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Dean
RECOGNITION OF LATIN AMERICAN GOVERNMENTS
DURING WORLD WAR II

BY

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The policy followed by the United States in according recognition to newly established governments of Latin America has passed through a series of progressions and retrogressions from the time of its inception under Thomas Jefferson to the present day. Changes have been due to the varying philosophies of Presidents or Secretaries and to conditions arising from war. The purpose of this thesis has been to investigate the underlying principles of recognition, to analyze the trend of our policy, and to clarify my own ideas with regard to this significant phase of United States foreign policy. In particular, I have traced the application of the wartime corollary to the Good Neighbor policy as directed successively to Argentina, Bolivia, Ecuador, El Salvador, and Guatemala.
"Recognition," according to John Bassett Moore, "grants assurance to a state that it will be permitted to hold its place or rank, in the character of an independent political organism, in the society of nations."\(^1\)

The need for recognition of a new government arises when a regime has been changed or inaugurated by revolution. Normally, no question arises when a new chief executive assumes office constitutionally as a result of an election. But when a government has been instituted by force, the effect of recognition by a powerful nation such as the United States cannot be overestimated; in fact, non-recognition amounts to intervention in the case of revolution in a weak country, since it is extremely difficult for small republics in the Western Hemisphere to endure without diplomatic approval of the United States. There is no exclusive mode by which recognition is confirmed. It may be substantiated by publishing an acknowledgment of

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the sovereignty and independence of the new power or by officially receiving ambassadors, ministers or commissioners.  

The doctrine of recognition of de facto governments, expounded by Jefferson, is contained in a letter to Gouverneur Morris. He wrote:

We surely cannot deny to any nation that right whereon our own government is founded, that everyone may govern itself under whatever form it pleases, and change these forms at its own will... The will of the nation is the only thing essential to be regarded.

In general, the Jeffersonian doctrine based recognition not upon the question of constitutional legitimacy but upon the country's de facto capacity to continue as a member of the family of nations. This is truly an American doctrine and was reiterated by succeeding administrations. It remained the traditional policy until Abraham Lincoln's Secretary of State, William Seward, insisted on delaying recognition of Latin American countries until the facts and conditions concerning new governments were proven and legally accepted by the nation. His motive was


to discourage the spirit of revolution. Seward's principle was adhered to in the case of a revolt in Venezuela in 1862 as well as in an upheaval in Peru in 1866.

Shortly after the Civil War, United States re-applied the Jeffersonian principle in general. However, in 1877 President Hayes added a new condition to the *de facto* policy, namely, the fulfillment of international obligations. In 1891, Secretary Hay further emphasized international obligation as a preliminary to recognition. Nevertheless, a variation in United States recognition policy occurred in 1903 when the province of Panama revolted from Colombia. Our prompt recognition of the Panamanian Republic was contrary to our consistent practice of withholding recognition until independence was absolutely established.

In the first decade of the twentieth century modification of the *de facto* policy is noted in "Dollar Diplomacy," namely, the practice of government encouragement and protection of American investments in Latin America. This financial penetration was initiated during the

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presidency of Theodore Roosevelt and was continued during the Taft administration. United States funds exercised considerable influence in matters of governmental policy since it is a truism that he who controls the purse strings controls the political life of a nation. Un- doubtedly, this was a subtle method of obtaining recognition from the State Department at Washington for Latin American governments friendly to United States concessions, without substantially changing the de facto policy.

Some Latin Americans objected, claiming that "Dollar Diplomacy" fostered dictatorships for it asked few questions and was satisfied when there was peace and dictatorial control that protected foreign investments. Advocates of the policy justified it by indicating the improved health conditions, growth in population, domestic order and peace that resulted from the injection of United States capital and control.7

Elihu Root's entrance into the State Department in 1905 opened a new era in United States relations with our Pan American neighbors. No violent wrench in policy

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was made but Root's innate kindliness, his respect for the rights of others, plus a profound knowledge of Latin American affairs, encouraged cooperation. He reorganized United States consular and diplomatic service in an effort to eliminate spoilsmanship and promote efficiency.

The prospective Panama Canal, coupled with United States oil and fruit interests, demanded that orderly governments be established in Central America. Therefore, Root began a general drive to eliminate revolutions by securing economic prosperity. Moreover, he suggested that the Central American countries hold a conference in Washington to consider means of preventing disorders.

The Central American Congress met in 1907 and signed a General Treaty of Peace and Amity, in which they resolved not to recognize any other government which might come into power as a result of a coup d'etat. The de jure principle was thus substituted for the de facto policy at the request of the countries involved. Although the United States did not become a signatory to the treaty,

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yet she applied and interpreted the principles of these conventions whenever recognition of a Central American government was required.\textsuperscript{11}

Thus, when Woodrow Wilson became president in 1913, the machinery of the State Department was that of the established Dollar Diplomats. Wilson recognized the fact that many representatives "have had the material interests of individuals in the United States very much more in mind than the moral and public consideration which . . . ought to control."\textsuperscript{12} Consequently, he applied the \textit{de jure} doctrine to all Latin America, but added a moral criterion. Hoping to contribute to domestic order and stability and to discourage revolution, Wilson laid down the principle that the United States would not recognize any government that had come into existence by virtue of a revolution or a \textit{soup d' etat}, and that had not been legalized in accordance with the procedure set forth in the respective constitution.\textsuperscript{13} For, he said, "it is a very perilous thing to determine the foreign policy of a nation in terms of material interest." Adding that, "We must show ourselves friends by comprehending their

\begin{itemize}
\item[11.] Stimson, \textit{op. cit.}, V, VI.
\item[12.] Callicott, \textit{op. cit.}, pp. 309-10.
\item[13.] Magner, \textit{op. cit.}, p. 12.
\end{itemize}
interest whether it squares with our own interest or not. And that one of the chief objects of the Wilson administration was to "cultivate the friendship and deserve the confidence of our sister republics in Central and South America." To quote further from his Declaration of Policy:

Cooperation is possible only when supported at every turn by orderly processes of just government based upon law, not upon arbitrary or irregular force. We hold, as I am sure all thoughtful leaders of republican government everywhere hold, that just governments rest always upon the consent of the governed, and that there can be no freedom without order based upon law and upon the public conscience and approval. . . . We shall lend our influence of every kind to the realization of these principles in fact and practice, knowing that disorder, personal intrigues and defiance of constitutional rights weaken and discredit government and injure none so much as the people who are unfortunate enough to have their common life so tainted and disturbed. We can have no sympathy with those who seize the power of government to advance their own personal interests or ambition. As friends, therefore, we shall prefer those . . . . who respect the restraints of constitutional provision. . . .

Therefore, Wilson attempted to convert recognition into an instrument which would support democracy against

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autocracy. The "Wilson Doctrine" signified not only opposition to financial imperialism but also condemnation of revolutions and dictators in all of Latin America. It meant insistence on orderly, constitutional democratic governments. Wilson probably did not realize the implications his novel policy entailed. At any rate he stubbornly followed his purpose.

Shortly before Wilson's inauguration in 1913, Victoriano Huerta had become president of Mexico following a coup d'etat. This was an opportunity for Wilson to apply his de jure principle. Consequently he refused to recognize the "unspeakable Huerta" who had not only overthrown Francisco Madero but had treacherously disposed of him, the execution being announced with the traditional formula, shot "while attempting to escape."17

Wilson persistently tried to bring about Huerta's downfall by peaceful efforts. He sent John Lind to Mexico as his personal representative to do everything in his power to eliminate Huerta by constitutional methods.18


The Constitutionalists, led by Venustiano Carranza, opposed Huerta. This group claimed to be champions of liberty and promised to restore the constitution and grant land to the landless. Naturally, Wilson encouraged the Constitutionalists. In December 1913, he declared his policy of non-intervention or "watchful waiting." Meanwhile, he permitted Carranza's party to purchase arms and munitions in the United States while denying the same privilege to Huerta's faction. Furthermore, he authorized Lind to advise the Huerta government that if it acted favorably and at once the President of the United States would inform American bankers that it [the United States government] approved the extension of an immediate loan sufficient to cover the temporary demands of those holding possession of the government in Mexico.

Huerta refused. Wilson then made a diplomatic bargain with Great Britain, by which foreign countries under British influence advised Huerta to give up his office. Again Huerta declined. The landing of American troops to demand a salute for what they considered an insult to the American flag also aided the Constitutionalists. However, the overthrow of Huerta, July 1914, was actually


accomplished by the mediation of Argentina, Brazil and Chile.

Secretary Lansing extended formal recognition to the Carranza government on October 19, 1915. However, recognition neither ended the civil war nor settled international difficulties. Pancho Villa, an ex-bandit and Constitutionalist general, turned against his chief and attempted to provoke an armed intervention by United States, which would permit him to become the leader of a patriotic revolutionary Mexico. Wilson then sent General Pershing on a "punitive expedition." Carranza and many Mexicans, however, regarded it as a violation of their sovereignty. Wilson, therefore, accepted mediation by other American nations, and finally, in the face of the approaching war with Germany, ordered Pershing's withdrawal January 1917. Immediately, the Mexican Congress, acting as an electoral college, chose Carranza as President and adopted a new constitution. The United States recognized the new government de jure and sent Henry Fletcher to Mexico as ambassador. When the latter entered the Chamber of Deputies, he was received with kisses, while the German delegate was greeted with applause. 22 This definitely

revealed the attitude of Mexico toward Wilson's efforts at forcing de jure regimes. Thus, in spite of Wilson's noble efforts to be a non-interventionist, he became the greatest interventionist of all. The immediately succeeding administrations followed Wilson's precedent. Calvin Coolidge made the last application of the de jure doctrine in South America in the denial of recognition to the Ayora regime which came into power in Ecuador as a result of a coup d'etat in 1925. However, Coolidge reversed his attitude three years later and recognized Ayora's government a year before he was constitutionally elected.23

Henry L. Stimson, Secretary of State under President Herbert Hoover, jettisoned the "Wilson Doctrine" in 1929, since the State Department was overwhelmed by a tangle of difficulties attempting to pass judgment on the legitimacy of Latin American governments which many times were republican in name only. A dictator, once ensconced in constitutional authority, and in control of the police and the army, was able to extend his power under color of the constitution. To forbid recognition to parties overthrowing such a regime would be to frustrate real

democracy.24 For this reason, the United States reverted to the Jeffersonian principle and recognized newly established governments in Latin America even though they had not been "legalized" and confirmed by a vote of the electorate.25 In spite of a wave of revolutions which affected practically all the South American republics during the depression of 1930-1933, the State Department recognized all de facto governments.26 However, the State Department did attempt to assist the Nicaraguans in the reform of electoral machinery and United States marines supervised elections from 1927 to 1932.27

In his "Inaugural Address" March 4, 1933, Franklin Delano Roosevelt took the final step in breaking with the past when he announced the Good Neighbor policy in the following terms:

In the field of world policy I would dedicate this nation to the policy of the good neighbor—the neighbor who resolutely respects himself, and because he does so, respects the rights of others—the


neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors.28

Roosevelt reiterated this statement on April 12, 1933 in an address before the Governing Board of the Pan American Union with particular reference to the relations of the United States with the other American republics. On December 28, 1933, he stated the position of his administration with regard to recognition, as follows:

The maintenance of constitutional government in other nations is not a sacred obligation devolving upon the United States alone. The maintenance of law and the orderly processes of government in this hemisphere is the concern of each individual nation within its own borders first of all. It is only if and when the failure of orderly processes affects the other nations of the continent that it becomes their concern; and the point to stress is that in such an event it becomes the joint concern of a whole continent in which we are all neighbors.29

Adherence to this principle became the practice of the Roosevelt administration until World War II, when the State Department found it advisable to take the initiative in adding an Inter-American war-time corollary.

