their influence abroad. From this interplay grew an international coalition in support of institutionalized modernization under the banner of Pan-American modernization and development. Historians like Latham have studied the ideology undergirding the creed of modernization in foreign policy,¹ while Gilman has adroitly presented the role of the Cold War social scientists who led the charge against “underdevelopment” abroad.² Post-development theorists like Escobar have correspondingly examined the evolution of the “development discourse” between Global North and South with roots in the same mid-century foreign policy.³ Lacking is a detailed study of these phenomena in relation to the domestic policy and ideology of the era.

This paper attempts to examine this relationship in the context of the Alliance for Progress, a program of international reform spanning the 1960s. In a classic study of the welfare state as a transnational event, Abbott and DeViney study five core welfare initiatives: “worker’s compensation; sickness and maternity benefits; old-age, invalidity, and death supports; family allowances; and unemployment insurance.”⁴ This paper will lean on a broader definition of social welfare to examine how the ideology of modernization crossed borders. Just as Esping-

Andersen “re-specified” the welfare state with an “interactive approach,”⁵ this project is one of examining those elements that cross borders and politically interlock, smudging the cleaner lines on the map of social policy.

Building on the scholarship of Latham, Gilman, Escobar, and others, several questions follow: How did the United States view Latin American social welfare in the context of its expanding commitment to international social reform? What can that tell us about American interests and motives? Surely a program of intervention on economic and social grounds pointed to a recognition of need on its own, but what type of prescriptions came with this reform? Looking beyond purely political exchange, further questions arise: What role did ideology play in shaping foreign development under the Alliance? Were those ideas related at all to the domestic welfare state? More broadly, where are the boundaries of the welfare state? This project searches for answers in the history of US-Latin American political economy and diplomacy, proposing that domestic development cultivated by an evolving American welfare state served as a dynamic model for advancing modernization abroad.

The Foreign Assistance Act of 1961 marked the beginning of the Alliance for Progress under the newly-established US Agency for International Development (USAID).⁶ The broad goals of this program—closing the gap between the rich and poor through economic and social reform—evinced few easy solutions. Cold War *realpolitik* reinforced a spirit of both urgency and coalition-building; agreement on the urgent need to alleviate global poverty deferred the need to formulate a singular, specific plan. To be sure, the optimism of foreign aid policy was a pragmatic choice when compared to prior military and political interventions requiring money, political capital, and occasionally lives. But to interpret the Alliance for Progress on strategic

grounds alone is to overlook the ideological considerations of American social policy in conjunction with its international aims.⁷

The moral impetus of the Alliance's ideology both reflected and renewed imperial themes in inter-American history. The creed of Manifest Destiny shaped the earliest encounters between the United States and Latin America, and the end of the 19th century saw the United States' concerns move south with growing regional and hemispheric power. Robinson and Gallagher's "imperialism of free trade" theory described the Victorian colonial strategy of Britain, and the US followed a similar pattern: American economic and political influences were compounded to exert influence on Latin America in the post-independence period.⁸ American hegemony abroad would rest on an increasingly shaky foundation as revolution swept across Latin America again, and the Cuban intervention in 1898 demonstrated America's attempt to overcome these new challenges. In "The Tragedy of American Diplomacy," Williams argued that the confluence of economic expansion, security concerns, and domestic conflict propelled the economic and ideological expansion of the United States southward.⁹ The Act of Bogotá, a fundamental document in establishing the Alliance, recognizes "...that the interests of the American republics are so interrelated that sound social and economic progress in each is of importance to all and that lack of it in any American republic may have serious repercussions in others." Whereas during the Spanish-American-Cuban War this interconnectedness was used as a heavy-handed claim to a moral intervention, the Act of Bogotá repackaged the same idea under the more acceptable pretenses of hemispheric collaboration.

