

Secretary RUSK. I think at this stage it is. This fits into the ideas which we see developing in Latin America itself.

Mr. FRASER. If the resolution stopped there, I wouldn't really have had any question of you this morning, but the resolution does go on to reiterate the conventional wisdom associated with economic development in Latin America and the stress on economic aid. I have come to the view that this is a narrow approach. We place great importance on per capita income. One of the countries with a high per capita income is Argentina, hardly a model for any other nation in its government and in its politics. I would join, I think, with Congressman Morse in his suggestion that part of the resolution might be stated so as to give recognition to the fact that we are primarily interested in people, and the nature of their governments and the way they organize themselves to make progress, rather than with the narrow concept of economic aid.

Secretary RUSK. I think whether the resolution itself should encompass that is something the Congress would have to look at. There is a job to be done for the people of the hemisphere. Even though from time to time one or another of the might have an unconstitutional government, the people remain. We do have problems about how to relate the activities of the hemisphere to those countries in those special circumstances.

At the present time, Argentina is working closely with the International Monetary Fund to make some important action in the monetary field in connection with inflation and a number of things that are very important—devaluation of its currency, and things of that sort.

There is a constant pressure toward constitutional government in this hemisphere that has made itself felt on many occasions, and I have no doubt that pressure will continue.

Mr. FRASER. I am just illustrating the fact that a high per capita income doesn't necessarily bring about the result that we are interested in. We seem to be preoccupied with per capita increase in productivity of these countries, which doesn't really tell us very much about what is happening inside these societies. It doesn't tell us what is happening in the rural sector, it doesn't tell us whether the people themselves have the sense that they have a responsive government, it doesn't tell us very much at all, and yet this seems to be too much of our focus. It is this point that I am trying to make.

Secretary RUSK. I understand, sir, and you will find great sympathy with the target not only here but in other countries in the hemisphere.

I think the committee might wish, when it gets into examination of the foreign aid bill in executive session, to go into some of these situations and examine some of the points you have mentioned, Mr. Fraser.

Mr. FRASER. I want to take this opportunity to express my concern about this. The President mentioned the fact that 16 countries have land reform laws. Those are on the books, but what is actually happening is a far different story. It seems to me that we do need to broaden our concern and get away from the conventional statements of the problem that we have grown up with since the end of World War II. We need to broaden our way of talking about it.

Chairman MORGAN. The gentleman's time has expired.

Mr. Findley.