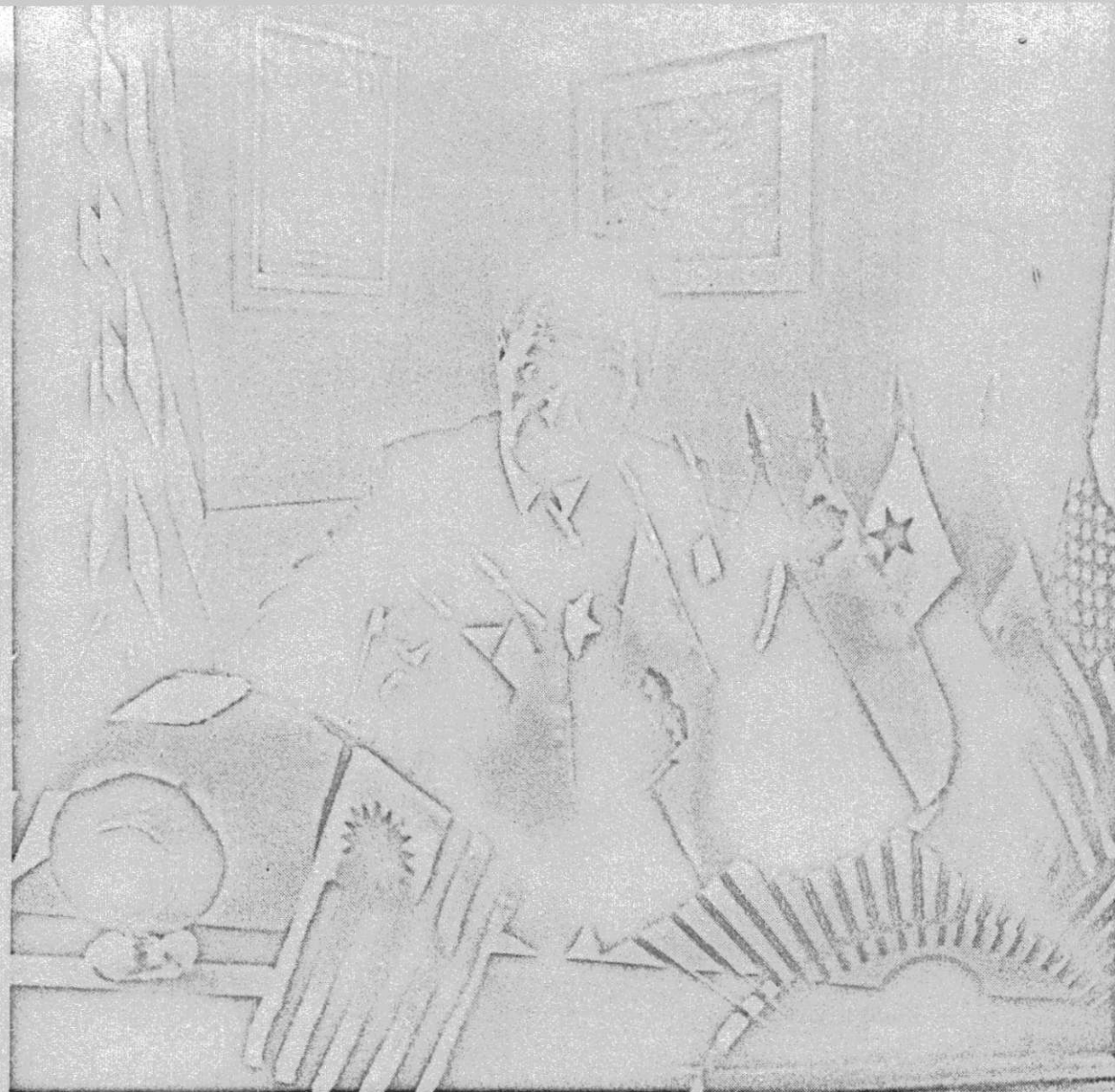




Latin

The push behind new U. S. policy in Latin America will come from businessman-turned-diplomat Sol Linowitz.

BUSINESS ABROAD

Can Sol Linowitz make it work?

This week in Buenos Aires the U. S. launches a new Latin American policy. The former Xerox chairman will try to prod Latins to work together in regional groups

Since World War II, the U. S. has traced a zig-zag course in its dealings with Latin America.

At times during the past two decades, it has stressed aid for economic development and social reform. At others, its chief aim has been to halt Communist inroads by practically any means, including military intervention. Such concern has alternated with periods of massive indifference toward all things Latin.