At the Eighth International Conference of American States in 1938, the Declaration of Lima stipulated that

29. Ibid., II, p. 544.
in the event of any threat to the peace of the Americas, the Ministers of Foreign Affairs would consult together to determine the measures that should be taken. Following the attack on Pearl Harbor, December 1941, and the subsequent extension of war to the American continent, a meeting of consultation was held in Rio de Janeiro in January 1942.\textsuperscript{30} The Foreign Ministers reaffirmed

\ldots their complete solidarity and their determination to cooperate jointly for their mutual protection until the effects of the present aggression against the Continent have disappeared.\textsuperscript{31}

A need for special organizations to study and recommend measures for defense led to the creation of the Emergency Advisory Committee for Political Defense.\textsuperscript{32} The Committee approved and transmitted Resolution XXII, which recommended that the American nations which had broken relations with the Axis consult with one another before recognizing new governments instituted by force in order to determine whether they complied with the Inter-American undertakings for the defense of the continent.

\begin{itemize}
\item \textsuperscript{30} Magner, \textit{op. cit.}, p. 21.
\item \textsuperscript{32} \textit{Ibid.}, April 15, 1943 to July 15, 1943, pp. 8, 9.
\end{itemize}
The resolutions referred exclusively to changes in government brought about through force, not from normal constitutional procedures. The recommendations were explicitly limited to the duration of the present world conflict.33

This Corollary, adopted at Montevideo in December 1943, was accepted almost immediately by all the American Republics except Argentina and Bolivia and was set up as the guiding principle of recognition during World War II.

33. Ibid., 1944.
CHAPTER II

ARGENTINA--STUMBLING BLOCK
TO PAN-AMERICAN UNITY

Obstacles to an understanding of the Argentina regimes and the subsequent recognition of them arise from several sources. The press is one stumbling block; the Argentine newspaper is rigidly controlled, and much vital information suppressed. On the other hand, such information as leaks out of Argentina meets with the problem of bias and prejudice among North American reporters. Consequently, it is practically impossible to get an accurate picture of the situation except by comparison and evaluation of both sources. Another problem to be considered is the fact that Argentina is a competitor of the United States especially in markets of beef, wool and wheat, thus creating a constant trouble-spot in trade agreements. Further, it is Argentina’s political aspiration to dominate South America and establish a Hispanic hegemony rather than follow Anglo-Saxon leadership. Finally, there is the inevitable barrier resulting from the inability of the North American mind to comprehend a people rooted in Spanish-Catholic culture.

In spite of all these difficulties the first fruits of the Good Neighbor policy appeared ripe for the
harvest in 1937 when Roberto M. Ortiz was elected President. The Argentine President heartily approved President Franklin D. Roosevelt's efforts to prevent World War II, and took a strong stand for Pan-Americanism. Unfortunately, ill-health unfitted Ortiz for carrying out the responsible duties of president. In 1940 he was forced to delegate his executive power to Vice-President Ramon E. Castillo, a Conservative who immediately launched an anti-democratic program. Thus, Argentina had two leaders whose policies were diametrically opposed to each other; the elected President, Ortiz, was pledged to democracy and friendship with United States; the Acting President, Castillo, who had devoted his entire public career to political forces which favored Fascist and Nazi principles.  

Ortiz made a supreme effort to preserve Argentine democracy but when his sight failed he tendered his resignation, June 24, 1942. This was a bitter blow to democratic Argentinians. Not only were Castillo's views wholly different from his predecessors, but he permitted his Foreign Minister, Dr. Ruiz Guinazu, to determine more and more the foreign policy of the nation. The

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lines followed by Guíñazú were determined, in great part, by the ultra-nationalist groups; by elements of the Argentina army that were openly pro-Nazi and by other reactionary elements in the republic. Moreover, in President Castillo's first speech after taking office, he made it clear that his government would block hemisphere solidarity with a policy of "rigorous neutrality." Furthermore, he was at sword points with the Chamber of Deputies on several questions. The hostile Congress, demanding that Argentina break with the Axis because it feared that the nation's neutrality was aiding the enemy, insisted that Foreign Minister Guíñazú appear before the Chamber of Deputies to explain the dangerous policy to which he and Castillo had committed Argentina. The United States was in agreement with the Congress and Under-Secretary Sumner Welles pronounced as strained the relations between the two countries and expressed the State Department's impatience with Argentina's international


4. "Argentina Off the Record," Newsweek, XIX (June 29, 1942), 43.
policies. Castillo, however, ignored this opposition and concerned himself only with internal problems. Finally, being faced with the alternative of conformity to the popular will or the status quo, he chose the latter and backed Robustiano Patróno Castas, an unpopular Conservative candidate and a virulent exponent of Argentine feudalism. Castillo supported his candidate by declaring a "state of siege." South American constitutions provide this unique method of control. In reality it is a modified form of martial law, which suspends all constitutional guarantees and gives the President dictatorial powers. This suspension prohibits meetings, suppresses newspapers and even forbids comment on Congressional speeches which concern international questions.

When a state of siege is prolonged it becomes almost impossible for a candidate other than the presidential favorite to be chosen. Consequently, when Castillo used this device on the eve of the elections of March 1, 1942, the Argentinians were obliged to resort to the Latin American weapon of staging a coup d'etat. On June 4,

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1943, General Pedro Ramírez and his partner, General Arturo Rawson, led a military junta, which stormed the presidential palace. Castillo and his Cabinet fled in a mine sweeper. The junta promptly elected Rawson president. Two days later Rawson resigned and Ramírez succeeded him. Rawson's actions while in office, particularly the appointment of four pro-Axis civilians to Cabinet offices, did not correspond with the pro-democratic speeches made after his resignation, so that his convictions are not clearly evident.

The Ramírez regime was first recognized by Spain. Then the South American countries, as well as Germany, Italy, and Japan, extended official recognition or signified their intention of doing so. United States recognition was announced on June 11, 1943, after a conference between United States Ambassador Norman Armour and Argentina's Foreign Minister, Segundo R. Storni. In this case the State Department was following the traditional recognition policy as stated by Secretary Stimson, namely,

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that the act of recognition is not based

... upon the question of the constitutional legitimacy of the new government but upon its de facto capacity to fulfill its obligations as a member of the family of nations. This country recognized the right of other nations to regulate their own internal affairs of government and disclaimed any attempt to base its recognition upon the correctness of their constitutional action.11

Hopes ran high in United States for it was believed that the new government would cooperate better with the other Americas by breaking with the Axis or even declaring war on them. As time went on, it became increasingly evident that the Ramirez regime was no more democratic than Castillo's.12 The revolution, apparently, was a mere shuffling of power within the dominant Conservatives, and those who wished for a government controlled by the middle class, the workers, and citizens favorable to the United Nations were doomed to disappointment.13 Business, too, opposed the military oligarchy since the army men knew little about such matters.


Discontent was rampant. To offset it, President Ramírez promised to give the government back to political parties after it was cleaned up. Meanwhile, he dissolved Congress, called off the September presidential elections, banned public meetings, appointed new governors in all the states, took over radio broadcasting and banned the General Conference of Labor, an organization similar to our American Federation of Labor.¹⁴

With regard to foreign policy, the oligarchy promised to pursue "true, not fictitious neutrality." Their real purpose was to make this "true neutrality" a part of a broader pattern in which an aggressively nationalistic Argentina planned to control a South American bloc so that it could hold its own against United States and Great Britain.¹⁵ Argentina was determined to shake off the economic domination by the Anglo-Saxon countries. It was this anti-United States, anti-British purpose that probably motivated Secretary Cordell Hull's bellicose attitude when Foreign Minister Storni, not entirely in sympathy with the Oligarchy and aware that

¹⁴. "Toward a Total State," Time, XLII (July 26, 1943), 43.

Argentine public opinion was growing more favorable to the United States, asked President Roosevelt to make a genuine gesture of friendship. Such a gesture might be the urgent provision of airplanes, armaments and machinery. Secretary Hull's reply was a sharp rebuke. Storni's request was denied.

Secretary Hull gave as his reasons: Argentina's refusal to contribute to the defense of the hemisphere; her failure to live up to her inter-American commitments; and her pro-Nazi sympathies.16

The published exchange of notes divided Argentina and, from this time on, Ramirez found it difficult to direct the ship of state. A strong party in favor of an immediate severance of relations with the Axis was formed. Others considered Mr. Hull's reply un-diplomatic, in view of the proved sensitive temperament of the Argentine populace. Any sign of pressure or coercion of national rights is deeply resented.17 Hull's refusal offered an excuse to the oligarchy for asserting more definite authority and also gave them an opportunity to accuse enemies of the government of being in conspiracy with the enemies of their


country. Storni resigned and the government steadily approached the classic Fascist state. All political parties were dissolved, censure of the press was increased, harsh regulations for newspapers, magazines, books, radios, movies and theaters were announced. The government expropriated the street railways of the city of Tucumán, which consisted of a half-million-dollar subsidiary of the American and Foreign Power Company. Every streetcar in Tucumán carried banners declaring, "This car is Argentine." At the same time rubber-starved Argentinians were accusing the United States of "monopolizing rubber and making a political weapon of it."\(^{19}\)

Ramírez' methods met bitter resistance from students, and professors, who defiantly distributed anti-administration leaflets and wrote pro-democratic slogans. The publication of the "democratic-manifesto" brought a wholesale dismissal of professors.\(^{20}\) The manifesto was a protest against what they considered un-democratic methods of government; moreover, it was connected with

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the question of Argentina's international policy. The signatories asked the Government for an effective democracy by means of a faithful application of all the prescriptions of the national constitution and for American solidarity by a loyal fulfillment of the international promises signed by the representatives of the country.

