Armed Forces of National Liberation (FALN) (Puerto Rico)

The Armed Forces of National Liberation (FALN) of Puerto Rico was a Cold-War-era paramilitary group that struggled to gain Puerto Rico's liberation as a nation independent of the U.S. government. Growing out of a 1950s student pro-independence organization and a tradition of pro-independence movements, the U.S.-based FALN called for a popular front of the Marxist-Leninist variety, rejecting support from non-Marxist countries and advocating a Socialist-Communist government for a fully independent Puerto Rico. A separatist movement, it used terror tactics in an attempt to gain these objectives. The movement was based on both nationalism and socialism and was spurred to growth in part by the economic difficulties facing Puerto Rico in the middle of the twentieth century. Setting itself against the U.S. government and military, it sent members to and recruited members within the United States to carry out bombings on U.S. soil, such as in New York and Chicago. Representatives of FALN then used the press interest in these actions to call attention to its cause and announce its intentions and motivations.

Since its territory came under U.S. control with the Spanish-American-Cuban War, Puerto Rican pro-independence movements had generally remained a minority of the island's population. Many within Puerto Rico have sought improvement and aid through the existing structures put in place by the U.S. government, and others—generally those among the elite—have often been pleased with the status quo that provided tax incentives and concessions that required Puerto Rico's continued status as a U.S. territory. Many, however, saw continued economic problems in Puerto Rico as a sign that the colonial status of the island was not working. The U.S. government had attempted to solve this problem by initiating reforms, making Puerto Rico a commonwealth in 1952 to promote industry and creating an Industrial Incentive Act in 1954. Nevertheless, industry stagnated and pro-independence movements continued. In the 1960s, during the height of U.S. preoccupations with the Cold War, the FALN arose to attempt to answer these problems and promote nationalism on the island. The extent and success of Puerto Rican terrorist organizations in this era were a clear indication of discontent among many Puerto Ricans on the island and within the continental United States.

Led by William Morales, the FALN was classified by the Federal Bureau of Investigation (FBI) as a terrorist organization, and its leaders and members were persecuted as criminals and were considered threatening to U.S. national security throughout the 1970s. The height of FALN actions took place through the second half of the 1970s, during which time it executed over one hundred terrorist bombings, and most acts were carried out on U.S. soil. During this time, the organization maintained a great deal of support from its members in the United States and from other organizations subversive to the U.S. government, such as the Weather Underground and other prominent Puerto Rican separatist groups such as the Macheteros, led by Filiberto Ojeda Rios. The FALN became a special target of the FBI Counter-Intelligence Program (COINTELPRO). Many of its members were arrested throughout these years, and others fled to other countries—especially to refuge from U.S. authorities in Cuba. In 1977 FALN leader William Morales was severely injured in a bombing action in Queens, New York, and he fled to Mexico. In 1983 he was arrested there, but the Mexican government declined to hand him over to U.S. authorities, and he went into exile in Cuba. The organization dissolved in 1983 with many of its members by then in FBI custody and leader Morales in Cuba. Other Puerto Rican separatist groups protested the detaining of FALN members in the continental United States and continued to call for an independent Puerto Rico.

Diplomatic and federal attempts to deal with the contentious issue of the Puerto Rican pro-independence movement have remained controversial. In 1999 U.S. President William Clinton commuted the sentences of sixteen FALN members; both their imprisonment and then their pardons caused widespread controversy, as did the 2003 death of Machetero leader Rios. Rios was killed in Puerto Rico in a confrontation with the FBI. FBI agents claimed that they entered his property with an arrest warrant and that he began shooting; Rios's wife, the only other eye witness, claims that the FBI agents began shooting first and that the 72-year-old Rios was only protecting himself. Criticism of FBI handling of the situation was widespread for many reasons, however. Among them was the fact that the FBI carried out the operation without first alerting local law officials.