This week in Buenos Aires the U. S. is taking a new tack—prodding Latin Americans into stronger regional groupings. The new policy has twin goals:

- To make Latin American economic integration a new cornerstone for the big U. S. aid program labeled the Alliance for Progress.

- To make the Organization of American States (OAS), which Pres-

ident Johnson once privately characterized as “unable to pour water from a boot if the directions were written on the heel,” a more effective piece of machinery for inter-American cooperation.

The man Johnson has picked to tackle both these jobs is Sol Myron Linowitz, formerly board chairman of Xerox Corp., presently U. S. ambassador to the OAS, and this country's representative on the eight-man steering committee for the Alliance for Progress. Linowitz is also a likely choice to move into the top State Dept. post for Latin America when Assistant Secretary for Inter-American Affairs Lincoln Gordon steps down in June to become president of Johns Hopkins University.

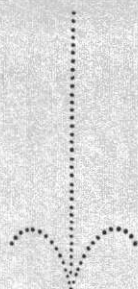
New thinking. Admittedly, Linowitz is no expert on Latin America. Until four months ago, his first-hand

experience in the area was chiefly in setting up Xerox branches. But Johnson picked him precisely because he was looking for some fresh thinking on Latin America, and wanted it uninhibited by fixed ideas resulting from long association with the area and its problems. In addition, Linowitz' long identification with liberal political causes in the U. S. undoubtedly helped allay criticism that the Johnson Administration was shifting toward support of authoritarian governments in Latin America.

“I'm challenging some premises,” says Linowitz. “That's what you do when you're brought in from left field and told to pitch.”

The man from Xerox is now in Buenos Aires on his first major diplomatic assignment, as foreign ministers of the 20 OAS member na-

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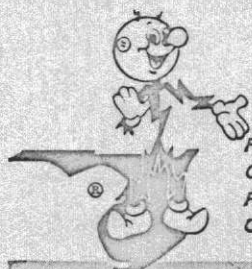
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'The experience is transferable'

On a trip to South America late last year, the U.S. ambassador to the Organization of American States took on a group of left-wing Chilean students in a discussion of world affairs. It was a heated session.

"Afterwards," says Sol Linowitz, "I asked them to guess my professional background. They suggested everything from diplomat to author to educator. Not one guessed businessman."

Latin American students aren't the only ones who might have difficulty in identifying liberal Democrat Linowitz as a millionaire tycoon. He doesn't fit the image. Although he was chairman of the board at Xerox, more of his work came in his role as general counsel than as an executive. He provided complicated legal protection for Xerox's vital patent rights, which helped the company grow from a minor Rochester, N. Y., outfit into a glamorous copying giant with revenues last year of \$528-million.

Versatile. Linowitz was born in Trenton, N. J., 53 years ago. As a youth, he played the violin in symphony orchestras, was urged by drama critic Alexander Woollcott to go on the stage, and at one time considered becoming a rabbi. As an adult, he has a long record of involvement in civic affairs and of dedication to various causes. He is, for example, a trustee for two universities (Rochester and Hamilton), and has served on Anti-poverty Director Sargent Shriver's Business Advisory Committee, the American Jewish Committee, and the National Planning Assn.

tions gather to hammer out a reform of the OAS charter. The purpose is to give the organization a United Nations-like assembly and make other changes that will better equip it for making decisions.

Common market idea. At the same time, Linowitz is spearheading U.S. efforts to get the OAS ministers to set up a "summit meeting" of hemisphere presidents in April. At that time, the U.S. hopes the Latin heads of state will endorse the idea of a Latin American Common Market. The U.S. will propose that the

In recent years, Linowitz' deepest interest has been foreign affairs. He was active in the Association for the United Nations, and instrumental in getting Xerox to sponsor a television series on the U.N. and its activities.

Humphrey push. Linowitz' most important voluntary association with world affairs undoubtedly was as chairman of President Johnson's Committee for International Development. In that role, he helped win public support for the Administration's foreign aid program, working closely with Vice-President Humphrey. It was chiefly at Humphrey's urging that Johnson took Linowitz into the government by naming him envoy to the OAS last year.

Linowitz is finding his Washington assignment no copy of his Xerox job, but he says "a lot of the experience is transferable." Nobody, he affirms, is more internationally minded than today's U.S. businessman. As for international negotiations:

"They're not very different from concluding a long-drawn-out business deal or settling a thorny labor dispute."

One difference between working in business and in government, Linowitz has discovered, is the pace.

