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Between Two Worlds:
The Decline and Fall of
a Failed U.S. Foreign Policy Initiative

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BETWEEN TWO WORLDS: THE DECLINE AND FALL OF A FAILED U.S. FOREIGN POLICY INITIATIVE

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Abstract

This essay assess the political debate surrounding what became a failed U.S. political initiative called the Central American Development Organization (CADO). It was an attempt by U.S. business and labor officials - and their Central American Counterparts - to economically and politically stabilize the isthmus. This essay specifically addresses the issues that contributed to CADO's demise through an analysis of the transcript of the CADO hearing from the House Committee on Foreign Affairs Subcommittee on International Economic Policy and Trade, held on April 1, 1988, in Washington, D.C.

This essay's thesis is that CADO failed because it was an initiative conceived in the Cold War but one which, at the same time, suggested post-Cold War U.S. foreign policy objectives toward Central America. CADO's designers, ultimately, were out of touch with Central American post-Cold War realities.
I. INTRODUCTION

"...[W]e propose the establishment of a structure which would do what no existing national or international body now does: provide a continuous and coherent approach to the development of (Central America), a process of review of that development, and access to that process by those who have not before been an integral part of it."

So stated the report of the President's National Bipartisan Commission on Central America presented to Ronald Reagan on January 10, 1984. The "we" referred to this 12-member "Kissinger Commission" (established by Executive Order 12433 on 19 July 1983) to develop a peace plan for Central America. The "structure" was the short-lived concept called the Central American Development Organization (CADO).²

CADO was an attempt by U.S. government, business and labor officials - and their Central American counterparts - to economically and politically stabilize the isthmus. The task of the proposed tripartite organization was to "foster equitable economic growth through the adoption of political reforms and other pertinent measures, and to respect universally recognized human rights...."³

It was in the Kissinger report that the CADO idea, arguably the "key, if largely unnoticed element in the (Kissinger) Report," was first outlined.⁴ Four years after the Report's publication, the House subcommittee on International Economic Policy and Trade on April 13 1988 debated the merits of CADO and the reasons for its slow movement toward implementation. The 128-page transcript of this hearing, chaired by Representative Don Bonker (D-Washington) serves as the major point of reference for this study. The transcript also provides a fascinating glimpse of Congress at work and,
more importantly, the foreign policy forces that shaped and continue to shape Central American politics in the 1990s.

Witnesses at the hearing included John T. Joyce, president of the International Union of Bricklayers and Allied Craftsmen (American Federation of Labor-Congress of Industrial Organizations[AFL-CIO]) and Juan Francisco Alfaro Mijangos, secretary general of the Guatemalan Confederation for Trade Union Unification (CUSG). That labor was well represented during the hearing was not accidental.5

Much discussion focused on the Central American labor phenomena called "solidarismo." Unrelated to the Polish Solidarity movement, Central American "Solidarity" first appeared in Costa Rica in 1947.6 Originally supported by both the Catholic Church in Costa Rica and the United States Aid for International Development (USAID), solidarista groups formed credit cooperatives, and food and clothing distribution centers. These organizations, wrote Central American author Tom Barry, were "supported by businesses as an alternative to class confrontation, unionism and collective bargaining."7

Guatemalan and U.S. labor representatives condemned solidarismo during the CADO hearing. These labor representatives and others saw moves toward a business-aligned unionism as threatening the integrity of the union concept itself, fearing that collective bargaining would be so watered-down as to be meaningless. Ultimately, they believed such "solidaristas" would weaken the power of the traditional, non-manager-aligned trade unions. The role of solidarista groups in the CADO became a major issue of contention during the hearings. This debate proved to permanently damage the
possibility of establishing a Central American Development Organization.

The CADO hearing was important for several reasons. First, its transcript provides an inside look at how Congress, labor, government agencies, and business responded to Reagan era answers to Central American crises: propose an idea for the region, give it some money and let the market develop a solution. Second, the hearing itself provided an "inside" look on issues that still confront Central American politics today, particularly the role of labor.