See also Puerto Rico, U.S. Relations with

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Arms Industry in Latin America

The size and sophistication of Latin America's defense industries vary widely. Argentina, Chile, and Brazil are capable of manufacturing aircraft, armored vehicles, and naval hardware. Peru and Mexico have more modest defense industries devoted to the
manufacture of light arms, ammunition, and navy patrol boats. Another group of countries including Honduras, Bolivia, Costa Rica, and Uruguay do not have significant arms industries.

CHALLENGING U.S. SUPREMACY IN ARMS DEALING
Prior to World War I, a handful of Latin American countries produced arms and ammunition, but all sophisticated weaponry—warships in particular—came from Europe or the United States. From World War II to 1967 the United States held a virtual monopoly on the supply of advanced defense technology to Latin America, but that position came to an abrupt end once other arms-exporting countries started selling defense technology to Latin America through coproduction and licensing agreements.

In the first two decades after World War II Washington offered Latin American nations military hardware under the terms of the Military Assistance Program. In the 1960s, however, Congress began to eliminate grant aid while simultaneously exercising greater control over the export of American military products, technologies, and services. Specifically, the United States refused to export supersonic fighter jets, deeming them inappropriate for the continent's militaries and likely to result in arms proliferation. This attitude generated resentment among South American governments, which saw such policies as insulting encroachments on their sovereignty.

A watershed moment came in 1967 when Peru decided to buy twelve Mirage 5 fighter jets from France in direct violation of Washington's wishes, making Peru the first Latin American nation (excluding Cuba) to possess supersonic combat aircraft and redefining South America's military environment. European defense firms aggressively challenged U.S. preeminence as the region's arms supplier and proved more willing to sell arms and technology to governments without political conditions. By the time the Carter administration decided to make weapons sales contingent on a yearly assessment of respect for human rights, many militaries had already come to view the United States as unreliable.

ARMS MANUFACTURE IN ARGENTINA, CHILE, AND BRAZIL
National leaders in Argentina—many of whom were military officers—had long viewed arms production as a path to industrial and technological development. In 1941 the Argentine state established the DGF (Dirección General de Fabricaciones Militares) as a conglomerate to manage fourteen factories across the country producing a variety of arms, communication equipment, chemicals, and steel. In 1983 it employed an estimated 40,000 people.

In the 1960s Argentine leaders formulated Plan Europa to import European defense technology in response to U.S. Congressional restrictions. Contracts were signed with French, British, Swiss, and West German firms for licenses to manufacture everything from warships and tanks to machine guns and missiles. Plan Europa was designed to build on Argentina's existing production capabilities while importing advanced technology. For example, the Argentine Defense Ministry contracted with German engineers to help design a medium-sized tank (Tanque Argentino Mediano) for domestic production in 1974. That year Argentina's aircraft industry (Fábrica Militar de Aviones) introduced its own counterinsurgency ground attack plane, the IA 58 Pucará, which saw action during the Dirty War (1976–1983) and the Falklands War (1982).

In 1975 U.S. legislation sponsored by Senator Ted Kennedy terminated all American military sales to Chile as a punishment for the Pinochet regime's human rights violations. Because the Chilean military had depended so heavily on U.S. defense technology, the air force, army, and navy were obliged to renovate antiquated hardware, locate new sources of supply, and acquire manufacturing licenses from other arms-exporting states.

Cardoen Industries, a Chilean firm that mostly manufactured explosives for the mining sector prior to 1975, took advantage of new opportunities to enter defense production and won contracts to supply the Chilean army with armored personnel carriers. By the 1980s Cardoen Industries was manufacturing armored vehicles, mines, rockets, grenades, and torpedoes. This entrepreneurial success led to exporting, and from 1984 to 1988 the industrial enterprise sold $200 million worth of cluster bombs to Iraq.

Chile's national aircraft industry ENAER (Empresa Nacional de Aeronáutica de Chile) reached a new level of development in the 1980s with the design, manufacture, and export of a military trainer, the T-35 Pillán. Assisted by Piper Aircraft, a private U.S. company unaffected by the arms embargo, ENAER successfully replaced Chile's outdated trainers, obtained under the Military Assistance Program, that had become difficult to repair following passage of the Kennedy Amendment.