The manifesto was published October 15, 1943, and was signed by 183 of the oldest and most honored Argentinitans; many of them professors at various universities. The government took immediate punitive measures and dismissed all those holding public offices. The Ramírez government was meeting more opposition than it had anticipated. In the national universities, students went on strike in protest, while some of the professors fled to Uruguay followed by groups of students. The Government's expulsion of prominent men increased divisions in Argentina. Openly professed Catholics, including the Catholic Action group, stood by the Government loyally, while others, including the Federation of Associations of Catholic Employed Women under the leadership of Monsenor Miguel de Andrea, professed democratic principles and even printed an address "Liberty Over Against Authority." 21

The regime was further humiliated by the arrest of Alberto Hellmuth, the Argentine auxiliary consul at Barcelona, Spain, who had been detained by the British authorities at Trinidad because they had proof that he had aided the Nazis in the political warfare in Argentina.22 Prior to this, the Argentine Government had ignored or denied United States exposes of Axis spy rings, but since this espionage report came from England, which held the Argentine purse strings, the oligarchy was forced to give attention.23

However, the crisis was actually reached when Foreign Minister General Alberto Gilbert received word that the United States and Great Britain were talking ominously of an Argentine boycott, and that Cordell Hull was planning to recall Ambassador Armour. Gilbert hurriedly notified President Ramirez who called a Cabinet meeting. Several Cabinet members were not available, but the six at hand voted the President power to break relations with the Axis in order to prevent the impending crisis. The absent members included Vice-President


Edelmiro Farrell, and Colonel Juan Domingo Perón. The latter headed the "Colonels Clique" which with varying success had been controlling the government. On January 26, 1944, Argentina severed relations with Germany and Japan, giving as reasons proof of existence of a vast espionage network damaging the republic, threatening national sovereignty, harming the foreign policy of Argentina and plotting against the security of the continent.

The decision to break with the Axis, made without consulting the leading members of the G. O. U., United Officers Group, inflicted a staggering blow on the not too stable government. Finally, after a bitter fight against domination by the military clique, Ramírez was ousted. Fearing that the United States would deny recognition on the basis of a new government, Perón stated that the president had retired "temporarily." Vice-President Farrell, accordingly, succeeded to the presidency.

The American Nations were convinced that Ramírez had been forcibly relieved of office and determined to

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25. "Argentine's Army Presidential Coup Meets Skepticism from America," Newsweek, XXIII (March 6, 1944), 60.
investigate matters. This action was obviously a departure from the system of recognition under the Good Neighbor policy, but was in conformity with the resolutions regarding recognition of new governments instituted by force which the Emergency Advisory Committee for Political Defense had passed in December 1943. According to this resolution all the American nations who had declared war on the Axis or at least severed relations with them should consult one another before recognizing Argentina.26

Nevertheless, Bolivia recognized the Farrell regime immediately, since she herself was an outcast in the American family of nations. On March 3, Chile disregarded the agreement and recognized the de facto government, while Paraguay followed suit on March 8. The other seventeen American governments, however, instructed their ambassadors to conform to the resolution.27

Meanwhile, Farrell's government firmly refused to honor the rupture which his predecessor had made with the Axis by insisting that it was due to foreign pressure. The freedom of the country was extended to Axis diplomatic


27. "Continuous Performance," The Inter-American, III (April, 1944), 4.
and consular officers; Axis spies and agents arrested by Ramirez were set at liberty. As a result, Axis espionage again flourished. Pro-Axis newspapers carried on bitter propaganda against the United Nations. Ambassador Armour made several attempts to arrange interviews with members of the diplomatic corps in Buenos Aires; and although he participated in a discussion with the Minister of Foreign Relations, he accomplished nothing. The Argentine Foreign Minister insisted that recognition be accorded before implementation of the break with the Axis on the basis of Argentina's promises of future action. In view of the record of the Farrell regime, this was refused; Ambassador Armour was recalled June 22, 1944.

The State Department, after examining the entire situation, advised the American republics and the United Nations that they adhere firmly to the policy of non-recognition with regard to the Farrell regime until by unequivocal acts it should demonstrate conclusively that there had been a fundamental change of Argentine policy. Besides non-recognition and the recall of American ambassadors, another political sanction was applied, namely, the exclusion of Argentina from all international meetings.

on wartime or post-war questions. Moral sanctions supplemented political decrees: Secretary Hull issued a strong statement denouncing Argentina for "deserting the Allied cause" and violating its pledge to cooperate with the United Nations against the Axis.29

Meanwhile, the State Department attempted economic sanctions when the political and moral ones failed to bring Argentina into line. On August 16, 1944, all Argentine gold stocks in the United States were frozen. In September United States ships were forbidden to pick up Argentine cargoes. However, these measures met with sharp criticism especially from the British,30 who refused to support such action. The London Daily Mail predicted that bullying the Argentina military government would only increase its popularity and damage the allies. Furthermore, Britain needed Argentinian beef and was anxious to keep Argentina as a trade partner.31 Without England's support, the boycott acted only as an irritant. The liberal Manchester Guardian stated the case bluntly, "We


30. Hubert Herring, "Argentine Puzzle," The Inter American, IV (February, 1944), 40.

31. "Miracle," Time, XLIV (August 14, 1944), 44.
like the Argentine trend of Fascism as little as does Mr. Cordell Hull, but we also prefer Argentine beef to American pork." 32

The case against Argentina was difficult to prosecute effectively since public opinion, even in the United States, was divided as to the merits of the State Department's policy. The opposition was led by Sumner Welles, Under-Secretary of State until 1943, and one of the principal architects of the Good Neighbor policy, whose word carried considerable weight throughout the hemisphere.

Latin American critics declared that if the Argentine regime was as derelict and dangerous as President Roosevelt and Secretary Hull described it, a consultative meeting of American states should be convoked to take appropriate common action. The State Department refrained from replying. Thus a seemingly endless deadlock continued keeping the hemisphere in a state of irritation and uncertainty. 33

When Cordell Hull retired from the State Department in November 1944, it was hoped that the new regime

33. Ibid., p. 207.
under Secretary Edward J. Stettinius would reverse Hull's policy. However, Stettinius had not been closely connected with inter-American affairs, so deemed it unwise to depart sharply from his predecessor's policy of hostility and waited for some development which would improve relations.34 But the prestige of the inter-American system was at stake. Efforts to give the case against Argentina an inter-American character failed. The attitude of most Latin Americans was that the United States was exploiting the inter-American system for the promotion of its own national policy.35

On the other hand, it was becoming increasingly evident to Farrell and his colleagues that Argentina must take steps to secure recognition of her government; therefore, they launched a diplomatic counteroffensive October 27, 1944, by sending a request to the Pan American Union for an Inter-American Conference to consider the question of recognizing her government. However, the request was worded in such a way that it precluded discussion of her internal policies. It involved only her

34. "Periscope," Newsweek, XXIV (December 13, 1944), 20.

35. Whitaker, Inter American Affairs, 1944, op. cit., p. 207.
international standing. But the other republics argued that it was on Argentine soil that the Fascist regime was established; that it was internal policy which permitted Axis diplomats unrestricted travel; that it was internal policy which took newsprint from pro-allied newspapers and turned it over to pro-Nazi publications; therefore, it was impossible to make such a distinction. 36

For this reason the Governing Board of the Pan American Union abstained from acting on the Argentina request. Nevertheless, they promised that the Inter-American Conference to Study the Urgent War and Post-war Problems would offer an opportunity to the American republics to consider the request presented by Argentina. 37 The conference was held in Mexico City from February 21 to March 8, 1945. It was convened and organized in a manner somewhat different from regular inter-American conferences, since the program was not formulated by the Governing Board of the Pan American Union. Instead, the Government of Mexico, after consultations with the other invited governments, prepared the agenda. Invitations were extended only to American republics who were cooperating

36. "The Hot Potato," The Inter-American, III (December, 1944), 5.
with the United Nations in the war effort. This excluded Argentina from the meeting. 38

At approximately the same time, the "Big Three"—President Franklin Delano Roosevelt, Prime Minister Winston Churchill, and Premier Joseph Stalin—were making stupendous decisions at Yalta. Preparations for a United Nations peace conference at San Francisco were in the offing. However, only those who would have declared war on Germany or Japan by March 1945 were to be invited. Obviously, Argentina must act quickly if she wished to take part in the conference. 39

Farrell’s regime, forced into making some kind of compromise, took steps to prepare Argentine public opinion for a shift in policy. The Acting Foreign Minister explained that Germany had refused to grant safe conduct to seven Argentine diplomats in Lisbon. He added that he did not think this would bring on war, but that Argentine ships had been ordered to make for the nearest


The pro-Nazi daily in Argentina was suppressed. The pro-democratic professors who had been expelled from the schools were restored to their teaching posts. Colonel Perón pleaded with pro-Nazi officers in the "Colonel's Clique" to declare war at least on Japan, but feared to go too far, remembering that only a year before Ramírez had been ousted by the super-nationalists for making the diplomatic break with the Axis.

The diplomacy of the Inter-American Conference in Mexico City, March 1945, helped Argentina to save face. A number of the Latin American countries deplored the absence of the Argentine delegation at the Conference. The delegates passed a resolution recognizing the fact that, in spite of Argentina's non-participation, the "unity of the peoples of America is indivisible, and that the Argentine nation has always been an integral part of the union of the American Republics." It further declared that the final act of the conference would be open to adherence by the Argentine nation. It authorized


41. "Argentina at Mexico City," *The Commonweal*, XLI (March 2, 1945), 484.

42. "High Tension," *Time*, XLV (February 26, 1945), 44.
Dr. Esequiel Padilla, President of the Conference, to communicate the resolutions of the meeting to the Argentine government through the Pan American Union.  

The requisites for adherence to the Conference included as basic conditions: that Argentina participate whole-heartedly with the other American states in the Act of Chapultepec for common action to resist aggression against any American state; and that the Argentine nation effectively implement a policy of cooperative action with the other American states in war against the Axis.

The Argentine Government lost no time in accepting the invitation extended her by the Inter-American Conference. This qualified her for participation in the Inter-American system, and eventually for acceptance as a member of the United Nation's family. On March 27, the Argentine Government declared war on Germany and Japan and promised adherence to the acts of the Mexico City conference. To further ingratiate herself with the State Department at Washington, and to satisfy the anti-Nazi


44. "Declaration of War by Argentina Against Germany and Japan," The Department of State Bulletin, Vol. XII, No. 301 (April 1, 1945), p. 538.
elements in her own population, the clique took other steps to build up a convincing democratic facade. The *Argentine Libre*, an outspoken daily, was permitted to resume publication although it was repressed subsequent to the printing of sizzling anti-Government editorials and acid cartoons. A further democratic gesture was the appointment of a Committee of Three, Dra. Rodolfo Medina, Benjamin Villegas Basavilbasco, and Jose Manuel Astigueta, to draw up a charter by which political parties would again function. An approximate date for elections, within sixteen months, was fixed. Interventors were appointed for three German-owned firms whose books showed large unexplained disturbances. A final move in this democratic splurge was the trek barricadeward of many army men who had held government positions, and their replacement by civilians. The President and Cabinet, however, remained military officers.45 A special meeting of the Governing Board of the Pan American Union was held on March 31 to consider Argentina's request to sign the final act of the conference. The members, with the authority of their governments, decided unanimously that the measures taken by Argentina were acceptable. The Chargé

45. "Argentina, the Uninvited," *Inter American*, IV (February, 1945), 5-6.
Affaires of Argentina signed the act at Mexico City April 4, 1944. Within a week the American republics resumed normal diplomatic relations with Argentina.46

As a token of welcome the United States sent a petroleum-laden tanker southward to oil-starved Buenos Aires; Argentina, in turn, gave 5,511,000 bushels of wheat to U.N.R.R.A. Restrictions on Argentine trade were removed.47 One of United States acleat diplomats, Spruille Braden, presented his credentials to Buenos Aires on May 22. In a report to newspapermen, Braden told them flatly that the United States would like to see democratic governments everywhere and that recognition of Argentina was dictated by necessity. Secretary of State Stettinius remarked that the United States had no sympathy with many aspects of the Argentine problem. President Harry S. Truman added that he was not at all happy over the Rio de la Plata situation.48 The whole settlement was a victory for Argentina since she had


48. "One Man Crusade," The Inter American, IV (July, 1945), 6, 7.
returned to the American family of nations while retaining her dictatorship.