This essay assesses the political debate on the CADO concept from 1983 to 1988. In addition to providing a brief history of the idea, this essay also addresses issues that contributed to CADO's demise through analyzing the transcript of the CADO hearing from the House Committee on Foreign Affairs Subcommittee on International Economic Policy and Trade held on April 13, 1988.\(^8\)

This essay's thesis is that CADO ultimately suffered from a political identity crisis. It was an idea conceived in the Cold War but hinting at post-Cold War U.S. foreign policy objectives towards Central America. The CADO concept was politically premature even though it was considered for implementation after four years of deliberation. Its designers were out of touch with Central American post-Cold War realities.\(^9\)
II. HISTORICAL BACKGROUND OF CADO

The forces that produced the concept of a Central American Development Organization stemmed from the political realities of the early 1980s. Exactly six months before President Reagan established the Kissinger Commission on July 19, 1983, Mexico, Panama, Colombia, and Venezuela met on the Caribbean island of Contadora to develop a peace plan for Central America. The meeting, held on January 19, 1983 produced a 21-point document calling for a reduction of foreign military advisors in the region and an end to external subversion.¹

Central America desperately needed such a plan. Guatemalan Indians were fleeing from a brutal military force into Mexico while Nicaraguan Miskitos fled from overzealous Sandinistas into Honduras.

The United States, in the meantime, was militarizing El Salvador with about $1 million a day to crush rebel armies. In 1983, Lieut. Col. Oliver North began covert arms shipments to Nicaraguan Contras while the U.S. blocked about $200 million of development credit to that country from 1981 to 1984.²

U.S. foreign policy during this time echoed President Reagan’s statement to a joint session of Congress in April 1983, "no area in the world is more tightly integrated into the United States’ political-economic system and none more vital for North American security, than Central America."³ Into this world was born the President’s Kissinger Commission.

The objective of the Commission, according to its Executive Order, was to "study the nature of United States interests in the Central American region and the threats now
posed to those interests.4 The Commission was to advise the President, Secretary of State and Congress on policy that would "best respond to the challenges of social, economic, and democratic development in the region, and to internal and external threats to its security and stability."5 The report also recommended a five-year authorization of money, part of which would be channelled through the proposed CADO.6

CADO would embody five basic principles: (1) Central American development would be a cooperative program; the involved nations would jointly deliberate on policy issues; (2) the program would promote the development of Central America through "economic prosperity, social change, political modernization and peace;"7 (3) representatives from public and private organizations, in both the United States and Central America, would assess the progress towards agreed upon goals; (4) donor nations would have ultimate control over aid; and (5) CADO would be "established on a sufficiently permanent basis to demonstrate the long-term commitment of both the United States and Central American countries to the coordination of economic development with social and political development."8

Many of these Commission proposals echo post-Cold War thinking. Cooperation, rather than unilateral deliberation, is emphasized in points one and three. Points three and five propose or at least justify development of Central America as an organic, multi-dimensional whole, not development in terms of military importance only. Point four, however, slips back into Cold War anachronisms: control of funds would rest largely with the United States. The ethos surrounding this Cold War provision would ultimately
prevent the realization of CADO.

Membership in CADO was initially open to Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua (which was eventually excluded), Panama, and the United States. Any "democracy" could hold "associate member status" if willing to make financial contributions for development in the region. However, the organization's chairman was to be from the United States and the Executive Secretary from Central America.⁹

CADO would be comprised of delegates from the Central American countries that included representatives from the democratic trade union movement and business and government. These representatives would "assess the progress made by each Central American country toward economic, political and social objectives..."¹⁰ The report noted the Inter-American Committee for the Alliance for Progress as an historical model for a CADO.¹¹

Country participation in CADO would rest on the Central American acceptance of and progress toward: (1) "the protection of personal and economic liberties, freedom of expression, respect for human rights, and an independent system of equal justice and criminal law enforcement;" (2) political pluralism; and (3) "a commitment to preserve peace, independence and the mutual security of Central American member nations by renouncing intervention and limiting arms..."¹² The first point perhaps implies an intolerance toward a Socialist-inclined economic system, one not necessarily (or exclusively) based on "the protection of personal and economic liberties."

The proposals in the report were not meant to be a final blueprint for Central
America's economic and social development. Nor was CADO to be in competition with USAID, the Inter-American Development Bank or the International Monetary Fund. Such a structure was also not to supersede related Central American organizations.  