Brazil is both Latin America's largest weapons producer and the only Latin American country to design and build a substantial portion of the jet, armored vehicles, and warships in its arsenal. National leaders began pursuing the goal of weapons self-sufficiency after the country initiated a process of industrialization in the 1930s. By the 1960s, Brazil's private sector had all the means to create economies of scale for the efficient manufacture and export of arms: advanced industrial infrastructure, low labor costs, and the capacity to fabricate all primary parts.

In 1964 Brazilian engineers founded the private aerospace firm Avibrás and received contracts from the Brazilian military to manufacture rockets. By the 1980s Avibrás began exporting multiple launch rocket systems. The firm also developed anti-tank and antiship missiles. At its peak during the Iran-Iraq War, Avibrás employed 6,000 people.

Brazil's largest aircraft manufacturer and top exporter EMBRAER (Empresa Brasileira de Aeronáutica) is the world's fourth-largest civilian airplane maker and a testament to the strength of Brazil's aeronautical industry. In 1988, the company employed 12,000 workers. A quick survey of Latin America's air force fleets reveals that nearly every country in Latin America owns and operates EMBRAER military aircraft.

Brazilian tank production illustrates one way the United States has contributed to the development of Latin America's arms industry. In the 1950s Brazil received eighty aging M3A1 Stuart light tanks and three hundred M-41 Walker Bulldog light tanks through the U.S. Military Assistance Program. In the 1970s
the Bernardini Company of São Paulo rebuilt those tanks with European components and some indigenous modifications before receiving a contract, in 1980, to build a Brazilian battle tank, the Tamoio, which relied on the American M-41 design.

CONCLUSION
In the 1980s critics described Latin America’s burgeoning defense industries as a misallocation of resources and a form of luxury production for a social minority (the military). Critics also feared that an emerging military industrial complex would politicize the armed forces and encourage them to meddle in civilian decision making about defense budgets. At the same time, arms exports represented one way to generate foreign exchange. Moreover, indigenous arms industries facilitated technological development and decreased political dependence on external suppliers, especially the United States.

The conclusion of the Iran–Iraq War, combined with the collapse of the Soviet Union, greatly reduced global demand for conventional weapons. The feasible production of Argentina’s medium tank and Brazil’s main battle tank effectively ended with Operation Desert Storm because both units depended on export markets in the Middle East, which dried up immediately after that conflict.

The impulse to produce weapons in Latin America has generally been part of a strategic vision to achieve industrial development and lessen dependence on foreign suppliers of military products. Countries that developed arms industry early—Argentina, Chile, Brazil—still have the best capabilities to make and repair arms, but the entire region still imports its most sophisticated military hardware. In this market, the United States must compete with western Europe, Israel, and Russia.

See also Arms Transfers to Latin America; Chile, U. S. Relations with; Inter-American Conference for the Maintenance of Continental Peace and Security, Rio de Janeiro, 1947

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Arms Transfers to Latin America
The United States has used arms transfers to Latin America to bolster its allies, gain favor with the region’s political elite, to further its hemispheric policy objectives. Arms transfers take place via government-to-government agreements, the transfer of excess defense articles from U.S. surplus inventories, commercial sales of military and dual-use items, clandestine operations, or through the black market. Arms transfers can be directed toward either governments or nonstate actors. Not all arms flowing to Latin America from the United States, however, has been sanctioned by the U.S. government—guerrillas, criminal gangs, and narcotics traffickers have relied at least partly on the U.S. market to arm themselves.

SCOPE OF ARMS TRANSFERS
Tracking the totality of arms transfers, however, is difficult. Congress, by law, is notified when the Department of Defense proposes government-to-government foreign military sales of major defense items above a certain threshold, but many military items fall below this threshold. Commercial and black market sales of arms are even more difficult to monitor.