Though it gained popular support by claiming to vindicate the *USS Maine* disaster, the 1898 American intervention was premeditated on a basis of complementary political and economic security. Guerrilla warfare dragged on between Cuban insurgents and the Spanish for

the better part of three decades before Teddy Roosevelt's Rough Riders would break the stalemate. The moral justification for intervention was jointly based on a restoration of economic function to the embattled island and rescue of the *reconcentrados*—Cuban prisoners suffering from disease and famine in garrisoned cities. American intentions underlying the obvious humanitarian concerns became clearer after the dust settled on San Juan Hill. The Platt Amendment was signed by Congress in 1901 and was proclaimed to serve as a tool of American assistance in creating a new government, lest the island fall into anarchy in the vacuum of Spanish colonial authority. Leonard Wood, military governor of the newly-freed Cuba, told McKinley after ending the rebellion, “this is a natural sugar and tobacco country, and as we must in any case, control its destinies, and probably will soon own it, I believe it sound policy to do what we can to develop it and make it prosperous.”¹⁰ US-Cuban relations would be very different in the early 1960s, in large part due to reactions to the overweening control exerted after the Platt Amendment. The moral hegemony asserted in Cuba rested on combined political, social, and economic evangelism and was repurposed in foreign policy throughout Latin America in the 20th century.¹¹

Though colonial machinations may seem distant from Cold War diplomacy, the reinforcement of this “moral imperialism”¹² was confirmed globally in the interim, particularly by Truman, Hoover, and Wilson. Williams describes the application of the Open Door Policy first to China and more broadly to the rest of the globe by the synthesis of American political and economic power. “As spheres of influence” were maintained in China, military and economic might converged on Nicaragua, Honduras, and Haiti.¹³ Hoover and Franklin Roosevelt took a broader view, the former understanding the need for “some sort of partnership between capital and labor”¹⁴ in the expanding American system. The New Deal even provided for loans to Haiti

and Brazil in an effort to reconcile the burgeoning Progressive ideology of the era with this powerful expansionist urge.¹⁵ The Point Four Plan articulated by Truman in his inaugural address of 1949 called for a blending of economic, political, and social improvement abroad with solutions of American “industrial and scientific techniques.”¹⁶ The nation’s blossoming foreign aid policy mirrored the ideological drift of American liberalism while an imperative expansion of this system remained at its core.

The ideology of modernization was one of the most powerful drivers behind a foreign aid system that was rapidly evolving and expanding. Latham summarizes modernization as an ideology “...that articulated a common collection of assumptions about the nature of American society and its ability to transform a world perceived as both materially and culturally deficient.”¹⁷ Led by Walt Rostow, American social scientists teamed up with businessmen and bureaucrats alike to reformulate the plan of rescue. Military enforcement of the modernization creed was not uncommon, but cooperative alternatives like the Alliance were proposed as moral imperatives under the banner of modernization. This new perspective did not preclude that a deficient Latin America needed to be ‘made ready’ for American liberty and democracy—it just changed the proposed method of how to accomplish that change.¹⁸

In underlining the many common threads among social scientists, scholars have portrayed modernization as a relatively homogeneous ideology—or at least an ideology with a relatively homogenous set of applications. However, focusing on some divisions within the theory of the “military-industrial-academic complex”¹⁹ can help shed light on its character. The core of modernization theory asserted that conflict arose from poverty, hunger, and disease; thus, the alleviation of societal ills would naturally produce a more peaceful and prosperous world. This principle favored security over social dogma and generally advocated solutions of global finance

that would grow to dominate the foreign aid regime.²⁰ Led by Rostow and Morgenthau, this strain of modernization theory dovetailed with one that professed an “end of ideology” and advanced the list of global obstacles to include more general inequality.²¹ Social scientists like Shils, Bendix, and Aron—the progenitor of the “end of ideology” term—believed that development abroad was a natural and positive result of industrialization and an analogue of the domestic welfare state. As the term suggests, the American example was held as a universal pattern that could be followed anywhere else for similar results. As the colossus of American liberalism moved past hard-right McCarthyism to more Progressive iteration, these tremors were felt in foreign policy as well.

The effects of ideological clashes were limited by the fact that both sides harmonized on the importance of cooperation for immediate intervention. Morgenthau and Rostow stressed the need to quickly reach a developmental “take-off” point as economic principle, while a more humanist push came from the urgent need to ameliorate global social ills with a similar model. As far as the welfare state goes, modernization theorists in the United States agreed more on the need to reform the Latin American situation and on the blazing speed necessary than on specific aims. Strategic and political concerns were not the only force behind this coalition—the unconditional ability of American social science to solve social ills abroad did not require consensus on the problems just yet. To borrow a quote from Escobar, “development had achieved the status of a certainty in the social imaginary.”²² Or in the words of Kennedy: “Hungry men and women cannot wait for economic discussions or diplomatic meetings; their need is urgent, and their hunger rests heavily on the conscience of their fellow men.”²³