Certain features of CADO appeared innovative for the early 1980s. CADO was to be foremost a cooperative program: "We (the commission) cannot provide what is most vitally needed: a positive Central American vision of the future, and a process for translating that vision into reality. This can only be done by engaging the initiative, the energy and the dedication of the Central Americans themselves...."  

CADO membership would also be at least partly based on a commitment to human rights.

But constraints intrinsic to CADO ultimately reinforced traditional patterns of U.S. influence in Central America that echoed Cold War thinking. The U.S. and "other governments" (presumably those of Central America) the report continued, would not be "bound to accept the judgments of CADO."  

Aid disbursement, as noted above, would rest with donors - primarily the United States - which would also as noted above serve as CADO's chairman. The U.S. was free to maintain bilateral economic assistance to any Central American country "regardless of performance."  

These constraints did not assist CADO's need for credibility nor to its development. The reported Central American "lack of interest" in CADO in the 1988 hearings is understandable given the above conditions. The Kissinger Commission itself prompted this response from Nicaragua's then Vice President Sergio Ramírez: "We see in this commission the fundamental purpose of opening political space for Reagan, within the United States."
Nineteen months after the Kissinger Commission released its report, Congress approved the creation, through amending Chapter 6 of the Foreign Assistance Act of 1964, of a Central American Development Organization. Three years later, in 1988, Congress would hold a hearing to evaluate the development of the proposed organization. Chairman Bonker, at the beginning of the hearing, noted that "since [CADO's] enactment in 1984, very little has been done, so today we will look into the impediments that exist with respect to CADO's formation. (We will) also...measure the support, both in Central America and in the U.S., for the broad approach to development that CADO represents."

The subcommittee realized that although CADO was authorized by Congress the participating Central American countries had not signed a charter. "Are we in an endless process here?" exclaimed Bonker to the State Department's Paul Taylor, "just another exercise within the State Department? Another congressional mandate with good intentions but hopeless to achieve? Are you optimistic that this concept will ever work?"

An endless process? Perhaps. But much happened between 1985 and the 1988 congressional hearings, according to testimony given and documents presented at the hearing. The chronology of events that follows is taken largely from USAID's Malcolm Butler's prepared statement presented to the subcommittee.

After the passage of the 1985 amendment, representatives from U.S. government, business and labor formed a "U.S. tripartite organization." USAID and the Department of State represented government. The American Institute for Free Labor Development
(AIFLD) represented labor while the American Chambers of Commerce/Latin America, and the Council of the Americas represented business. The delegates formed a working group based in Washington, D.C. (which developed the original rationale for CADO) and later produced a draft of the CADO idea to be discussed with their Central American counterparts.

In May 1986, USAID and State officials made exploratory trips to Central America and discussed the CADO concept with Central American representatives of government, business and labor. "The initial soundings were varied...," Butler's statement reads, "ranging from skepticism to real interest, with each group in each country seeming to have a slightly different concept of what CADO ought to be." The following September in San José, Costa Rica, the Central American Institute for Business Administration (INCAE) met to further define CADO's objective. "The San José meeting was a useful discussion of the general concept and utility of a CADO and surfaced the possibility of national tripartite organizations as sub-units to a regional organization..." Butler's statement continued.

Consensus, however, seemed remote. The issue causing most contention among the conference participants was the role of the manager-aligned solidarista groups in CADO's labor representation. Butler noted that such groups were legal in Costa Rica, claiming to represent 50% of the workers in the country. "The labor unions in attendance objected strongly to Solidarity being included as representatives of labor," Butler wrote.

The next CADO meeting was held in Tegucigalpa, Honduras, in December 1986 which Butler described as an "informal working group in which one individual from
each of the potential member countries participated. The pro-solidarista Costa Rican delegation had refused to attend due to the labor issue. The meeting participants, however, produced a "statement of intent" and a "draft charter" for CADO. But those present at the meeting could not develop a consensus on labor issues and no agreement was reached.

In March 1987 another meeting convened in Tegucigalpa. One representative from each sector (business, labor, government) of each country met and agreed on much of the draft charter. But again labor representation remained problematic. "While several alternative solutions were proffered (towards the solidarismo issue) none was accepted, and it was decided that another meeting would be scheduled for May [1987]."