As a percentage of the total global arms trade, transfers to Latin America have been historically small when measured in dollar amounts. According to SIPRI Yearbook, in 2007 to 2008 the United States exported roughly $251 million worth of arms to Latin American countries. This equals just 1.7 percent of all U.S. arms exports during this period. Even during the height of U.S. interventionism in the region, the total percentage of U.S. exports was relatively low when compared to the global total. From 1981 to 1990, when the United States was supporting counterinsurgency operations in El Salvador, Guatemala, and Colombia, arms exports to Latin America totaled just under $3.3 billion or slightly more than 3.0 percent of total U.S. arms exports for that period. This low percentage, however, is a reflection of the fact that Latin American countries have generally received fewer advanced weapons systems and have instead been a market for smaller arms intended for internal security.

Prior to World War II Latin American countries obtained most of their arms from Europe. This was due to historical ties between Latin American and European militaries as well as statutory restrictions in the United States on arms exports. Since the end of World War II the United States became the primary exporter of arms to Latin America. Throughout the Cold War and post-Cold War era, U.S. policy toward Latin America largely focused on bolstering “friendly” governments against internal threats and counterinsurgency operations, thus the type of arms transferred to Latin America have generally reflected these policy goals. Consequently arms transfers have more often been in the form of smaller weapons systems that are more useful in internal counterinsurgency and counter-narcotics operations. Thus, aircraft in Latin American militaries tend to be smaller and designed for precision ground attacks. For example, U.S.-made A-37 Dragonflies, small aircraft originally designed for counterinsurgency operations in Vietnam, are in the inventories of Chile, Colombia, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, and Peru. Another U.S. aircraft designed for counterinsurgency, the AC-47T, was sent to Colombia and El Salvador during the height of their internal conflicts. Supporters of these arms transfers argue that they played an important part in keeping the hemisphere safe from Communist influence.

With the exception of Colombia, Latin American countries have received far lower levels of security assistance since the 2001 terrorist attacks, as Washington’s attention has focused
(FBI) identified Michael Townley and three other culprits in the assassination and, after considerable resistance from Pinochet, these four were extradited to the United States. A federal court found them guilty of murder. The information made public during the investigation and trial linked the assassins to DINA, a severe blow to the already tarnished reputation of the Pinochet government. By the late 1970s the State Department warned Pinochet that his repressive methods were too extreme. Jimmy Carter (President 1977–1981) roundly condemned the Chilean dictator and reduced U.S. foreign aid to Chile. In defiance Pinochet ignored these pressures and continued his dictatorial government until 1989.

The United States and Chile established another close linkage in the Cold War years in the area of political economy. Pinochet welcomed a team of economists from the University of Chicago (known as the "Chicago Boys"), which provided guidelines on the establishment of policies that favored unfettered free enterprise—ideologically in contrast to Allende’s government-directed reforms. This policy led to the privatization of government-owned enterprises and constituted one of the first major applications of neoliberalism in Latin America. Chile attracted foreign private investment, especially from the United States. With an increase in copper prices on the international market, the Chilean people prospered in the late 1970s, but the hemispheric economic downturn of the early 1980s reversed this trend and hit Chilean consumers hard.

A NEW RELATIONSHIP

The United States continued to be an important factor in Chilean politics through the 1980s. Aware of his critics, Pinochet attempted to improve his image with the U.S. public and particularly among politicians and policymakers in Washington. On the other hand many Chilean leftist exiles took refuge in the United States and explained their case against Pinochet in the U.S. media and academic institutions. With growing pressure in Chile and from the United States, Pinochet agreed to hold a plebiscite on the continuation of his regime. Much to the dictator’s surprise, the vote in October of 1988 was 55 percent against him, which brought about a relatively quiet end to the violent dictatorship.