Was the non-recognition of the Argentina government by the United States justifiable and wise? Was the subsequent sanction dictated by expediency or by a reversion of policy?

For more than ten years the United States had been building a structure of good will with Pan American countries. It had made profession of the Good Neighbor policy. During the war, however, relations with Argentina had deteriorated to the state of open tension. The rupture, Sumner Welles said, was unwise and inexpedient—catastrophic even, in its effect on Argentina public opinion. Furthermore, democratic elements there, and those opposed to dictatorship blamed United States for flagrant interference in their internal affairs, and stated that their reaction against coercion probably strengthened the Farrell regime. Mr. Welles stated further that by this grave error the Department of State had broken the unity of the hemisphere, maintained against all obstacles during Franklin D. Roosevelt’s presidency. He remarked that if the American governments had followed the Estrada or traditional doctrine of recognition, the Argentine problem would not have developed. Our reversion to the "Big Stick Policy," to the domineering and coercive
measures of a former period, had only strengthened anti-
American elements. 49.

Hubert Herring believed that the non-recognition
policy was rapidly destroying the costly gains of years.
He was anxious to give Argentina a chance. 50

Richard Pattee, too, was convinced that the at-
tack on Argentina in the American press had the effect of
making the Farrell-Perón regime stronger than ever; re-
fusal of recognition by United States forced the Argen-
tine people into a position of support of their Fascist
Government, if for no other reason than of national
pride. "The latent hostility, which will remain as the
consequence of this situation, will undoubtedly be a fac-
tor for many years to come in all our dealings with Latin
America." 51

The other Latin American republics apparently
held the same view. Pattee further commented that the
Latin American press frequently hinted that the United
States no longer wanted to be bound by the high ideals and
lofty motives to which the State Department subscribed at

51. Richard Pattee, "The Future of Our Inter-
American Relations," Columbia, XXIV (September, 1944), 3.

During Argentine's estrangement from the Pan American family a prominent Mexico City daily, Novedades, published articles under the signature of Salvador Novo which raised the question as to whether the Argentine case had not gone beyond a mere squabble with the United States into a causa celebre for all Latin America. 52

A number of American republics had offered their services as arbitrators to heal the break in hemisphere solidarity. Carles Puyo Delgado's article in El Heraldo of Caracas described the Argentine-United States rivalry as a game in which the continent is converted into a chess board on which the antagonistic forces are at play. The players are the bumbling political leaders who are responsible for the growing anti-United States sentiment. 53

Great Britain's efforts, too, may have awakened the United States to the pertinence of recognizing the Farrell regime. She had posed as a "Friend in Need."

53. "Is Anti-American Sentiment Rising?" The Inter American, IV (July, 1945), 30.
during the Mexico City conference. On virtually every ship, she had sent eager salesmen with post-war advertisements. The British Chamber of Commerce in Buenos Aires submitted to Perón a plan for renewing British-Argentine trade relations after the war. These were gentle reminders that Argentina was not alone. 54

On the other hand, the eventual recognition of Argentina in April 1945 brought out a flood of adverse criticism on the grounds that the State Department was thereby encouraging dictatorships. Among those commenting on the inadvisability of recognition merely on her professed agreement with the principles outlined at the Mexico City Conference is El Tiempo of Bogota. This paper, a leading Colombian daily, makes the point that it will be more difficult for democracy to exist in Latin America if "all a dictator needs to do to gain sanction for his sins is to hypocritically express his adherence to principles which he abuses strenuously in his own regime."

La Nación, partially government-owned paper of Santiago, Chile, comments on the danger of taking into account only the external aspects of the situation and ignoring its "essence and its roots." 55

The editor of the *Atlantic Monthly* expressed the opinion of the liberal elements in Argentina, and the underground resistance groups who opposed the recognition of the Farrell regime on the grounds that it strengthened dictatorship by its capture of diplomatic respectability. Julio Gonzalez Irasmín, one of the leaders of Argentina's underground resistance movement, went to Washington before the Mexico City conference to get in touch with the State Department. His request was that the "Colonel's Clique" be not recognized, saying that "Argentine people have taken a clear stand—that the resistance movement is strong and well organized. We need no help from the outside. All we ask is that the United States do not recognize Argentine Regime."  

The *Foreign Policy Bulletin* stated that the Buenos Aires reception of the declaration of war was cool. While the public was glad that Argentina had finally abandoned its neutrality stand, they resented the appearance of foreign pressure. Furthermore, they felt that their chances of obtaining political reforms were definitely postponed. The military clique, while professing a democratic foreign

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policy, would probably tighten its stranglehold on governing processes at home.  

Foreign Policy Reports conveyed a similar fear that recognition would encourage the perpetuation of a government unpopular among the majority of its citizens.  

The United States was moved in her non-recognition policy by a desire to promote democratic ideals. However, in an article, "Argentina at Mexico City," The Commonweal suggests that since dictatorships prevail in Latin American countries, if Argentina by dint of a realistic appraisal of circumstances should provide sufficient evidence of a willingness to cooperate positively in the war effort and desist from arming to the teeth, there would seem to be little reason for withholding any longer recognition of whatever regime is in power.  

The State Department's shift of policy itself indicates that non-recognition was unwise, since it was not prompted entirely by expediency nor by the pressure of

60. "Argentina at Mexico City," The Commonweal, XL (March 2, 1945), 484.
foreign opinion, but apparently by the conviction of the potentialities of de factoism. The attempt at following the war time corollary proved a fiasco. Consultations were carried on through regular diplomatic channels, not through any inter-American agency. The cumbersome procedure of consulting with one another at each important stage proved unsatisfactory.

The unfortunate affair of Argentina had created an embarrassing break in the Pan American family. The belated recognition of Argentina was an attempt at readjustment so that the United States could resume the only policy consistent with democratic ideals and world neighborliness.
CHAPTER III

BOLIVIAN NON-RECOGNITION--HIGH PRESSURE
PLACED ON THE TIN KINGS

While Argentina was embroiled in a controversy over recognition, the tenets of imperialism were unhappily penetrating into Bolivia and gave rise to the charge that the Good Neighbor policy was dead. The revolution which occurred December 20, 1942, was actually a "synthesis of everything that we fought for and against in World War II." Bolivia suffers from "personalism" in government and politics. Her economic conditions are deplorable. In addition Bolivia is and has been the center of international intrigue: Argentina and Brazil vie with each other to control Bolivian economy; Britain has financial stakes in the country; United States figures prominently today because she depends on Bolivian tin. Germany, too, has had political and economic aims in this landlocked republic.¹

Bolivia has not had even a pretense of democratic government. National politics are virtually in the hands of a few white families, although the more affluent and

¹. Lloyd Mullan, "Revolt and Counter Revolt," The Virginia Quarterly Review, XX (Spring, 1944), 265-80.
intelligent cholas or mixed-breeds have frequently held high places in the government. The Indians, who constitute a majority of the population, remain outside the political existence of the nation.²

General Enrique Penaranda del Castillo was elected President March 10, 1940, by a large majority. However, due to literacy requirements, only 100,000 of the 3,600,000 people are eligible to vote. General Penaranda's promises to restore constitutional government, and his pro-United Nations leanings assured his regime of United States recognition. In spite of Penaranda's protestations, his government was a caricature of democracy. His overthrow December 20, 1943,³ was the culmination of a protracted controversy over tin.

The tin interests and the United States tried valiantly to prevent the upheaval in Bolivia since the "Tin Kings," three mine owners, Simón Patiño, Carlos Victor Aramayo, and Maurice Hochschild, supported the Penaranda government and incidentally kept tin going to the United Nations. For many years the "Big Three" mining operators had controlled the destiny of all Bolivian

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governments. The "Tin Kings" belong to the International Tin Cartel, with headquarters at London and New York. This cartel allocates production and arranges quotas. The big producers are assigned 75 to 80 per cent of the entire quota. Great political leverage is exercised by cartels. The Rosca, or tin hirelings, have been lodged in key positions in practically every Bolivian administration. In fact, Señor Aramayo has been Minister of Foreign Affairs, while Patino men were placed in other cabinet offices and were Congressmen as well as judges.

Various revolutionary parties have been formed by Bolivians opposed to such control and one coup d'etat after another occurred. President Peñaranda, no better nor worse than his predecessors, made the mistake of pushing oppression of the people too far.

An enlightened labor code, designed to raise the social and economic standards of tin workers, was approved by the Congress of Bolivia in 1942. However, when the reforms embodied in the code were not carried out, thousands


of miners from the Catavi district walked out. Sindicato de Trabajadores Oficios Varíos (Union of Workers of Divers Industries) presented a demand to the management of Patiño Mines and Enterprises September 30 for a 100 per cent increase in wages. The union felt that some of the fabulous wealth which the mine owners were receiving should go to the workers. The management delayed in replying. J. E. Rivera, Vice-president of the Patiño Mines, finally stated that the wage demand masked a political attack on the government. He further declared that the Catavi union was non-existent since less than 50 per cent of the workers were members. He listed as part of the government policy a ban on all strikes while the international commitments to deliver minerals to the United Nations remained operative.

The workers' committee announced that the strike would go into effect on December 14, 1942. The previous day the officers of the union were taken into custody. On December 21, the government increased the garrison of troops. When a group of workers started for the office of the management, they were met with gunfire. Thereupon,

workers decided to demonstrate in a mass. The soldiers opened fire. The official report admitted nineteen persons killed and thirty or forty wounded. The union claims far exceed this official count.8

Immediately after the strike, Mr. James G. Patton, President of the National Farmers' Union, issued a statement which intimated that the State Department was implicated in the attempt to prevent the passage of the labor code and asked for an investigation. The American Federation of Labor and Congress of Industrial Organizations, as well as Mr. Ernesto Galarza, chief of the labor and social information division of the Pan American Union, all objected to the decree preventing the passage of the code. Mr. Pierre Boal, United States Ambassador to Bolivia, was charged with cooperating with the mine operators and thus weakening the labor movement in whose ranks are found sincere defenders of democracy. It is clear that the enactment of the code would increase expenses and thus compel the companies to demand higher prices from the United States government for tin and other essential materials.9


The entire cabinet resigned August 28, 1943, following a deluge of adverse criticism of the government's suppression of the strike at Catavi.\(^\text{10}\)

For the sake of foreign public opinion, Penaranda embraced the Four Freedoms while becoming more aggressive at home. His was a strange democracy—pro-democratic in foreign policy; dictatorial in internal policy—obviously a clear target for local fascists.\(^\text{11}\) Furthermore, his government issued a declaration of war on the Axis November 26, 1943.\(^\text{12}\) Instead of easing economic troubles after the Catavi mine incident, Penaranda declared a state of siege. He had also suspended elections, a basic demonstration of the constitutional rights.\(^\text{13}\) A revolt was inevitable. The coup d'état was executed with alacrity. At 3:00 A.M. the Traffic Police, a well-armed, well-trained body of five hundred men, including a group of young army officers of nationalist leanings, and a group of civilians, members of the Nacionalistas, surprised and

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\(^{12}\) *State Department Bulletin* (December 11, 1943), p. 413.