The old institutions of moral imperialism were also not simply transplanted onto the growing foreign aid regime; rather, US-Latin American diplomacy took on a more cooperative

tone after two world wars. A revitalized system of mutual beneficence allowed for a measure of reciprocity and a sounding board for American ideology. Though this exchange was surely reflective of the enormous power disparity between North and South, it signified an outward attempt to reconcile divergent ideologies. Che Guevara's admonition of Latin American leaders at the first Punta del Este Conference seems incompatible with the idea of a unilaterally-controlled conference or omnipotent control by the monolithic United States.²⁴ The Alliance was an attempt of the United States to prove that "their America" was the ideologically superior one. The Morse and Hickenlooper report on the second Punta del Este conference also suggests a marked level of concern about uncertain outcomes that suggest an atmosphere of compromise. There were even divisions and debates among other Latin American nations on the tendentious issue of excluding Cuba from the OAS. The report presented to the Foreign Relations Committee of the Senate repeatedly commends the US representative Dean Rusk for "conduct[ing] arduous negotiations under sometimes difficult and trying circumstances."²⁵ Overall cooperative basis of the Alliance for Progress suggested an atmosphere of discussion, collaboration, and partnership. Even if they were minimized, the mechanisms for feedback built around the Alliance signified that American foreign policy would make an effort to consider divergent attitudes. To be sure, these attitudes generally worked in concert to promote modernization through development, but this aspect of Alliance diplomacy underlines the growing importance of ideology.

This environment was uniquely shaped by four major events that delineate the encounter between disparate ideologies: The foundation of the Organization of American States (OAS - 1948), the enactment of Operation Pan America (1959), the signing of the Act of Bogotá (1960), and the 1961 conference at Punta del Este, Uruguay. The histories of these four occasions detail

the exchange of power among American nations and provide perspective on the formation of a new Pan-American ideology.

The OAS was founded in May 1948 with proclaimed “essential purposes” of peace, security, and “economic, social, and cultural development” guaranteed by granting each state “the right to develop its cultural, political, and economic life freely and naturally.” The charter also expressly forbade “the use of coercive measures of an economic or political character in order to force the sovereign will of another State and obtain from it advantages of any kind.” History since 1948 would show several infringements of this categorical restriction, but the recognition of national sovereignty—even if nominal—provided for a measure of legitimacy to later Latin American requests for development assistance. The OAS charter contained omnipresent bulwarks against a Communist advance interwoven with artifacts of American liberalism. Much of the Alliance’s later criticism emerged in opposition to overbearing intervention, but the moral order proposed by the OAS diluted these grievances: “In this free [cultural, political, and economic] development, the State shall respect the rights of the individual and the principles of universal morality.” Article 5 reaffirms this hemispheric commitment to an idealized order without implying who will be responsible for enforcing the lofty rhetoric: “Social justice and social security are bases of lasting peace; economic cooperation is essential to the common welfare and prosperity of the peoples of the continent.” Overall the Charter of the OAS looked ahead with hopes of mutually beneficent relations in the Americas. Despite the growing power disparity between North and South, the OAS created a framework for the emergence of an international moral and social order—the only thing missing was a means of achieving it.²⁶

By 1959, the continuing success of the Marshall Plan and the intriguing prospect of applying these concepts to Latin America were cause for optimism. Operation Pan America, introduced by Brazilian President Kubitschek in 1959, called for a very broad framework of international cooperation in the Americas with a focus on “a reorientation of hemispheric policy.”²⁷ This document embodied the participatory nature of inter-American relations in that it quite directly combines the “strategic political concept” of regional security with a necessary economic component: “The more rapid development of Latin America’s economic strength will result in a growing sense of vitality and will enable it to increase its contribution to the defense of the West.” The linkage of security and prosperity reemerged in 1959, but this time the calls to “more dynamic action to carry on the struggle against underdevelopment” rose from Latin American voices.²⁸

The Act of Bogotá was adopted on September 13, 1960 by the Council of the OAS and pointed to Operation Pan America as its foundation. Unlike its predecessor, the specificity of the ideology present in the Act of Bogotá made it a turning point in the discourse leading up to the establishment of the Alliance for Progress. It was a symbolic and political commitment to a quickly crystallizing ideological relationship between the United States and Latin America. Most importantly, the Act of Bogotá served as a concrete agreement between the powers of Global North and South on just how social and economic ties could lead to shared prosperity. In recommending specific “measures for social improvement”²⁹ including land, housing, and legal reform it was a forward-thinking document that would serve as a foundation for the growing financial, political, and social ties between North and South America. As a guarantor of social welfare, it was a broad step toward inter-American cooperation and the shaping of the goals of development.

