## NEW EMPHASIS ON PRIVATE SECTOR BY THE ALLIANCE FOR PROGRESS

O GREAT fanfare of publicity from Washington has heralded the change but, during recent months, the directors of the Alliance for Progress program have been placing increasing emphasis on the importance of the private sector in Latin America. This is in contrast to the earlier Alliance for Progress emphasis on straight government-to-government planning.

Latin American Report long has contended that while the aims of the Alliance unquestionably were very good, the method of working primarily on the government level, rather than the private level, would actually accomplish very little for the low income groups of Latin America.

The fact that the change-over has started can easily be seen in the several new industries and enterprises which either have started or are being planned in Central and South America. This is bound to produce a very active and virile support of the Alliance program on the part of the business sector, the sector which, up until now, has been markedly cool toward the whole idea.

It is interesting to note that, in this change-over in attitude on the part of Alliance for Progress, various politicos who hailed the program as the "great savior" of the common man, now are starting to take sharp jabs at the projects which could be classed as more on the private level. In Colombia not too long ago, one prominent political leader declared that a new class of capitalism was being born in the Americas—one that would continue to exploit the masses.

Certain political leaders who have used United States government aid and loan projects as a means of feathering their own financial nests and ensuring their political positions, find that this new approach is not proving as helpful to them as they would like.

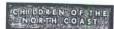
Unquestionably, government-to-government projects can never be eliminated because many justly fall within the purview of government and the public domain. But Alliance for Progress, instead of just handing over large amounts of money with practically no controls attached, is now beginning to erect checks and counter checks on the spending of the funds. This in itself is good, and lack of such control heretofore has been one of the chief fallacies in all of the United States-sponsored aid programs. The fact was that few of the dollars advanced by such aid programs ever were used for the purpose originally intended.

Latin American Report welcomes the change and congratulates whoever in Washington is responsible for the new approach. It is sound and is bound to produce good results.

Um Q. Gandel

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NORTH COAST OF HONDURAS

THIS MONTH'S COVER: Bay Islands of Honduras-small key just off shore of Roatan Island surrounded by beautiful variations in water color. (Photo by William G. Gaudet.)

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