Schedule problems. "In business, you can set up your own schedule," he says. "You can tell your secretary you want to be left alone. You can't do that in government. Five minutes after I come in, my schedule is a shambles. There's a cable from Haiti or somewhere that can't be put aside."

Latins formulate a treaty by the following April, similar to the Treaty of Rome, which brought the European Common Market into being. The goal is to put a Latin American version—embracing 19 countries and covering an area eight times the size of Europe, with over 200-million inhabitants—into business sometime in the 1970s.

Since the Latin Americans themselves have been moving toward closer economic ties, through the Central American Common Market and the Latin American Free Trade

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Assn. (LAFTA), the job of Linowitz, and of other U.S. officials headed by Secretary of State Dean Rusk, might appear to be easy. But it hasn't been.

One trouble is that Latins instinctively react to U.S. initiatives with jealousy and suspicion. As a Latin ambassador in Washington wryly observes: "Economic integration is a good idea, but it's too bad it's being sponsored by the U.S."

Leverage on Johnson. Also, some of the Latin nations suspect Johnson wants the summit meeting for domestic political reasons, wants it badly, and is prepared to pay a high price—like giving preferential tariff treatment to Latin American exports to the U.S.

Despite the backing and filling, the presidential meeting will probably come off, starting on or about April 12 at the Uruguayan beach resort of Punta del Este, where the Alliance for Progress was launched. Just how all the Latin American nations will take to the common market idea, however, is another matter. The Central Americans, with their own small but successful common market, are likely to hesitate about submerging it in a vastly larger scheme. Some of the smaller, less developed South American nations, like Bolivia and Ecuador, are leery of exposing their weak industries to competition from their more advanced neighbors.

Tonic. Nevertheless, regional economic integration might just be the tonic needed to make U.S. aid more effective, by making the Latins feel they are doing something for themselves. For the Alliance has still not brought economic and social progress and political stability to a region that, with a few exceptions, has never had these blessings on a steady basis. As a result, Latin America still is marked by that unrest with which the U.S. has been grappling for two decades.

Since World War II, the U.S. has moved steadily from a policy of near indifference toward Latin America toward ever greater commitment to improving the welfare of the region and its people. President Truman's Point IV was a modest program of technical help. Under President Eisenhower, Latin America clearly took a back seat to U.S. preoccupations with other areas—until Fidel Castro came to power in Cuba.

Then, in a near panic, President Kennedy launched the Alliance, a \$20-billion 10-year program of underwriting economic and social reform. Alliance aid has totaled some \$6-billion already, and Johnson has asked Congress for \$543-million more in 1968.

For all the aid, Latin economic

growth has been uneven. Last year, it didn't even reach the 2.5% per capita increase set as a minimum Alliance target. The fervor for social reform has all but vanished, and U.S. officials have opted for stability, even when it has meant support for unpopular military regimes.

Testing ground. The OAS, of course, is the instrument through which the U.S. hopes to channel its support for a Latin American drive for integration. It will be a severe testing ground for Linowitz' skill. Traditionally, the OAS has been a sort of debating society and sinecure for Latin American diplomats.

Nonetheless, Linowitz has been moving fast, with enthusiasm and a forthrightness that has made Latin Americans sit up and take notice. He has been cultivating them outside business hours on the Washington banquet circuit, stressing his interest in Latin American cultural affairs. He is convinced that U.S. troubles with Latin America stem partly from a lack of public interest in the area. To overcome this, he talks of forming a U.S. Association for the OAS, an organization that would mobilize public support for the OAS, similar to the U.S. Association for the United Nations, in which he has long been active.

"If regionalism will work anywhere, it'll work in Latin America," he says.

At the same time, he hasn't been pulling any punches with the Latins. On a South American swing last year, he bluntly told a high official of one military-governed nation:

"You're in trouble. The image of your government in the U.S. is bad."

Clear stand. "We must make it clear we support democracy," Linowitz says, "that the democratic governments in Latin America are our special friends. We have the obligation not to fudge up our stand."

Linowitz also believes the U.S. should direct more of its aid toward agriculture and education.

"Latin America's biggest resource is people," he says. "But to bring them into the 20th Century, we've got to teach them what the 20th Century is."

Jaded Latin American hands in Washington are sometimes taken aback, and a little amused, at Linowitz' candor and freshman enthusiasm. Some are waiting for him to stub his toe, discover that some of the area's problems may be intractable. But the ambassador from one of Latin America's major countries says:

"I think Linowitz will succeed. But he must have patience." End