The Act of Bogotá also gave the United States a continued claim to a moral hemispheric hegemony by pointing to the inability of Latin American states to assure the social welfare of their citizens independently. And unlike the previous documents recognizing this idea, the proposed measures and policy recommendations show the first traces of intersecting ideologies. Surrounded by supportive speeches by Kennedy in the US and Latin America, the Act pushed for a fair share of social reform ranging from tax reform to the construction of housing to agricultural and “community” reform. In fact, this document represents an unfortunately prosaic peak in the ideology of social welfare in the mid-century discourse. The actions it recommends are also in favor of a much stronger welfare system than was ever created in Latin America by the Alliance. Given that recommendations put forth in the Act of Bogotá emanated from a more collaborative and multinational source, it provided a litany of soaring social improvements promising comprehensive social progress.

The institutionalization of amalgamated social and financial rhetoric would ultimately define the Alliance—in addition to shaping the short-lived relationships under its banner and bridging the gap from imperialism to development. In this way the Act of Bogotá serves as a reminder that the expansive network of international finance that would grow between the US and Latin American powers was originally grounded in—or at least pitched as—a reform program with social equality at its core. The “measures for social improvement” listed at the outset call for land and legal reform, improvement of “housing and community facilities,” and educational reform with interspersed language of social equality. The Act—whether as a hedge against the growing clamor for social equality in Latin America or as a genuine recognition of need—delicately attempts to balance social progress and economic development with its propositions. In hindsight, these links between social and economic development would appear

to be contradictory. Escobar solidly argues that the “space of development” was created primarily by economists;³⁰ however, by the time of the passage of the Act of Bogotá, the Council for the Organization of American States had in mind a space that still gave serious consideration to ideas of social welfare and progress. Though Latin American foreign policy evolved into a global financial behemoth by the end of the 1970s, the Alliance’s ideological emergence was largely due to hopes for greater social equality.

Escobar also claims that the key factor in creating an internationally hegemonic discourse of development was the “problematization of poverty,” or the application of the “discourse of war... onto the social domain.”³¹ But this phenomenon was not exclusive to foreign social problems; the assault on foreign social ills was enabled by a historical confidence in the ability to achieve positive outcomes domestically. Oscar Lewis pioneered the “culture of poverty” thesis to describe the roots of urban poverty in America, and he also wrote parallel critiques of the cultural problems plaguing Latin Americans with books like “Children of Sanchez: Autobiography of a Mexican Family” and “Life in a Mexican Village.” By the late 1950s this confidence had a domestic precedent in New Deal development reform exemplified by the TVA. The revitalization of poor, remote areas of the South in the 1930s and 40s was upheld as a shining example of development by the 1960s. In commemorating the signing of a contract between the USAID and the National Rural Electric Cooperative Association (NRECA) for development projects in Nicaragua, Colombia, and Brazil, Kennedy demonstrated his excitement:

“One of the dramatic stories of this nation’s development is the sweeping electrification of our nation’s farms and rural communities undertaken on a national basis in the 1930s. Increased farm productivity and a higher standard of living were the inevitable twin

benefits of electric power lines which moved to our farms, our remote mountain areas, and in fact, almost literally throughout the entire country... One of the most significant contributions that we can make to the underdeveloped countries is to pass on to them the techniques which we in this country have developed and used successfully."³²

In measuring the importance of these private-public extensions, Kennedy was unequivocal: "I don't think there is any program which... will help the Alliance for Progress... more than this association between the REA and the AID agency and the countries that are involved." The success of the Marshall Plan also suggested to many that development could be applied abroad. Time would prove this conclusion to be mistaken, but at the outset of the Alliance, development was a natural and optimistic extension of domestic ideology.³³