Meanwhile, members of the Honduran tripartite group (the only Central American country to have one) traveled to member countries sharing both the progress Honduras made in establishing a national CADO and to resolve the solidarista problem. "[The members] found a growing uncertainty about CADO on the part of government and business sectors in the region and recommended that no further meetings be held until the Solidarity issue was resolved," Butler’s statement continued.

The last action of those working to establish CADO noted in Butler’s chronology was AIFLD’s proposal to have former ambassador to Bolivia William Stedman assess the "current regional sentiment toward CADO and make recommendations on next steps." Stedman was traveling in Central America at the time of the April 1988 hearing and was expected to produce his findings by June 1.

The question of solidarista organizations in CADO impeded the signing of a charter.
Central American lack of interest and fear of U.S. dominance in CADO must also have contributed to CADO's lack of credibility. The role the U.S. gave itself as CADO chairman (without evidently consulting the Central American nations) must have contributed to this lack of interest. "The United States will of course continue to actively encourage this process," Butler's statement concluded, "which is fully consistent with our overall objectives in the region."32 The U.S.'s Cold War objectives, and the objectives of Central America, clearly did not synchronize in the latter's attempts to establish a Central American Development Organization.
III. THE CADO HEARING

The Kissinger Commission recommendations for establishing a Central American Development Organization echoed Cold War thinking. The hearings, however, exposed discontent with Cold War paradigms. Poverty and social inequities, not communism and leftist political parties were recognized by some hearing participants as the root causes of Central American instability. This section of the essay analyzes the transcript of the April 1988 CADO hearing. General observations, however, are first in order.

Nineteen-eighty-eight was another tumultuous year in Central America. The CADO hearing happened the same month the U.S. Embassy in Honduras was fire-bombed after U.S. agents seized and extradited a well-known drug trafficker. By late 1987, the 9000 member Salvadoran rebel coalition, Farabundo Martí Front for National Liberation (FMLN), was operating in all fourteen provinces of El Salvador despite the army’s numerically greater force of 50,000. There were already about 43,000 casualties due to the contra war in Nicaragua whose anti-Sandinista forces between 1987 and 1988 received $1 million from the National Endowment for Democracy (NED).¹

In the United States, George Bush had just been elected president. A U.S. Circuit Court had recently ruled in favor of the Sanctuary Movement’s actions assisting Central Americans find refuge in the United States. A document written by U.S. analysts and military officers that year warned of the "communist subversive and terrorist network sneaking from Mexico through Central America into South America."²

Several CADO hearing participants confessed that traditional U.S. methods of ensuring peace and democracy were not working. "The reality is that we have spent
almost $5 billion, most of it in military assistance to Central America, and today we're no closer to peace than we were back in 1981-82" said Chairman Bonker in opening the hearing.\textsuperscript{3} Several hearing witnesses echoed Bonker's concern.\textsuperscript{4}

The most striking example of this post-Cold War thinking was expressed by AFL-CIO representative John T. Joyce: "...what we see in terms of the problem of communism, or the radical Left, is really more a symptom of the difficulties in that area rather than the cause. And that underlying cause I think is clear to everybody who's spent any time looking at it. It's the grinding poverty that exists in that country, and it's the lack of democratic structures and institutions."\textsuperscript{5} This statement would come the closest during the hearings to challenging Cold War-shaped worldviews that express the need to identify the "symptoms" rather than the "causes" of Central America's political and economic problems.

Witnesses on two occasions even rebuffed the two staples of traditional U.S. foreign policy: "trickle-down" economics and the Alliance for Progress. One of these witnesses was AFL-CIO's Joyce: "The (Kissinger) Commissioners," read Joyce's prepared statement, "obviously felt that after years of economic development for its own sake, and with social/political change only an afterthought to be governed by the now discredited trickle-down theory, the time had come for change."\textsuperscript{6} Juan Francisco Alfaro Mijangos, the Secretary General of the Guatemalan Confederation for Trade Union Unification (CUSG), said "[L]et it (CADO) not be a repeat of the Alliance for Progress assistance programs which only served to enrich a small group of people."\textsuperscript{7}