\(^{13}\) *New York Times,* December 21, 1943.
captured most of the higher army officers and stormed the
La Paz Calama garrison. By 7:00 A.M. the revolutionists
announced themselves in complete control of the situa-
tion. At nine o'clock, leader of the army officers,
Víctor Paz Estenssoro, read a statement over the radio by
President Enrique Peñaranda, announcing his resignation
"in obedience to the will of the people and the army."

A Junta, partly civilian but dominated by its
military members and led by Major Guadalupe Villarroel,
exiled Peñaranda to Chile and assumed the reins of the
government. Immediately an announcement was made that
Bolivia would continue its support of the United Nations.
A manifesto told the Bolivian people that the new govern-
ment would free them from a regime of "political and eco-
nomic oppression." In spite of protestations of demo-
cratic principles and adherence to the international ob-
ligations assumed by its predecessor, circumstantial evi-
dence pointed to Nazi influence in the ousting of Presi-
dent Peñaranda, since chief element in the revolt was the
Movimiento Nacionalista Revolucionario, National Revolu-
tionary Movement. This group had a reputation for being

14. "Revolution in Bolivia," The Inter American, II
(January, 1944), 4.

15. "Bolivian Coup," Newsweek, XXII (December 27,
1943), 33.
strongly pro-Axis and anti-United States. Their official organ *La Calle* was on the blacklist until recently. While their leader, Señor Paz Estenssoro, had been arrested in 1941 for complicity in a Nazi plot involving the former German Minister, Ernest Wendlar, prominent members of the National Revolutionary Movement, including Major Villarroel, who was then President, were intimate friends of Elias Belmonte, a confirmed advocate of totalitarianism. Records of other members of the new regime divulge that most of them had supported Gerán Busch, pro-Nazi President of Bolivia in 1939. They are distinctly anti-foreign capital, anti-Yanqui, and anti-Communist. They had taken a positive stand in the Catavi tin mine strike in 1942, warning Peñaranda that they would not tolerate further "massacre of Bolivians" regardless of whose property was involved. They had also criticized the Bolivian government's declaration of war on the Axis.

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Before the end of the year, Secretary Cordell Hull issued a statement withholding United States recognition of the Villarroel de facto government, since "forces outside of Bolivia and unfriendly to the defense of the American republics inspired and aided the Bolivian revolution." Leaders of the new regime, including its master mind, Estenssoro, had visited Argentina ten weeks before the coup d'etat and were royally entertained at the notoriously pro-German club, Del Plata. Estenssoro spoke on the Argentine radio, predicting Peñaranda's early downfall.

A Chilean Communist paper, El Siglo, stated that Colonel Juan Domingo Perón, Argentine Dictator, had boasted of instigating the revolt.

The attitude of our State Department was supported by Inter-American commissions. Fearing that the Axis powers were multiplying their efforts to overthrow other established governments in Latin America, and that the Bolivian coup d'etat was the first of a series designed to break down the existing anti-Axis front, the Emergency

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Advisory Committee for Political Defense took steps to insure hemisphere solidarity. On December 21, 1943, this body had approved a resolution recommending that for the duration of the war the American republics agree not to accord recognition to any new government established by force, before consulting the other members. Jointly these members must determine whether the particular government was complying with the Inter-American undertakings for the defense of the continent. They also provided for an exchange of information as to the circumstances which determined the establishment of said government.23

However, since the said resolution had not specifically indicated the procedure which was to be followed, and since doubts had arisen as to whether it was applicable to the Bolivian regime, which had actually assumed power before its approval, the Committee transmitted an additional resolution on January 5, 1944. In it they recommended that before proceeding to recognize the government of Bolivia consultations and exchange of information should take place, and that the regular diplomatic channels would be most rapid and expeditious and therefore

meanwhile, Argentina administered the death blow to United States recognition by extending recognition to Gualberto Villarroel's Bolivian junta on January 3, 1944. Within a short time, during which the committees of the various republics held consultations, nineteen governments announced their respective individual decisions to refrain from recognizing the new regime, since the Bolivian government was linked with subversive groups hostile to the allied cause. Simultaneously, however, the republics continued their joint consideration and study of the problem.

meanwhile, Major Villarroel's government acceded to certain demands made by the United States and was recognized. This recognition was granted, finally not only because Bolivia had fulfilled the rule approved at Montevideo, namely, recognition of any de facto government which demonstrated their ability to remain in office, but


because they had gone the limits to wipe out the stain of non-recognition. The six months of non-recognition had hit Bolivia where it hurt—in the pocket-book. Strained relations had interfered with the sale of Bolivian tin, wolfram, and tungsten, although United States continued to purchase vital war materials.

Before January 1, the Bolivian Embassy announced that the new revolutionary government was willing to take "first steps" toward assuring greater economic cooperation with United States. Nevertheless, on January 15, the Foreign Exchange administrator cautioned exporters to use "due prudence" in keeping themselves advised of exchanges and restriction developments since Bolivia had no government recognized by the United States. Thus tin buying continued on a month to month basis, and since tin is the mainstay of Bolivian economy this amounted to a war of nerves. President Villarroel faced a touchy problem. What if the United States, having accumulated a considerable supply of tin, should quit buying?27

As days dragged by with dwindling hope of recognition, the Bolivian regime faced the nightmarish prospect

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27. "Ghost of German Busch, Dictator of Bolivia," Harper's, CLXXXIX (October, 1944), 443-560.
of no more Lend-Lease. Villarroel realized that though he was opposed to the United States, his government must have its recognition. He turned his cheek to every diplomatic slap. Consequently, early in February he announced that Bolivia would continue at the side of the United Nations and maintain her position as a signatory of the Atlantic Charter regardless of the decision of the nineteen republics not to recognize his regime. He further promised democratic elections and social reforms in behalf of workers. Meanwhile, he invited Itaméz, Chilean Labor Leader, to Bolivia, to suggest labor improvements. However, Secretary Hull regarded these protestations with caution and demanded firmer guarantees.

In desperation the Bolivian junta sent Fernando Iturralde Chinel to Washington to convince the State Department of the purity of the new regime's ideals. He claimed there was no trace of pro-Nazi influence in the Bolivian government. Victor Paz Estenssoro, Minister of Finance in the new set-up and actually its political

28. "Background for Revolution," The Inter American, III (February, 1944), 5.


30. "News Survey of the Month," The Inter American, III (February, 1944), 5.
chief, took the next step in the bid for recognition by banning all Bolivian quinine exports to Argentina. The entire supply was reserved for the United Nations.31

When the aforementioned efforts proved futile in the attempt to gain United States recognition, the Bolivian army leaders concluded that certain members of the cabinet must be sacrificed. Thereupon, Major Alberto Taborga, Minister of Government, namely, Interior, Augusto Cespedes, Secretary General of the Government, and Carlos Montenegro, Minister of Agriculture, resigned. The latter had long been a foe of "Yankee Imperialism." He was responsible for the expropriation of Standard Oil Company Holding in 1939. Senor Cespedes had been the publisher of the newspaper, La Calle, once on the United States blacklist. However, four of the officials listed as the pro-Nazi element in the cabinet remained.

Another concession was made: Bolivia expropriated Axis-run firms as had been promised.32 Finally, the government went the limit in presenting a democratic front to the rest of the Americas by releasing José Antonio Arze, exiled leader of Partido Izquierdo Revolucionario, Leftist

Revolutionary Party. He was permitted to campaign for a coalition of liberal elements for the July elections. The Bolivian government also announced that it would not support any candidate of its own.33

United States diplomats, realizing that the Bolivian coup might cause a dangerous breach in Pan-American solidarity, and that too strong measures might force Bolivia into the arms of Argentina, decided to make the best of the Bolivian gestures. Consequently, when Aura M. Warren, United States Ambassador to Panama, who was sent to La Paz on a special mission of investigation, returned, he reported that the pro-Nazi elements had been purged.34

On the other hand, Bolivian officials, determined to obtain recognition before the July elections, rounded up thirty-four Japanese and fifty-eight German leaders and sent them, in United States planes, to Panama for eventual United States internment. Moreover, Victor Andrade, Labor Minister, promised to break with Argentina if the other republics could maintain his country's food

33. "Bolivia's Bow," Newsweek, XXIII (April 10, 1944), 58.

34. "The Man Who Wasn't There," The Inter American, III, No. 7 (July, 1944), 7.
Meanwhile, the republics were holding consultations studying the problem, and in June 1944 reached the conclusion that during the six months which had elapsed the causes which impeded recognition had disappeared. They, therefore, decided that this recognition should take place simultaneously on June 23, 1944. This decision took place pursuant to resolutions XXII and XXIII of the Inter-American Emergency Advisory Committee for Political Defense, located at Montevideo.

The pressure of public opinion, especially the foreign variety, undoubtedly urged us to recognition. The statement of the Brazilian educator, Dr. Tavares de Sa, in the London as well as the United States press, intimating that relations between United States and Latin America were deteriorating, was given some prominence. Tavares calls the political policy of United States in granting or withholding recognition an

35. "Bolivia Plays Ball," Newsweek, XXIII (June 5, 1944), 60.


unfortunate factor. He thinks that our policy has been vacillating and inconsistent. He further states that many Latin American countries, due to the necessity of maintaining United States good will, follow the example of United States, to avoid giving wrong impressions. High-pressuring the Latin American republics will eventually impair United States influence. It is significant to note that as early as January 13, 1944, the Mexican government proposed a general meeting of ambassadors and ministers to discuss Villarroel's government. Furthermore, neither the Axis nor Spain recognized the new Bolivian regime which indicated that it was democratic.

The common sense and fair play enshrined as principles at Montevideo suffered the most grievous buffeting with our hesitancy in recognizing the Bolivian de facto government. The whole question of recognition is right where it was before the Good Neighbor policy was endorsed. Latin Americans are alarmed by the fact that the United States is amicably inclined to dictators all over their


40. Lloyd Mollen, The Virginia Quarterly Review XX (Spring, 1944), 263-280 passim.
continent. Financial penetration may be tolerated; the control of markets will be permitted; but politics and the mechanism of elections must be left to the nationals.41

Nothing constructive was accomplished by this reversal to the Seward doctrine, namely, delaying recognition until the facts and conditions concerning the new governments were proven and legally accepted by the nation. Moreover, a neighbor upon whose product our war effort depended was embarrassed and humiliated. Consequently, ill-will toward the United States and distrust of the Good Neighbor policy will inevitably result.