To qualify this relationship it must be acknowledged that social welfare and foreign aid are not direct analogues and cannot be compared carelessly. Hattori calls upon Sahlins and Polanyi to point out three distinct types of resource allocation: economic exchange, redistribution, and giving. He argues that the latter two of these models differ in that redistribution is generally determined by "customary obligation or politically achieved rights." Meanwhile, giving "involves neither certainty of return nor political entitlement."³⁴ But these social relations became more difficult to delineate as a framework of mediation and institutionalization was erected around aid to Latin America. The resounding calls for hemispheric policy reorientation like Operation Pan America suggest an atmosphere of collaboration and reciprocation, a discursive exchange with roots in Truman's shouldering of hemispheric poverty. US policymakers agreed that underdevelopment and a broadening Pan-Americanism were incompatible and constituted a problem that morally compelled action. The distinctions between redistribution and giving are most blurred by continued proposals for a

grafting of the exemplary American welfare state onto deficient neighbors: If Colombia was unable to develop its river basins, why not have the NRECA show them how to get things off the ground? Problems are presented by the breadth of the “welfare state” designation and the astounding complexity of the Alliance in action, which often represented an amalgamation of all three types of allocation above. Political institutions and social and economic relationships are also vastly different domestically and abroad. But the transnational application of the model of American social welfare strongly points to the emergence of a hemispheric coalition intending to use political, economic, and social development as a means to achieve global modernization.

The ideology of a compounded political and economic power was not new to politicians on either side of the Rio Grande—in fact, one of the most glaring contradictions of the early foreign aid era lies in the perilous combination of evangelical democracy and support of authoritarian regimes from Somoza to Trujillo and Pinochet.³⁵ While much of this support can be chalked up to diplomatic positioning, the extension of a joint social and economic ideology was meant to serve as a metaphysical counterweight, not just a strategic stopgap. Take for example the closing sentiments of the Morse & Hickenlooper report on Punta del Este (1962). After one year of the Alliance, the Senators reported that it already had a positive ideological effect on Latin America: “For once, the United States, which since World War II has seen the Communists steal all the good symbols—‘peace,’ ‘democracy,’ etc.—has itself preempted the best symbols in Latin America—‘social reform’ and ‘economic progress.’”³⁶ The institutional development of Latin America through a cooperative, multilateral program offered a perfect blend of securitization and indoctrination through an idealized application of US history. At the same time, this ideological extension created opportunities for a reexamination of the welfare state at home and abroad.

When compared with European counterparts, the American welfare state of the first half of the 20th century is generally positioned as a lagging, often backward system.³⁷ But by the 1960s, programs like Kennedy's New Frontier renewed the promises of the New Deal, hoping to lead America into the new era with an increasingly just social system. Though Kennedy was met with strong resistance, he expanded the AFDC program and used the Social Service Amendments to gear public welfare to the growing economy. Johnson's War on Poverty also carried the mantle of several Kennedy-era initiatives, taking aim at similar social ills. Similarities arise again in the domestic and foreign problematization of poverty as well as in proposed solutions. Roderick O'Connor, writing about the Cauca Valley River Development project in Colombia in 1966, echoed domestic themes in declaring that "[Colombian] economic development is as much a state of mind as a question of resources."³⁸ Kennedy's proposal speech for the Alliance for Progress pointed out cultural obstacles to modernization in challenging the "*paesano* in the fields... the *obrero* in the cities... the *estudiante* in the schools" to prepare their hearts and minds for the task of modernization. In this same address Kennedy also conceded that the US "[has] not always grasped the significance of this common mission," and that only with the Alliance was the relief of "poverty and ignorance and despair" possible. As an important current within modernization theory, exporting a model of idealized America abroad had roots in colonial and imperial discourse. However, Kennedy updated and advanced the ideology by echoing the call for Pan-American solidarity, taking for talisman the hemispheric history of being a "vast crucible of revolutionary ideas and efforts."³⁹

For all the rhetorical similarities, Kennedy's proposals ultimately rested on America's ability to lead by example towards the alleviation of poverty. A blended institutionalization of both state and market power defined this reemerging brand of American liberalism as it became

the core of this new hemispheric relationship. Signing the Alliance charter within the first year of his presidency, Kennedy pointed to the New Frontier platform that helped win him the Democratic nomination. In addressing the Democratic National Convention a year prior, the future President described the problem of global “poverty and hunger and disease” in conjunction with strategic and ideological challenges. This strategy also interwove hemispheric poverty with domestic policy: *“Here at home the future is equally revolutionary. The New Deal and the Fair Deal were bold measures for their generations, but now this is a new generation....”*⁴⁰ Johnson’s War on Poverty assumed a similar role when it picked up where Kennedy left off—in fact, several New Frontier initiatives were adopted by Great Society programs.