Chile and the United States entered a new period in the history of their relations in 1990 with the inauguration of democratically elected President Patricio Aylwin. He was the first of four consecutive presidents from a coalition known as the Concertación. Aylwin (President 1990–1994) and Eduardo Frei Ruiz Tagle (President 1994–2000) were Christian Democrats, and Ricardo Lagos (President 2000–2006) was a socialist succeeded by fellow socialist Michelle Bachelet in 2006. All four were victorious in open presidential elections. The liberal/leftist inclination of the Concertación offered a marked contrast to the conservative character of the United States government under President George W. Bush (President 2001–2009). In spite of these differences Chile and the United States signed a free trade agreement on June 6, 2003, with very little controversy or fanfare. In this period of relative calm the two nations experienced no direct confrontations that could compare with the crises that involved Pinochet and his human rights violations, Allende and his opposition from the Nixon administration, or the late nineteenth-century animosities involving the territorial settlement of the War of the Pacific and the war scars associated with the Baltimore affair. U.S.-Chilean relations weathered the storms of more than a century and a half of controversy and confrontation to enter a period of apparent harmony.

See also Anti-Americanism in Latin America; Baltimore Affair, 1891; Blaine, James G.; "Chileanization" of Foreign Properties; Dictators, U.S. Policy toward; "Disappeared Ones" (Desaparecidos), Argentina and Chile, 1970s–1980s; Frelinghuysen, Frederick; Monroe Doctrine; Pinochet Ugrarte, Augusto; Scrymser, James; Tacon-Arica Dispute, 1883–1929; Trescot, William H.; War of the Pacific, 1879–1883; World War I, 1914–1918; World War II, 1939–1945.

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Chilean Development Corporation (CORFO)

On April 29, 1939, Chile’s newly elected Popular Front President Pedro Aguirre Cerda created the Production Development Corporation (CORFO) (Corporación de Fomento de la Producción de Chile). The government organization’s most immediate objective was reconstructing the cities Concepción and Chillán, which had been devastated by a powerful earthquake on January 24, 1939. Rebuilding the territories would require a strong government response. More generally the organization aimed to expand domestic industry—import substitution industrialization—and create new sources of urban employment.

To get CORFO off the ground the Aguirre administration needed external financing and the most likely source of funds, in one way or another, was the United States. U.S. ambassador to Chile, Norman Armour, urged Washington to provide
generous credits for Chile's development plans through the Export-Import Bank. He was eager to build good will at a time when the Roosevelt administration wanted to lessen German influence in South America. At the same time Congress was not eager to fund Chilean plans for economic development beyond earthquake relief. U.S. investment in Chile was concentrated in extractive industries and the State Department's priorities lay with protecting those investments.

During preliminary exchanges, Ambassador Armour warned Eduardo Wacholtz, Chile's minister of hacienda, that any drastic action against American companies in the form of higher taxes could hurt Chile's chance of receiving Export-Import Bank credits. President Aguirre then informed Armour that if external loans were not secured, Chile would obtain funds for reconstruction from taxation on private companies, including U.S.-owned companies. Chilean officials also made it known that they had credit offers from Germany.

In August 1939 the United States extended Chile $5 million over a six-month period with the expectation that the loan would be used to purchase imports from the United States. The following year, 1940, CORFO opened an office in New York City to negotiate for Export-Import Bank credits. In June bank officials announced the provision of a $12 million credit to CORFO for the acquisition of industrial machinery from the United States.

In the 1940s CORFO created public oil, power, steel, and transportation industries. Empresa Nacional de Electricidad, founded in 1944, constructed hydroelectric plants and carried out a national electrification plan. Four years later CORFO created the Compañía de Acero del Pacífico, which developed Chile's iron and steel industry. CORFO also gave domestic producers credit and technical assistance. Initially CORFO had four departments: agriculture, commerce and transport, energy and combustibles, mining and industry. Later it was expanded to include new areas such as research and development, finance, accounting, and a focus on promoting competitiveness and innovation among Chile's private enterprises.