CHAPTER IV

ECUADOR--A FRIENDLY HAND-CLASP

During the turbulent era, while the United States was pondering the problems of recognition in Argentina and Bolivia, the State Department was able to express good will toward Latin America in the early recognition of the Ecuadorean regime, since in that country there was no evidence of Axis influence in the revolution.

Ecuadorean governments have been anything but tranquil. These freedom-loving people can count fifteen chief executives and thirteen constitutions in two decades! The first administration of Dr. José María Velasco Ibarra, chosen president in 1933 in one of the most peaceful elections Ecuador ever witnessed, was a failure because of a hostile Congress. After an incessant shuffle of cabinets, President Ibarra offered his resignation to Congress which promptly refused it. Finally, he appealed directly to the people. His effort proved futile in the face of a revolt staged by an army clique who drove him into exile.¹

Ibarra was followed by Frederico Paez, who

¹. Maury A. Bromsen, "Viva Velasco!" The Pan American, IV (September, 1944), 39.
resigned in 1937 after a turbulent rule. His successor, Dr. Marvaes Aurelio Mosquera, died in 1938 from overwork. The next two years witnessed the going in and out of office of four presidents, until the election of Dr. Carlos del Rio Arroyo in 1940. Arroyo was declared President January 10, having received 32,000 votes as compared with Ibarra's 20,000 and Jacinto Jigen Casmana's 14,000.

Formal recognition by the other American republics was not necessary since Arroyo had been constitutionally elected. However, the United States endorsed the new regime by granting an Export-Import credit of a million and a quarter dollars to Ecuador's new regime.

Many of the difficulties which Arroyo had to meet were rooted in his Yanqui sympathies. An enumeration of these obstacles will suffice to explain the revolution which ousted him five days before the date scheduled for elections, June 3, 1944. He faced an opposition party composed of all elements from Conservatives to Communists, whose one aim was to recall the former president, Dr. Ibarra, kept in exile by Arroyo against whom he had led

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a revolt.\textsuperscript{4} The opposition became violent in January 1941, when crowds threw rocks at the presidential house and shouted, "Down with Capitalism! Down with Bourgeoisie!" The objection stemmed in part from Arroyo's North American connections. Ecuadorans had not forgotten that before his presidency Arroyo had acquired a reputation for being an excellent lawyer for North American firms. In fact he had handled their lucrative interests so well that he was dubbed "guardian of the Guayaquil gringos."\textsuperscript{5} Furthermore, there was a general feeling that Arroyo's literal use of patronage perpetuated him in the presidency. As a matter of fact, he had received loans from the United States amounting to $1,150,000 for the purchase of highway equipment, railway cars, and for various agricultural experiments.\textsuperscript{6}

In collaboration with the Ecuador government, United States technicians planned a program for the rehabilitation of El Oro, a province which had suffered intensely from the border dispute between Peru and Ecuador. The Office of the Coordinator of Inter-American Affairs allotted $500,000 for the main rehabilitation

\begin{itemize}
\item[5.] Carter, \textit{op. cit.}, p. 115.
\item[6.] \textit{New York Times}, June 5, 1940, p. 46.
\end{itemize}
Since cheap money drives out good money, the problem of inflation became acute. In 1942, when gold and foreign exchange reserves climbed to the highest figure recorded in the recent monetary history of the Republic, restless trends gathered momentum. Incidentally, enemies of the administration blamed the rising cost of living and the scarcity of food on the North American troops stationed in the Galapagos Islands and in Salinas. Coffee and cocoa exporters in Guayaquil protested that United States development of quinine and rubber was draining their cheap labor market.

Much of the reservoir of bitterness can be blamed on United States' hands-off attitude during the Peruvian invasion. The Ecuadorans argued that if United States was interested in small European victims—why not aid an invaded country in their backyard? However, the entire Good Neighbor policy was at stake. Active intervention would recall days of Marines in Nicaragua, days of Big Stick and Dollar Diplomacy. Therefore, United States had refused to intervene. Ecuador lost about half of her Amazon Basin territory and part of her southern states to


Peru. The boundaries were fixed to the grudging satisfaction of both sides; the question, however, continued to be political dynamite. Ecuadorans felt that the pact signed by the Ecuador and Peru Parliaments at Rio de Janeiro in January 1942 was a sacrifice to hemisphere solidarity.10

Contributing also to Arroyo's downfall was the announcement of a "friendly agreement" by which the United States had established naval bases in the Galapagos Islands, that strategic archipelago six hundred miles off the coast of Ecuador, ten thousand ten miles southeast of the entrance to the Panama Canal, and also at St. Elena, the westernmost tip of the Ecuadoran coast.11 National-minded Ecuadorans insisted that no assurance had been promised them that these bases were limited to the war period. Congressman Merritt's publication of Latin American activities substantiated their attitude, and there is nothing that they resent more than the presence of United

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States armed forces on their soil. 12 The "Merritt Report" came as a shock to Ecuadorans who protested loud and vigorously. Jorge Reyes, a columnist of thequito newspaper El Día, who was usually friendly towards United States, warned his fellow citizens that the "Merritt Report" looked like a revival of Yankee imperialism, Dollar Diplomacy and the Big Stick. The same columnist expressed a desire that the United States adopt a clear-cut policy with regard to post-war relations with Ecuador and the other Latin American countries. General uneasiness prevailed after the indignant outburst in Ecuador and was followed by rumors of great diplomatic activity behind the scenes. 13

Further evidence that Arroyo's influence was waning and that Ecuadorans opposed coercion may be noted in their tardy reply to the Emergency Advisory Committee for Political Defense. The committee recommended that the American governments which had broken relations with the Axis Powers consult with one another before proceeding to recognize new governments instituted by force. The Ecuadoran Minister of Foreign Affairs, Señor F. Guarderas,

consented to confer with the other governments "aside from the powers which the Constitution of the Nation grants the President of the Republic to judge each particular case of international policy. . . ." However, Arroyo's downfall is more immediately traceable to the enmity between the national police and the citizens of Quito, and the general feeling that the national elections of June 2 and 3 would be a fraud.

In the final analysis, the act which definitely finished Arroyo with his countrymen was his refusal to permit the extremely popular Dr. Ibarra to enter the country to campaign for the presidential election. Ibarra was the candidate for the Ecuador Democratic Alliance, Alianza Democratica Ecuadoriana, a combination of Liberals, Socialists, Communists and Conservatives, who were united in their hatred of Dr. Arroyo, their fear of his candidate, Miguel Angel Albornoz and their support of Dr. Ibarra. Ibarra conducted a fiery anti-Government underground campaign from his exile across the Colombian

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16. "Fall of a Dictator," Time, XLIII (June 12, 1944), 38.
With the foregoing as combustible material, even the most superficial observer expressed little surprise when the Democratic Alliance staged a coup d'etat on May 28, 1944. A revolutionary junta seized power immediately, forcing President Arroyo and his cabinet to resign and seek refuge in the United States embassy. The Political Bureau of the Ecuadoran Democratic Alliance set up a provisional government. As a bid for recognition, this group published its aims which included "strengthening the international personality of Ecuador and intensifying its relations with other American nations." It pledged continued support of the United Nations. The provisional government remained in power until Velasco Ibarra accepted its invitation to take over the reins. At his inauguration, President Ibarra promised to establish the basis for the democratization of Ecuador within two months. "I will deliver my country to a constitutional assembly so that it can have the power that belongs to the people." He also confirmed the pledge of the provisional government that his regime


would cooperate fully with the United Nations, adding that such a course would not "endanger the Spanish tradition of Hispanic America."  

Brazil was the first American Republic to recognize President Ibarra's new government June 5. This step was taken after due consultation and approval of the members of the Emergency Advisory Committee for Political Defense. Peru and Paraguay followed Brazil's lead immediately, while Acting Secretary of State Edward J. Stettinius, Jr. announced that United States had extended full recognition to the Ecuadoran government June 6. Cuba's official note stated that it had taken action in agreement with the other American countries in accordance with Resolution XXII of the Emergency Advisory Committee in the recognition of the government of Ecuador. By June 6, nearly all the American republics had taken similar action.

The basis for United States recognition, Secretary Stettinius said, was our full confidence in the friendly


Committee, Foreign Minister Camilo Ponce Enriquez explained that there was no question in regard to a new formula for recognition since President Ramirez was replaced by Farrell without any legal interruption of Argentina's internal affairs. He also added that the American nations had resolved upon a policy of non-intervention in the internal affairs of other American nations. 27

The State Department, however, ignored this rebuff, probably since commercial expediency dictated that Ibarra was the better man. The State Department was aware of the fact that, while promising ideological support, Arroyo had promised Argentina economic support in a trade treaty signed September 1, 1943. 28

Though diplomatic relations with Ecuador are at present peaceful, turmoil in that country did not end with President Ibarra's inauguration and United States recognition. On August 8, 1944, the day before elections, railway workers went on a strike in protest to the Cabinet Minister of Public Works, Julio Teodoro Salem. The strike was settled in favor of the workers. The non grata Minister was removed and the strikers returned to work. 29

28. Ibid.
29. "Jot For Velasco Ibarra," The Inter American, III (September, 1944), 8.
Powerful factions are preventing President Ibarra from uniting his country. Liberal Ecuadorans want to change the highly feudal economy into a socialist state, but the Conservatives strongly oppose any such attempt. 30

The Constituent Assembly completed a new constitution on March 10, 1944, and it has been President Ibarra's arduous task to enforce it. He has been following a middle course and has accomplished very little since many of the measures are not practical.

In recognizing President Ibarra's de facto regime, the State Department prevented rising animosities at a time when friendly nations were essential to the war effort and Ecuador was kept in the Caribbean orbit.

30. "Alarms and Excursions," Time, XLV (February 26, 1945), 44.
CHAPTER V

CENTRAL AMERICA—THE AMERICAN BALKANS

Prior to World War II de jure recognition had been the rule, rather than the exception in the Central American countries. Since the Spanish conquest these nations have been a stage for dictatorial play. The five republics—Guatemala, Costa Rica, El Salvador, Honduras and Nicaragua—are geographically remote from the rest of the world; they are economically and socially backward; and with the exception of the population of Costa Rica they are politically illiterate. Most of the people are mestizos or Indians who remain outside the national life altogether. Problems of communication and transportation tend to separate the inhabitants into isolated groups so that no strong national feeling exists. The area of Central America, the size of the state of California, does not justify five sovereign governments, but all attempts to unite the republics have been thwarted by the desires for personal aggrandizement of dictators.

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1. The Inter American, IV (September, 1945), 7 lists illiteracy in Honduras, 82%; Guatemala, 75%; Nicaragua, 70%; El Salvador, 58%.

2. "Unhealthy for Dictators," Newsweek, XXIV (July 17, 1944), 46.
Since confusion and disorder were dangerous to the security of the Panama Canal, a conference of the Central American republics was convened at Washington in 1907 under the tutelage of the United States. At this meeting the Central American countries agreed not to recognize new governments established by revolution. This principle was repeated in more specific detail in 1923 in a peace and amity treaty.  