Practical factors also made American social institutions difficult to pin down. The breadth of the Alliance’s goals combined with a dual-pronged urgency to create an immediate need for experts in both social science and the science of carrying out development. Enter David Lilienthal, former chairman of the US Atomic Energy Commission, who by 1961 was known as “the Father of the Tennessee Valley Authority.”⁴¹ One of the original three directors of the key New Deal initiative, he built a sterling reputation for developing river valleys across the Appalachian South in the 1930s and 40s. In addition to providing hydroelectric power for vast regions previously off the electrical grid, his work was nationally celebrated for creating jobs, strengthening infrastructure, and institutionalizing education in these remote areas. By 1965, the Alliance for Progress was struggling to reach any kind of “take-off” point, and David Lilienthal offered to help. He worked with Lyndon Johnson in planning an abortive development project on the Mekong Delta, which Johnson referred to as planning “a big Southeast Asian TVA.”⁴² Later in life his international development projects in Colombia, Iran, Venezuela, India, and

Ghana attempted to build on the example of the TVA through a public-private partnerships. Like the mainstream story of American liberalism, Lilienthal increasingly spurned state intervention over time and became a vocal advocate for a more laissez-faire approach throughout the 1970s and 80s.

The work of David Lilienthal's company, the Development and Resources Corporation (DRC), demonstrated this evolution. A report sent to the President of the Inter-American Development Bank in 1966 shows development from the ground level. It analyzes current conditions for development in the Cauca river valley of Colombia and recommends programs and how to improve the "institutional framework" of development. The main purpose of this work was to emphasize a need for "multinationalization" of the institutional structures linking North and South America. The problem identified by the DRC was the fractured nature of Latin American economies—without a greater level of cohesion, development would be inhibited, poverty, hunger, and underdevelopment prolonged. The DRC report also adds: "We find, however, that it is not in the private but in the public sector that the greatest efforts must be exerted to overcome inertia."⁴³ The model for the Cauca valley rested on the continuing legacy of Pan-American coordination, followed the multi-state model of the TVA, and would require even more rapid institutionalization modeled on previous American successes.⁴⁴

In conclusion, support for the Alliance for Progress was diverse, reflecting its core of Pan-American cooperation towards the broad goal of hemispheric security and prosperity. American political elites supported such a plan on the twin bases of historical precedent and forward-looking idealism. Morse and Hickenlooper also reported that "the US public, in our judgment, would not support a program devoted to only one aspect of this overall [political, economic, and social] problem."⁴⁵ The expert opinion that emerged from social science almost

uniformly recognized the need for American intervention, though discord did arise over which facet of intervention was most important. Regardless of political or academic rifts, policy emanated from an understanding that Latin America was broken and could be fixed by the United States—the faster, the better. Latin American political elites did not necessarily concede the same in their support of the Alliance. In Mexico, the domineering Partido Revolucionario Institucional was struggling to build a state in any way possible after a half-century of ongoing strife; aligning oneself with the growing American consensus was also not a particularly daring political move. But the emphasis on social concerns that emanated from Latin America was not to be ignored. Incorporating these ideas into foreign aid not only served a strategic purpose, it conferred legitimacy on a blossoming social brand of American liberalism.

The particular version of liberalism present at the outset of the Alliance was especially alluring. It extended the program as one of comprehensive mutual betterment emanating from the physical and ideological model of the United States. While national borders and social citizenship would surely matter, the crux of this Pan-American improvement rested on the replication of American ideology abroad. Whether due to idealism, hubris, inexperience, or something else entirely, this connection advances the analysis of the interplay of ideologies in the 20th century.

To a large extent, foreign aid emerged to fill the needs left by waning imperialism: In practice, “development” was a sort of extension of the informal empire put forth by Robinson and Gallagher, or in their words, “imperialism on the cheap.”⁴⁶ Part cost-benefit analysis and part ideological artifact, the transition away from imperialism was mostly a reimagining of new solutions to old problems. It can be argued that the stagnation, coercion, and interference resulting from foreign aid reflect this discourse, but more convincing proof lies in the problems

foreign aid hoped to solve and the proposed solutions. To frame the Alliance in mainly practical or realist terms is to discount the corresponding internationalization of ideology that gave the Alliance direction. Shadowed by a consensus around the need for intervention, ideological disparities in United States politics were often reflected abroad.