Other witnesses questioned the interest Central Americans themselves had in CADO.
"Thus far, we have been unable to convince the Central Americans that the promise of a CADO is sufficient to overcome the obstacles in the way of organizing it," reported Paul Taylor. Taylor added that Central Americans were raising questions about CADO's viability. Were not pre-existing organizations like the World Bank sufficient to accomplish CADO objectives? Could an organization that included the United States but excluded Nicaragua be "Central American?" Was a new bureaucratic organization with its own cost really needed? "These are difficult questions with only imprecise answers," stated Taylor's prepared report. The exclusion of Nicaragua also reflected Cold War anachronisms by trying to prevent dialogue with an assumed "Marxist-Leninist" state. This exclusion contradicted the first of CADO's five basic principles: that CADO would be a "cooperative program."

A less than optimistic view about Central America could be observed in the CADO hearings. Margaret Daly Hayes of the Council of the Americas reported, "...I would be less than honest with you if I didn't report that, aside from elements within the labor movement, I believe there was not much understanding of, nor interest in, this concept. It is regarded as our idea, not theirs." Allusions to the lack of Central American interest towards the idea were indeed noticeable; the U.S.'s proposed dominant role in CADO appeared to backfire.

A hopeful John Joyce, however, implied that CADO's slow development, not Central American lack of interest, was the root of CADO's problems. "In terms of interest, we found a good deal of interest in all the sectors.... But there is an analogue to this... justice delayed is justice denied, enthusiasm stretched out over a long period of time begins to
evaporate."12 The basis of this enthusiasm, evidently, was the $7.5 billion for Central America envisioned by the Kissinger Commission.

U.S. labor representatives, more than other witnesses who attended the April 1988 hearing, concluded that the United States might have made foreign policy blunders into Central America during the Cold War era. This recognition might have been due to the years of experience accrued from U.S. labor’s extensive involvement in Latin America since the early 1900’s.13 It is not surprising that both U.S. and Central American labor concerns played a critical role in the CADO hearing and that it was a major issue of contention in the ratification of the North American Free Trade Agreement.

The nature of labor’s representation in a Central American Development Organization seemed to be the major obstacle to CADO’s ratification. As early as the September 1986 meeting in Costa Rica, the question whether to accept Costa Rican solidarity organizations into the fold remained unresolved. As noted above, Costa Rican representatives declined to attend the December 1986 meeting in Tegucigalpa due to the Solidarismo dispute.

The March 1987 meeting in Tegucigalpa also saw "contentious debate" about whether labor representation in CADO should be limited to trade unions. Costa Rican along with Guatemalan and Salvadoran business representatives argued for the legitimacy of solidaristas while AIFLD and various Central American labor unions dissented. Participants agreed to leave the matter unresolved until the next scheduled CADO meeting in May, a meeting that would be postponed indefinitely.14 According to Paul Taylor, someone at this meeting proposed including solidaristas as a "fourth element"
in CADO, a proposal Taylor favored. But Central American labor and other participants disagreed, arguing that inclusion of the solidaristas would produce "excessive labor representation."\(^{15}\)

Little was accomplished during subsequent meetings in July and September, 1987. Finally in March 1988, USAID hired former U.S. Ambassador to Bolivia, William Stedman, to meet with Central American labor, business and government representatives. They would discuss both the prospects of ratifying CADO and the solidarista problem. Ambassador Stedman was to have a report of his findings completed by June 1.\(^{16}\)

AFL-CIO representative Joyce was the most vocal opponent of Solidarismo during the hearing. These groups, according to Joyce, operated as cooperatives and credit unions and did not attempt to organize workers. Nor did these groups attempt to negotiate collective bargaining agreements for workers or process grievances. Joyce described the spread of solidaristas in Cold War drama: "We're now beginning to see it showing up a bit in Honduras and also more recently in Guatemala. As far as I know, we haven't seen it really moving into El Salvador yet."\(^{17}\)

But Taylor also wrote in his prepared statement that the AFL-CIO was prepared to "acknowledge (Solidarista associations) as social entities (emphasis added) such as cooperatives, academic societies, development institutions, religious organizations, and the like." Taylor also reported that the AFL-CIO wanted CADO's structure to be "quadripartite" in order to include a fourth, solidarista category. Solidaristas would be given equal voting privileges along with the other sectors. "The AFL-CIO is ready to
accept this compromise position for the sake of developing CADO.\textsuperscript{18} Such compromise seems unusual coming after Taylor's description of solidaristas as "thinly veiled excuses to destroy genuine trade unions,"\textsuperscript{19} a compromise not well received by Guatemala's CUSG.