**El Salvador**

The first genuinely popular revolution against the entrenched dictators of the '30's and '40's occurred in El Salvador, where General Maximiliano Hernández Martínez had been ruling for thirteen years. When Martínez became President, in 1931, after a coup d'etat, the United States refused to recognize his de facto government. This was in compliance with the 1923 Central American Conference, which had decided to refuse recognition to any but de jure governments in Central America. However, when the Central American countries denounced the 1923 agreement, the United States no longer felt obliged to adhere to the defunct treaty and extended recognition to the Martínez regime January 25, 1934. This return to

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the traditional policy of recognizing de facto governments strengthened the policy of the Good Neighbor, as well as assured Salvadorans that the United States would not intervene in their internal affairs by using the non-recognition weapon.

Martinez perpetuated his control of the government by unique methods, since according to the Salvadoran constitution the President may not succeed himself. On February 29, 1944, the Constituent Assembly rearranged the Constitution to permit Martinez to continue in office and to allow election by Congress. They then officially changed themselves into a Congressional body and voted Martinez another term which was to begin at once and terminate December 31, 1949. Their next move was to change themselves back into a Constituent Assembly.

When hopes of a change of regimes by constitutional methods failed, liberals under Dr. Arturo Romero and Colonel Tito Calvo staged a revolt. Martinez crushed it ruthlessly, but when a general strike paralyzed the country, he followed the advice of his ministers and

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resigned. The Constituent Assembly appointed 62-year-old Minister of Defense, General Andrés I. Menéndez as pro-temp. The latter promised to hold the government in trust for an elected president.

Meanwhile, the Army, accustomed to power and fearful that a civilian government might reduce its privileges, threatened to revolt. Menéndez managed to quell them, but when he was faced with sporadic strikes which repeatedly tied up industries, he was forced to resign after five months of turbulent rule. Colonel Camín Aguirre Salinas then seized the reins. It was understood that the candidate elected the following January would assume the office in March. However, El Salvador's troubles were not over; labor went on a strike shortly after Aguirre took office; the Ambassador to Mexico, Max P. Brandon, declared that the Aguirre government was unconstitutional; the Minister to Costa Rica resigned in protest, while Dr. H. Castro, Ambassador to the United States since 1931, withdrew.

6. "One Down . . . ." The Inter American, III (June, 1944), 8.

7. "Test Cases," Time, XLIV (June 24, 1944), 41.


To complicate matters, three members of the Supreme Court proclaimed the President of the Supreme Court, Miguel Tomás Molina, legitimate president of El Salvador. They met in Guatemala with Salvadorean diplomats, formed a government in exile, and tried to obtain United States recognition.\(^{10}\)

Ignoring the appointment of Tomás Molina, the Advisory Committee for Political Defense immediately initiated consultations to determine whether the Aguirre government manifested Axis influence. Although the consultations elicited no charges that the new regime was Axis inspired, there was no consensus in favor of recognition on the grounds that the stability of the Aguirre government was not assured.\(^{11}\)

In an effort to obtain American recognition, Aguirre delegated Dr. Adolfo Perez Menéndez, Minister of Education in his Cabinet, to Guatemala in order to explain the democratic nature and pro-ally policies of the new government. However, Perez was declared *persona non grata* by the Guatemalan government, and was forced to

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\(^{10}\) *New York Times*, November 5, 1944, p. 30.

\(^{11}\) "Renewal of Diplomatic Relations with El Salvador," *The Department of State Bulletin*, XII, No. 296 (February 26, 1945), 304.
return to El Salvador. By December only the dictators of Honduras and Nicaragua had extended diplomatic recognition.

Although the State Department at Washington was perturbed at the possibility of any international incident which might shatter the slightly tattered fabric of Pan American Unity, the general chaos in the country demanded that recognition be withheld. Business was paralyzed; the coffee crop was ripe and unharvested; and the border between El Salvador and Guatemala was closed to prevent the escape of political refugees.

Since Aguirre was unable to secure United States recognition he seemingly, at least, retreated toward democracy and supported General Salvador Castrénado Castro in the January elections. Dr. Arturo Romero, the professor who had directed the revolt which toppled Dictator Martínez, was prevented from campaigning because of Aguirre's ruthless opposition. Castro, being the only candidate, was duly elected to assume office in March 1945.

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Colonel Aguirre's government received international support on February 19 when the State Department instructed the American Embassy at San Salvador to renew relations with the government of El Salvador. Acting Secretary Joseph G. Grew explained that consultations with the other American republics disclosed that in the light of recent developments there was general agreement that the El Salvador government fulfilled the requirements of international law for recognition, namely, control of the machinery of government and of the country; general support without active opposition; and declaration of intention to fulfill its international obligations and ability to do so. The recognition insured a united hemispheric front against Argentina in time for the Mexico City Conference in March 1945.

Skeptics charged the Castro regime with descending directly from the Martinez dictatorship. Liberal Salvadoreans blamed the United Fruit Company for opposing the spread of democracy for fear of taxes and stricter

15. "Renewal of Diplomatic Relations with El Salvador," The Department of State Bulletin, XII, No. 296 (February 26, 1945), 304.

labor laws. They felt that El Salvador had merely changed dictators. How much democracy resulted from the change of rulers is difficult to gauge.

_Nuestro Diario_, Guatemalan newspaper, in commenting on the El Salvador government stated that General Castenada Castro was elected in a constitutional farce that was an insult to American democracy. The same paper remarked that Castro was a kind man and that if he could free himself of the "gangs" he might be able to rule successfully. One of Castro's first acts was to issue an amnesty decree inviting all Salvadoran refugees to return home. Then he sent Arnaldo Granados, chargé d'affaires, to Guatemala with definite instructions to facilitate the return of Salvadoran politicians, who had taken refuge from the Salinas regime. Dr. Miguel Tomás immediately disbanded his government in exile and made plans to return to El Salvador. However, Dr. Arturo Romero remained in Costa Rica, unable to get a visa despite the amnesty decree.

Another effort on the part of Castenada to democratize his nation was to agree upon a cooperative education program with the United States wherein El Salvador

and United States will each contribute $80,000 in order to provide educational facilities for the Salvadorean people, 18 fifty-five per cent of whom are illiterate. Aguirre, having supported the elderly conservative, Castenada, was keenly disappointed, for Castenada, whom he expected to do his bidding, gradually secured control. Although Aguirre received the position of Director of Social Security, his political ambitions were not satisfied. When, in a revolutionary coup on July 26, Aguirre attempted to overthrow the man he had raised to the presidency, he was court-martialed. 20

President Castenada gradually reorganized the army and selected commanders whom he expected would be loyal to his government. He also signed an agreement for a United States Army officer to serve as Director of the Military Academy of El Salvador. 21 Thus Castenada followed his predecessors in countering opposition and preventing the overthrow of his government.

Although the downfall of current dictators in El Salvador did not automatically bring a democratic and representative government, it at least gave the people a chance to meet problems and to take steps along the democratic road.

Since free and fair elections are rarely held in Central America, revolution is resorted to as a means of changing administrations and becomes the only legitimate weapon of a free people. In recognizing the El Salvador government, Washington was not necessarily putting her stamp of approval on a dictatorial regime; she did so only because the de facto policy seemed more in keeping with democratic principles and the Good Neighbor resolutions. Furthermore, there was no evidence of subversive activities which might endanger the hemisphere.

Guatemala

The successful revolt in El Salvador convinced Guatemalan liberals, who were exasperated with General Jorge Ubico's dictatorial rule, that they might employ similar tactics to effect a change in their own government. Guatemala has proved to be very fertile soil for the seeds of dictatorship; it experienced thirty years of the tyranny of Rafael Carrera, fifteen of Justo Rufino Barrios, twenty-two of Estrada Cabrera and thirteen
of General Úbico. General Úbico had been elected in 1931. Under his rule the Guatemalan constitution became an interesting antique. His method of maintaining control of the government followed a pattern similar to that of General Maximiliano Martínez of El Salvador. According to Guatemalan law the presidential term was limited to six years with a twelve-year interval before reelection. However, in 1935, Úbico held a so-called plebiscite extending his term; then in 1943 by means of a Constitutional Convention he had it extended six years more. 23

The administration of General Úbico, though despotic, was marked by efficiency. Business and foreign trade were developed; currency stabilized; agricultural methods improved; towns and villages beautified; while highways, railways and radios united Guatemala to the rest of the world. Some effort was made to protect the Indian by the passage of liquor and labor laws. 24 However, the notion of equality for the Indian is foreign.

22. Rafael Heliodore Valle, "Central America Date-line," Pan American, V (December, 1944), 11.


to the Guatemalan.

Uticó furthermore provided for health and sanitation by having medical dispensaries opened, swamps drained, and by promoting projects which stamp out yellow fever. Dr. Gorgas of the Panama Canal wrote of him that "one could do no less than admire the energy and abnegation with which he exposed his own life in the fulfillment of his duty."

Under Uticó's "Law of Probity" all public officials receiving more than two hundred dollars a month, as well as those who administered treasury funds, were obliged to file a declaration of all assets and liabilities. Moreover, no officials, their relatives or intimate friends could be suppliers or contractors to the state.

Thus it is evident that social and economic progress was made under Uticó's regime, but it came by force and absolutely without the benefits of democracy. No criticism of the President dared be voiced; the people were even cautious about mentioning his name. Only Guatemalans living permanently abroad ventured to complain of Uticó's despotic acts, of his censorship, of his executions.

Financial stability and relative peace had kept
Guatemalans passively reconciled, but when their markets were destroyed by a drop in the export trade of coffee and bananas, two of the principal products, the people sought liberation from his rule.

Meanwhile, the astute Don Ubico heard rumblings of dissatisfaction and on June 22 suspended constitutional guarantees of civil rights for individuals. Although these privileges actually meant little, this was the final step in arousing politically interested Guatemalans to revolt. Students protested; a general strike was followed by an insurrection led by army officers. When government cavalry confronted a crowd attending the funeral services for fellow-revolutionists, priests, as well as shopkeepers and railway workers, joined the strikers. Little violence was exhibited. It was a strike of "trasos caídos" (arms down).

Ubico, who had planned to leave the presidency only for the grave, relinquished his office and ignominiously fled.

Officially, the Ubico regime had been friendly to


the United States. Shortly after the Japanese attack on Pearl Harbor, Guatemala had declared war on Germany and had sent Germans living in their country to United States for internment. The Guatemalan government had also supplied food for the United States forces in the Canal Zone. Nevertheless, the United States State Department declared a "non-intervention" policy in keeping with its Good Neighbor resolutions.