CORFO is significant for increasing the role of state planning in Chile's economy during the 1940s and 1950s. Chile lacked a private sector capable of mobilizing the capital for major industrial projects and so the government took the lead promoting national industry. However the organization's establishment required the Chilean government to secure financing for an organization intended, in the long run, to lessen Chile's dependence on imports, mostly from the United States. Santiago acquired credits for CORFO in part because of the 1939 earthquake but also because of its shrewd negotiations with Washington at a time the United States government sought to curb German influence in Chile and strengthen its ties to South American countries.

See also Chile, U.S. Relations with; Export-Import Bank (EXIM); Import Substitution Industrialization (ISI)

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"Chileanization" of Foreign Properties

"Chileanization" refers to the Eduardo Frei Montalva (1964–1970) administration's program to acquire 51 percent ownership in the Chilean mining industries. Iron, which accounted for 7.7 percent of mining exports, was not subject to Chileanization. Nitrates only accounted for 2.5 percent of Chile's mining exports, and Chileanization of the remaining foreign-controlled operations was achieved in 1968 through SOQUIMICH (Chemical and Mineral Society of Chile). Copper, the most important of Chile's mining industries, was the primary focus of the Chileanization program. Throughout the 1960s the United States backed the Frei administration financially and politically in an attempt to keep the left from coming to power. Chile was one of Latin America's leading recipients of Alliance for Progress funding, which was meant to promote reforms to demonstrate that living conditions for the poor and working classes could improve significantly without turning to socialism or communism. The United States supported the expansion of copper mining in Chile in part because of rising demand for copper generated by escalating U.S. military involvement in Vietnam. The United States also viewed the Chileanization program favorably. The influx of copper profits into fiscal coffers would be useful in sustaining and furthering reforms of the type that the United States thought would keep Marxists at bay; and greater Chilean control of the copper mines would partially address the left's calls for economic independence from foreign-run capitalist interests, thereby contributing to political stability.

In 1964 copper constituted 61 percent of Chile's total exports, and 85 percent of all Chilean copper production was controlled by the U.S. transnationals Kenneecott and Anaconda. Kenneecott, through its subsidiary Braden, ran the El Teniente mine in central Chile. Anaconda, through its subsidiaries Chile Exploración and the Andes Mining Company, ran the Chuquicamata and Salvador mines in northern Chile. The Chileanization program had two primary objectives: to double copper production by 1970 and to increase the amount of copper processed and refined in Chile. The state would reinvest the profits in the expansion of mining facilities, especially processing plants.

In December 1964 President Frei sent the Chileanization bill to parliament, and it became law in January 1966. The state proposal included acquisition of 51 percent ownership according to the estimated December 31, 1969, net book value, with semestral payments at 6 percent interest. Anaconda did not accept the proposal but agreed to form mixed companies with
Encyclopedia of U.S.–Latin American Relations

Thomas M. Leonard
Inter-American Regional Organization of Workers (ORIT)

Founded in Mexico City in January 1951, the Inter-American Regional Organization of Workers (Organización Regional Interamericana de Trabajadores, ORIT) was one of a series of efforts to undermine leftist or communist influences in Latin American trade unions. A successor of the Inter-American Federation of Labor (Confederación Interamericana del Trabajo, CIT), ORIT also received significant financial support and direction from the government and anticommunist labor leaders of the United States. Headquartered in Mexico City, ORIT far surpassed CIT in terms of reach, strength, and longevity. ORIT also was the most significant regional affiliate of the International Confederation of Free Trade Unions (ICFTU), linking it to a vast international anticommunist labor network. ORIT has continued its hemispheric efforts into the twenty-first century and claims a membership of nearly 50 million workers.

Seeking to counter the strength of the independent, leftist Confederation of Workers of Latin America (Confederación de Trabajadores de América Latina, CTAL) throughout the hemisphere, ORIT leaders committed to the ideals of defending democracy and the rights of workers and defeating dictatorships in the onset of the Cold War. Any independent or rival labor organization was labeled totalitarian or communist. For instance, at the inaugural meeting, despite the protestations of Fidel Velázquez, leader of the Confederation of Mexican Workers (Confederación de Trabajadores de México, CTM) and chair of the congress, and others, representatives of the American Federation of Labor (AFL) and of the ICFTU were able to strong-arm enough attendees to vote to exclude from membership the Argentine General Confederation of Labor (Confederación General de Trabajo, CGT). The AFL and ICFTU suggested that the CGT was too close to Argentine President Juan Domingo Perón Sosa, whom they tagged as totalitarian and soft on communism. For the next four decades ORIT would remain clearly and steadfastly committed to identifying allies, fighting communism, and undermining any independent or rival labor organization in the Americas.