CUSG Secretary General Juan Francisco Alfaro (the last witness to speak at the hearing) did not respond to Joyce's offer of a "quadripartite organization." According to Alfaro's prepared statement, CUSG had requested the support of the AFL-CIO in developing a Guatemalan CADO because "we understand that this is the best approach to peace, that is, through economic, political and social development."\textsuperscript{20} He seemed to accept CADO unquestioningly.

Alfaro saw solidaristas as threatening the concept of "tripartitism." He saw this structure type as best able to propose democratic solutions in troubled areas. Solidarismo, for Alfaro, was a threat because the "solidarista movement was originated, was founded, by employers."\textsuperscript{21} "[E]mployers would have two voices, and two votes in any matter, and CADO would lose its reason for being since the employer sector would have veto power."\textsuperscript{22} On the other hand, Alfaro had much faith in a CADO as a means to make it "unnecessary to use money for munitions, for bullets and for all these instruments of warfare."\textsuperscript{23}
IV. CONCLUSION

The Central American Development Organization was not ratified for several reasons. The most obvious, after reading the transcript of the April 1988 hearing, was lack of Central American interest in the concept. This lack of interest may have stemmed from the slow process of establishing a charter.

The role of labor, and specifically the status solidarista involvement in CADO, was also a major point of contention. "[M]y tentative conclusion," stated Representative Bereuter, "is that we have a non-starter in CADO in Central America, because of government's concerns about sharing decision-making with business and labor." But this dispute most probably could have been easily settled either through incorporating solidaristas in a "quadripartite" CADO structure or by completely excluding them.

Ultimately, CADO failed, for it was grasped by a Cold War ethos even as that ethos was dissolving. It failed to identify and adequately respond to the "causes" (poverty, among others) by giving too much emphasis to the "symptoms' (revolution and civil war) of Central America's political and economic crises. CADO was foremost a "solution" proposed by the United States which would also control CADO's purse. Nor was the U.S. and other governments, as previously noted, "bound to accept the judgments of CADO." This was enough to make many Central Americans suspect of U.S. objectives.

The Department of State and the AFL-CIO's eventual acquiescence towards Solidarismo, despite Central American objections, may have irrevocably undermined the CADO concept within that region's labor movements as non-business aligned labor increasingly became suspect of what might be called "business unionism." Walter
LaFeber wrote:

"U.S. policy largely failed because it rested on a contradiction: the stated belief was that the regions's stability and prosperity depended on attaining democracy under U.S. guidance, while, at the same time, Washington officials helped right-wing militarists fight wars that were not for democratic objectives, but instead aimed at perpetuating the wide class differences between rich and poor that had triggered the revolutions originally."²

Conceived during the Cold War and debated during its demise, CADO fell between two world views, belonging to neither. As a result of timing and circumstance it was never ratified by its proposed Central American members.

The transcript of the House subcommittee hearing on CADO provides glimpses of old and new world order politics. Is U.S. policy towards Central America in the mid-1990s "caught between two worlds," between the Cold War and post-Cold War eras? Have the collapse of the Soviet bloc, the end of the Cold War, and the North American Free Trade Agreement influenced U.S. policy development in Central America? If so, how have these world changes directly affected today's U.S. foreign policy? An understanding of the decline and fall of CADO might guide the government of both North and South America to develop sound and mutually beneficent policy as they enter the 21st Century.
NOTES

I. INTRODUCTION


2. Richard E. Feinberg argues in the journal World Development, consistent with this author’s thesis, that "[T]his organization (CADO) might give the United States leverage in the short term but it could breed division in the region and resentment against the United States. Central America is searching for greater autonomy, and a vast aid programme dictated and run by North Americans could well create more problems for us and our friends in the region than it solves." World Development 12 (1984), 867-876.


