
to win popular favor—or, in one case, the approval of pro-German elements in prewar England. Hit by hard times, the public was either openly hostile to Jews (particularly in Quebec, where the Catholic hierarchy inveighed against Jewish immigration) or, at best, indifferent to their plight. The pleas of native Jewish leaders in Toronto were repeatedly rebuffed, even after Canada entered World War II. In 1940, the Polish ambassador begged Canada to shelter 2,000 Poles and 100 Jewish children for the duration of the war. Frederick Blair, director of immigration, refused; he argued that the Jewish children would bring in relatives and never leave. In the end, four orphans were permitted to immigrate. Only after the war, when Canada felt the need for more labor in a booming postwar economy, did it accept 65,000 refugees, including 3,000 Jews.

**ROMULO BETANCOURT
AND THE
TRANSFORMATION OF
VENEZUELA**

by Robert J. Alexander
Transaction, 1982
738 pp. \$39.95

Judging by this exhaustive biography of Venezuela's first democratically elected President, political leaders *do* make a difference. Born and raised under a backwater dictatorship, Romulo Betancourt (1908–81) eventually transformed his country into a nation with a stable Presidency, a competitive two-party system, regular elections, a military under civilian control, and an educated citizenry. Perhaps his greatest personal triumph, according to Alexander, a Rutgers economist, was to avoid the bitterness that has consumed many a political exile. Forced abroad (1928–1940) for his involvement in radical student politics, he flirted with Marxism before finally rejecting it as anti-democratic. Betancourt spent most of his time in Latin America, though he traveled in Europe. He made good use of his involuntary odyssey, writing columns for Latin American newspapers, organizing Venezuelan political groups, and forming friendships with democratic leaders around the world. Shortly after coming to power as part of a coalition government in 1948, he was once again driven into exile by the military. Spending much of this

10-year stretch putting together Venezuela's Democratic Action Party, he returned home in 1958 to become his nation's first elected President. Among his many efforts, Betancourt initiated the gradual nationalization of Venezuela's all-important oil industry (completed in 1976) and built a modern system of public education. By declining to run in 1964 for a second term, Betancourt nurtured the infant two-party system and opened the way for a new generation of national leaders.

Contemporary Affairs

**THE IMPERIOUS
ECONOMY**

by Davis P. Calleo
Harvard, 1982
265 pp. \$17.50

What explains the precipitous decline of American power since the end of the Eisenhower administration? Governmental economic mismanagement both at home and abroad, argues Calleo, a professor of European studies at Johns Hopkins. During the 1960s, Presidents Kennedy and Johnson overheated the economy by adopting expansionary fiscal and monetary policies to stimulate production and employment while maintaining expensive foreign aid and military programs and undertaking war in Vietnam. Inflation, which grew from one percent in 1960 to six percent in 1970, hurt American exports, and in 1971 the United States registered its first trade deficit of the 20th century. The "Nixon Revolution" of 1971—abandoning fixed exchange rates and letting the international market set the dollar's value—temporarily remedied the balance-of-payments problem. But Nixon did not address the underlying causes of inflation. Late in the Carter Presidency, soaring inflation, renewed trade deficits, and a plunging dollar forced the White House to slash the federal budget and the Federal Reserve to tighten credit. For the first time in this century, the economic well-being of the average American was highly dependent on world developments. Although the Reagan administration has slowed the growth in U.S. domestic spending, the White House still harbors extravagant ambitions, Calleo warns. Ronald Reagan's