This reflection also suggests a need to explain the growing financialization of foreign aid and its relationship to impending neoliberalization of the welfare state in the 1970s and 80s. To be sure, the Alliance eventually came to favor misdirected loans and an obsession with investment as a way to financially justify the protracted program despite lackluster results. Whether this process was a mutation of the original plan or whether it suggests a Machiavellian maneuver is unclear. The DRC report clearly recommends market deregulation backed by governmental support, suggesting that the developers themselves—and the ones who financed them—may have exerted increasing influence on “the development of development” over time.⁴⁷

Ultimately, political dogma could not easily cross borders without extending an institutional foundation to support it. The internationalization of social reform through hemispheric cooperation was based in a growing bureaucratic structure that was not easily confined by borders. It must have seemed intuitive that this structure be made in the image of a growing global locus of power, but time proved that the Cauca Valley was too different from the Great Smoky Mountains. Puerto Rico also provides an excellent opportunity for a case study on extensive crossover between ideas of social citizenship and the application of the welfare state in a “foreign” environment, with Alliance pioneers Luis Muñoz Marín and Teodoro Moscoso serving as vital links.⁴⁸ The Alliance searched for ideological footing on the precarious ground of an invigorated Pan-Americanism that attempted to link Martí with Jefferson and Bolívar with Washington. Unfortunately the results of the Alliance seemed to confirm Martí’s warnings

against “the giant in seven-league boots” and Darío’s admonition of the “future invader of the naïve America,” at least in the public mind. It is difficult to determine whether the soaring rhetoric of the Alliance was undermined by the forced idea of Pan-Americanism or artifacts caused by an imposition of a foreign order. While an inherently messy endeavor, examining the transnational exchange of ideas and institutions with the lens of the welfare state brings ideology to the forefront of emerging hemispherical and global problems of the 20th century.

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⁶ Foreign Assistance Act of 1961, Public Law 87-195, 87th Cong., (September 4, 1961), codified at *U.S. Code* 21 (1961), § 2151.

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¹⁰ Perez, Louis A. Jr. *Cuba between Empires 1878-1902 (pitt Latin American Studies)*. Pittsburgh, PA: University of Pittsburgh Press, 1998. p. 349

¹¹ Perez, Jr., Louis A. “Incurring a Debt of Gratitude: 1898 and the Moral Sources of United States Hegemony in Cuba.” *The American Historical Review* 104, no. 2 (April 1999): 356-398.

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¹³ Smith, Peter H. *Talons of the Eagle: Latin America, the United States, and the World*. 4 ed. Oxford University Press, USA, 2012. p. 52-64

¹⁴ Williams, p. 118

¹⁵ Ibid, p. 180

¹⁶ Truman, Harry. “Inaugural Address.” Lecture, Washington, D.C., January 20, 1949.

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- ¹⁸ Gilman, Nils. *Mandarins of the Future: Modernization Theory in Cold War America (new Studies in American Intellectual and Cultural History)*. Johns Hopkins University Press, 2007. pp. 45-50
- ¹⁹ Ibid, p. 45
- ²⁰ Ibid, p. 12-20
- ²¹ Ibid, p. 16-17
- ²² Escobar, Arturo. *Encountering Development (text Only)* by A.escobar. Princeton: Princeton University Press, 1994. p. 5
- ²³ Kennedy, John F., "On the Alliance for Progress." Address, White House Reception for Latin American Diplomats and Members of Congress, Washington, D.C., March 13, 1961.
- ²⁴ Guevara, Ernesto "Economics Cannot Be Separated from Politics, Speech at Punta Del Este." Lecture, Punta del Este, Uruguay, August 8, 1961.
- ²⁵ Morse & Hickenlooper Report, p. 1
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- ²⁷ Council of the Organization of American States, Special Committee to Study the Formulation of New Measures for Economic Cooperation, *Volume L Report and Documents, First Meeting, Washington, D.C., November 17-December 12, 1958* (Washington, D.C.: 1959), pp. 29-31.
- ²⁸ Ibid.
- ²⁹ United States. Act of Bogota. September 13, 1960. *TIAS* 1, (1960).
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- ³¹ Ibid., p. 21
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