4. Madison, Christopher. "Whatever happened to the Kissinger Panel’s Central American Consensus." National Journal 16 (21 April 1984), 776. (The Madison and Feinberg articles were the only documents this author found, other than the Kissinger Report and the hearing transcript, that mentioned CADO.)

5. According to Dr. Leslie Bethell, visiting scholar at the University of Chicago and editor of The Cambridge History of Latin America, labor served as the major ideological battleground in Latin America during the Cold War. Presentation at the University of New Mexico’s Latin American Institute, 22 April 1993.


8. The subcommittee members were Rep. Don Bonker (D-Washington), Chair; James H. Bilbray (D-Nevada); Dan Mica (D-Florida); Howard Wolpe (D-Michigan); Sam Gejdenson (D-Connecticut); Howard L. Berman (D-California); Edward F. Feighan (D-Ohio); Toby Roth (D-Wisconsin); Doug Bereuter (R-Nebraska); John Miller
(R-Washington); Gerald B.H. Solomon (R-New York); and Robert K. Dornan (R-California).

9. This author has defined "Cold War thinking" (1945 - mid 1980s), for the purposes of this paper, as foreign policy objectives consistent with both the stopping a perceived threat of communist influence (e.g. through military aid) and the primacy of the market place in solving economic problems. "Post-Cold War thinking," on the other hand, relies less on single-factor ideological motivations (both political and economic) and more on "organic" responses to a region.

II. HISTORICAL BACKGROUND


2. Ibid., 283.

3. Ibid., 5.


5. Ibid.

6. Ibid., 63.

7. Ibid., 72-73.

8. Ibid.

9. Ibid.

10. Ibid., 73.

11. Ibid., 75.

12. Ibid., 73-74.

13. Ibid., 71.

14. Ibid., 70.

15. Ibid., 75.
16. Ibid., 74-75.

17. Ibid., Lafeber, 298.


19. Ibid., 1.

20. Ibid., 7.

21. Ibid.

22. Malcolm Butler, Deputy Assistant Administrator, Bureau for Latin America and the Caribbean, USAID. Mr. Butler apparently served as the USAID’s principal CADO representative in Central America.

23. Ibid., 29.

24. Ibid.

25. Ibid., 29.

26. Ibid., 30.

27. Ibid.

28. This author’s research has not found any other reference to this scheduled May meeting.


30. Ibid.

31. This author’s research has not located these findings.

32. Ibid., 12.

III. THE CADO HEARING

1. LaFeber, 332, 347, 339, 344.

2. Ibid., 346. Quote from, "Santa Fe II: A Strategy for Latin America in the Nineties."
3. Hearing, 1.

4. Witnesses also included Paul D. Taylor, Assistant Secretary for Inter-American Affairs, State; Malcolm Butler (USAID); Keith L. Miceli, executive vice president, Association of American Chambers of Commerce in Latin America; and Margaret Daly Hayes, director, Washington Office, Council of the Americas.

5. Hearing, 45.

6. Ibid., 54.

7. Ibid., 107.

8. Ibid., 93.

9. Nicaraguan membership in CADO provoked much debate among labor, business and government representatives. Paul Taylor stated in the hearing that such membership would depend on the "evolution of Nicaraguan political life. The (CADO) legislation says that countries which respect internationally recognized rights and democratic values should be included, and it has not been our judgment or that of other members of the (U.S. CADO) that Nicaragua is in that category" (Hearing, 38).


11. Ibid., 47.

12. Ibid.

13. American Federation of Labor President Samuel Gompers stated in 1918 that "[T]he fundamental policy I have pursued in organizing the Pan American Federation of Labor is based upon the spirit of the Monroe Doctrine." (Hirsch, 13).


15. Ibid., 15.

16. This author has found no other reference to this report.


19. Ibid.
20. Ibid.

22. Ibid., 102.

22. Ibid., 105. Neither the CADO statutes nor other related documents mention an employer’s veto power.

23. Ibid., 99.

IV. CONCLUSION

1. Hearing, 116. While Representative Bereuter mentions "government’s concerns," such concerns were not noted by either the witnesses or committee members in the Hearing transcript.

2. LaFeber, 365.
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SPECIAL PUBLICATIONS


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