Throughout the 1950s and 1960s ORIT took public positions in support of the Cold War efforts of the United States and its allies. For example ORIT publicly endorsed the military overthrow of the democratic, reformist government of President Jacobo Arbenz Guzmán in 1954. Echoing the same rationale as the Eisenhower regime, ORIT and the AFL declared Arbenz “communistic” and denounced the expropriation of unused lands owned by United Fruit Company, just as American Federation of Labor–Congress of Industrial Organizations (AFL–CIO) leaders had done. ORIT officials also offered formal approval of the military coup that overturned the reformist Goulart government in Brazil in 1964 and of the U.S. military occupation of the Dominican Republic in 1965.

ORIT also supported AFL–CIO and U.S. government foreign policies in private and even clandestine ways. ORIT’s first director, Serafino Romualdi, was a former CIT operative and active AFL representative who had worked with the U.S. Office of Strategic Services during World War II. Former Central Intelligence Agency (CIA) officers and other documentation have shown that Romualdi was serving the CIA while directing ORIT. Indeed Romualdi was in Guatemala during and after the 1954 coup, working with the new U.S.-supported military regime that had toppled the democracy. In the early 1960s ORIT collaborated with the CIA to influence elections and union activities in Ecuador and developed a trade union school in Mexico for CIA-sponsored education programs for labor leaders from all parts of Latin America.

The heavily political nature of many of its public positions and the diversity of its member institutions, however, resulted in ORIT being a cumbersome and sometimes ineffective instrument for AFL–CIO (or U.S. government) foreign policy. AFL–CIO director George Meany sought to develop a sharper tool for purposes of implementing foreign policy and, in 1962, developed the American Institute for Free Labor Development (AIFLD), over which the AFL–CIO would have much more direct control. With AIFLD as the more direct agent of AFL–CIO foreign policy and covert action, ORIT’s political leverage and ability to draw funds from the U.S. government diminished in the 1960s. ORIT continued to function and to applaud most policies of the AFL–CIO and the U.S. government. In 2004 ORIT, alongside ICFTU and AFL–CIO, was accused of participating in destabilization efforts that preceded the coup that toppled a popularly elected government in Haiti.

See also American Institute for Free Labor Development (AIFLD); Confederation of Latin American Workers (CTAL); Inter-American Federation of Labor (CIT); International Confederation of Free Trade Unions (ICFTU); North American Agreement on Labor Cooperation (NAALC), 1992

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Inter-American Treaty of Reciprocal Assistance, 1947

(See Inter-American Conference for the Maintenance of Continental Peace and Security, Rio de Janeiro, 1947)

Inter-American Treaty of Reciprocal Assistance, 1982

When Argentina’s military government invaded the British Falkland Islands (Islas Malvinas) on April 2, 1982, Margaret Thatcher responded by declaring her intention to regain control of the islands, using force if necessary. The possibility
of armed conflict immediately brought into focus the Inter-
American Treaty of Reciprocal Assistance (Rio Treaty), which
committs the United States and most Latin American countries
to mutual assistance in the event of an attack on the western
hemisphere. Because the United States supported Great Brit-
ain rather than Argentina in 1982, many observers declared the
treaty and the entire Inter-American defense system a failure.

Signed by twenty-one American countries in Rio de Janeiro on September 2, 1947, the Rio Treaty was designed to
guard against extraregional attacks from the Soviet Union
and its allies. The alliance represented one of Washington's over-
lapping global commitments in the fast emerging Cold War,
with the North Atlantic Treaty Organization (NATO) its most
important. From Argentina's perspective, however, the treaty
constituted a strategic military alliance, independent of all oth-
ers, demanding automatic solidarity from all member states.

Argentina had long claimed the Malvinas Islands by virtue of uti
possedita. The United States and Latin American nations
consistently supported Buenos Aires's diplomatic aim to
acquire sovereignty over the South Atlantic territories, view-
ing them an egregious vestige of European colonialism.

Argentina's decision to invade the Malvinas was informed
by two major miscalculations. First Argentine military leaders
did not think the British would fight. Second they believed the
Reagan administration would not risk alienating a key
South American ally that supported U.S. involvement in
Central America. The Argentine government expected Ameri-
can neutrality in the conflict or even decisive pressure on
Great Britain to refrain from using force. As military conflict
appeared more likely, Argentina invoked Article 3 of the Rio
Treaty, which stipulated that an attack on one country obliged
the assistance of all others. On April 20 the foreign minis-
ters of Río Pact countries assembled to discuss the situation.
Chile, Brazil, Colombia, Costa Rica, and Mexico condemned
Argentina's means of acquiring the islands while Venezuela,
Panama, and Peru offered less critical voices of support. In the
end seventeen Latin American countries voted to approve a
resolution affirming Argentina's right to possess the Malvinas
Islands and to condemn the European Economic Community
for imposing a trade embargo on Argentina. Chile, Colombia,
and the United States noticeably abstained from the vote.

On the whole regional dynamics determined the response
of each Latin American country. Chile's territorial disputes
with neighbors Argentina and Peru strongly predisposed it
toward Great Britain. In fact Chile secretly assisted Great Brit-
ain during the war—a violation of the Rio Treaty—although
Santiago could argue that such assistance was defensive and
necessary since Buenos Aires had recently planned an invasion
of Chilean territory to seize disputed islands in the Beagle
Channel. Venezuela's longstanding territorial dispute with
Britain over British Guiana disposed it toward Argentina.
Colombia's behavior reflected a pro-U.S. posture. In short Río
Pact countries protected their own national interests and held
divergent views of the treaty's applicability and original intent.

Washington reasoned that the Argentine invasion was an act
of unprovoked aggression, which nullified any American obli-
gation to repel Britain's military operations under the terms
of the treaty. Nonetheless Washington's clear preference for a
non-American state in the western hemisphere was a depart-
ture from Washington's traditional support for Latin American
countries in their disputes with European nations.

The Falklands War underlined American loyalties. At
the outset of the conflict U.S. Secretary of Defense Casper
Weinberger quietly authorized Britain's use of airfields and
naval bases as well as the provision of material, equipment, and
logistical support. Secretary of State Alexander Haig attempted
to mediate the dispute as a neutral broker, but he favored the
British and formalized American support for Britain on April
30 after his diplomatic efforts failed.

Britain's recovery of the islands constituted a humiliating
defeat for Argentina and had an impact on public opinion in
Latin America. Washington's actions had harmed U.S. credibil-
ity and reinforced a conviction that the United States did not
play by the established rules of the Inter-American system.
More generally the lack of Latin American support for Argen-
tina seemed to prove that no higher principle of hemispheric
solidarity bound American states together.

The Falklands War is sometimes said to have proved the
irrelevance of the Rio Treaty. In 2002 Mexico withdrew from
the treaty. In 2003 the United States invoked the treaty prior
to launching Operation Iraqi Freedom, but only four Central
American countries joined the U.S.-led coalition.

See also Anti-Americanism in Latin America; Argentina, U.S.
Relations with; Beagle Channel Dispute (Argentina/Chile); Inter-
American Conference for the Maintenance of Continental Peace
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Intergovernmental Council
of Copper Exporting
Countries (CIPEC)

The Intergovernmental Council of Copper Exporting Coun-
tries, known as CIPEC (Conseil Intergouvernemental des Pays
Exportateurs de Cuivre), was established in June 1967 in Lusaka