Crisis followed crisis. General Frederico Ponce was elected temporary President by the Ubico-picked legislature. He promised free elections, established freedom of the press and broke up various monopolies. However, when General Ponce began riding Ubico's armored limousine and jailing his opponents, he was forced from office in a twelve-hour bloody battle. A revolutionary junta, composed of a coalition including Captain Jacobo Arbenz, Major Francisco Xavier Arana and Jorge Torriello set up a provisional government on October 21, 1944. The first official act of this Junta de Liberacion was to disband

30. Bulletin of the Pan American Union, LXXVIII (July, 1944), 401-03.
the National Assembly "elected" by General Ubico. They
then proceeded to provide for popular elections, which
were held November 4.32

Due to the pro-democratic ideals of the Junta
and to the absence of any traces of Axis influence, the
Acting Secretary of State, Edward R. Stettinius, Jr. an-
nounced United States recognition of the de facto regime
on November 7, following consultation and exchange of in-
formation with the other American republics, in keeping
with the resolutions adopted by the Emergency Advisory
Committee for Political Defense.33 Recognition, granted
thus to a Revolutionary Junta was an act unprecedented in
American public law and consequently manifested confidence
in the Guatemalan people. This confidence arose from the
desire of the people "to enter the course of an authentic
democracy by giving itself a government deeply rooted in
the freely expressed will of the nation and capable of
preserving domestic order and tranquility as well as ful-
filling its international obligations."34 All the

32. "Action on Volcanic Row," Inter American, III
(November, 1944), 7.

33. "Recognition of Guatemalan Government," De-
partment of State Bulletin, XI, No. 281 (November 12,
1944), 568.

34. Department of State Bulletin, XII, No. 289
January 7, 1945), 43.
American republics joined the United States in the formal acceptance of the new government.35

The Junta de Liberacion held orderly free elections as scheduled on December 17, 18, 19. In order to assure a democratic choice they refused to support any candidate. Juan José Arevalo received an overwhelming majority of votes in spite of the fact that he was a newcomer in Guatemalan politics. Arevalo's liberal ideas had clashed with Ubico's dictatorial schemes, about a decade before; consequently the former left Guatemala for Argentina where he taught at the University of Tucuman until his outspoken objections to the military dictatorship in Argentina brought about his dismissal.36

Guatemala's new administration made every effort to safeguard its political democracy. On January 10 the Constitutional Congress, which was elected in December to reform the constitution, assembled. They chose Jorge Garcia Granadas, who had been exiled during Ubico's regime, as President of the Congress.37 A new constitution was adopted which preserved the main features of


36. "Guatemala Chooses Juan José Arevalo as President," Newsweek, XXV (January 1, 1945), 46.

Guatemala's traditional frame of government, but enlarged the base of citizenry upon which the government rests, and strengthened the protection guaranteed by law to all Guatemalans.

It also reinforced prohibitions and precautions designed to frustrate any future attempts at prolonging the presidential term, such as Guatemalans had witnessed in former years. All forms of discrimination were expressly prohibited; women were granted citizenship; labor and welfare standards were formulated. As a further assurance that the new democracy would be effective, the leaders organized a series of regional economic congresses in which the difficulties of particular localities could be attacked. Merchants, farm laborers, landowners, manufacturers, workmen, and small shopkeepers met to determine what serious economic problems confronted them and to discuss methods of solving them immediately.

On March 15, Dr. Arevalo was sworn in as President at a special session of Congress. Special delegates and missions of the American nations attended the ceremony.


at which the President promised to uphold the constitution. His inauguration marked the fulfillment of the democratic revolution in July. However, democracy to the Guatemalans was practically unknown and the idea of frustrated candidates accepting defeat without an attempt at gaining control was unheard of.

Therefore, unsuccessful office seekers, including Manuel Maria Herrera, Gregorio Diaz and Colonel Ovidio Pivaral, planned a revolt. The uprising was crushed and plotters were deported. Some of them were charged with being supporters of the former dictators, Generals Ufficio and Ponce. To counteract the revolt a special session of Congress met on April 8 and suspended Constitutional guarantees for six months.40

Hope for a reasonable facsimile of democracy gradually faded when the three opposition parties—Democratic, Central Democratic, and Democratic National Front—were told to stop their activities on June 19. Three days later nineteen people were exiled and thirty more were arrested and held without charge or explanation. Meanwhile, President Juan José Arevalo, honest and democratic but politically inexperienced, was trying to head a government in the face of strong opposition from

Jorge Toriello, Minister of Finance, and the strongest member of the Junta.

Although Arevalo's regime did not go as far as its predecessors in curtailing freedom, the same general procedure was followed and its policies are a long way from the "by the people, for the people" pledges that were made by the Junta when they received United States recognition.

Costa Rica, Nicaragua, Honduras

Echoes of the disorder in neighboring Central American countries were reflected in Costa Rica, the most literate and democratic of the group. A shipment of arms and ammunition was found on the Nicaragua-Costa Rican border, evidently en route to ex-President León Cortés Castro, a candidate for the presidency. One person was killed and forty-two wounded in a pre-election clash in San Jose. February 2, 1944, President Calderón went through the streets of the capital pleading for elections without more bloodshed. Minor disturbances occurred in other towns. Elections were tense but comparatively quiet. Dr. Teodoro Picardo was supported by the National Republican Party.

the Popular Vanguard, and the Costa Rican Labor Confederation. Dr. Picardo became president in February and was automatically recognized by the United States as well as by other nations.

Dr. Picardo's government acted upon the recommendations of the Emergency Advisory Committee for Political Defense of the Continent and participated wholeheartedly in the Inter-American Conference on Problems of War and Peace at Mexico City. The Department of Education has attempted to establish a firmer foundation for democracy by tightening compulsory education requirements and by providing secondary education for more than the well-to-do. Furthermore, Dr. Picardo has expressed a willingness to unite with the other Central American republics in forming a Federation.

Evidently, General Anastasio Somoza, President of Nicaragua, had read the Central American trend since he began to liberalize his government in October 1944.

42. "Nipped in the Bud," The Inter American, III (March, 1944), 7.


Somoza has been president since 1936, when he overthrew his rival Juan Sacasa, a Liberal. When his political opponents joined forces in a coalition in 1936, he exiled their leaders and called a new election, which returned him to the presidency with an overwhelming majority. A new constitution was put into force in 1939 extending Somoza's term of office eight years.45

Somoza's attempts to democratize his nation included the introduction of a new labor code, free organizing and collective bargaining. His government also sponsored agrarian reform and established shops to sell low-priced food. Furthermore, they began to construct workers' apartments. As an added proof of his democratic ideas, Somoza announced that all politicians outside the country who wished to live in order might return. He also promised free suffrage at the next election "satisfactory to all parties."

As a result of these protests as well as the efforts to liberalize the regime, the revolt stirred up by General Alfredo Noguera Gomez, a refugee in Costa

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Rica, received little support.47 Gomez was killed by Costa Rican troops after he had rounded up a few pug-nacious exiles in an attempt to oust the Nicaraguan president. This was one of the weirdest revolutionary attempts in history.48

Efforts to overthrow the entrenched dictator of Honduras were also unsuccessful. General Tiburcio Carías Andino became President of Honduras in 1932 after he had overthrown señor Colindres. Washington promptly recognized his de facto government according to the Good Neighbor resolutions. Carías permitted only one party, the Nationalist, to function and repeatedly extended his office.49 A new constitution, adopted in 1936, denied the right of Congress to censure the actions of any executive officer. In this way administrative efficiency has been jeopardized and democracy relegated to the background.50

The upheavals in El Salvador and Guatemala were

47. "Revolt Against Nothing," Newsweek, XXIV (October 25, 1944), 67.


echoed in Honduras, where general unrest prevailed. Battalions of rebel exiles invaded Honduras from the neighboring republics. To counteract revolutions, Carías issued a proclamation for general mobilization October 19, 1944. The government forces defeated the revolutionists at Copan and killed nearly all of the three hundred well-armed rebels who swarmed out of the Espiritu Mountains in an effort to oust Dictator Carías.

Meanwhile, Dr. Julian M. Caceres, delegate to the Mexico City Conference, was making statements to the effect that no dictatorship existed in Honduras and that they had no political exiles. Refugees from Honduras sent a message of protest contradicting Caceres' claims. As proof, they disclosed the fact that they had had no elections in twelve years.

An editorial in Nuestro Diario, a Guatemalan paper, criticized the tolerance of the White House, blaming certain American interests for maintaining the "bloody dictatorship" in Honduras. However, the policy of the United States established at Montevideo in 1933

51. "Invasion by Exiles," Newsweek, XXIV (October 30, 1944), 69.
52. New York Times, March 2, April 2, April 19, April 24, May 3, May 9, 1945.
and reiterated at Buenos Aires in 1936 clearly defined the doctrine of non-intervention, "no state has the right to intervene in the internal or external affairs of another."53 Hence, the State Department remained aloof in the political affairs of Honduras as she had done in Nicaragua.

Various attempts to unite the Central American countries have failed in the past. United States business corporations have been accused of encouraging disunion for their own advantage; local politicians having invested interests, preferred personal aggrandizement to union; even the United States Government has been blamed since in following the de jure policy in 1931 she failed to recognize the union of El Salvador, Honduras and Guatemala.54 A federation, however, offers the only solution to the political problems of these states and it is to be hoped that the United States will be quick to recognize a Central American union when it is proposed again.

By the end of World War II, the United States


had established the *de facto* policy of recognition in Central America. The governments of El Salvador and Guatemala had been received into the family of nations after revolutions. The Good Neighbor policy had won another victory by recognizing the independence, sovereignty and integrity of nations regardless of size or strategic importance.
Relations between the United States and Latin America deteriorated during World War II owing to the political policy of the United States in granting and withholding recognition of Latin American regimes. The immediate recognition of the new government of Argentina after President Castillo was ousted, followed by the seemingly inconsistent withholding of recognition from the similar regime of President Farrell, aroused a question as to the sincerity of United States friendship. The delay in recognizing the Bolivian de facto government further damaged Pan American unity. In granting quick recognition to Ecuador, El Salvador and Guatemala our policy took on an appearance of vacillation and created in the minds of Latin Americans a feeling of confusion with regard to our motives.

From the point of view of our State Department, these apparent vacillations have been dictated by necessity in most instances and had been directed toward the security of the hemisphere in war time rather than toward a retraction of the Good Neighbor policy.

With the return of peace, however, it is incumbent upon the State Department to establish a permanent policy—not dictated by economic or political advantage;
not exercising paternalistic rights; but one inspired by a true spirit of neighborliness in which the unilateral intervention will be supplanted by a multilateral control.
Primary Sources


Department of State Bulletin. X, XI, XII.


--- Second Annual Report, July 15, 1943-Octo-


--- *The United States and Latin America.* A Survey of Recent Changes in the Relations of the United States with the other American Republics. Washington, 1943.


Commentary

The most valuable documentary source used in this work was the Department of State Bulletin, which provided the policy the administration followed in recognizing the various governments. John B. Moore's Digest of International Law proved useful for definition of terms, while Ford's Writings of Jefferson explains the traditional recognition policy established by our forefathers. Philip Jessup's Elihu Root was an excellent aid in evaluating Secretary Root's policies with regard to Latin America. Papers Relating to the Foreign Relations of the United States, 1913, and The New Democracy, edited by Ray Stannard Baker, divulge Wilson's de jure recognition policy with particular reference to Latin America. The Foreign Policy of Herbert Hoover, 1929-1933, edited by William Starr Myers, and The Public Papers and Addresses of Franklin D. Roosevelt do the same for the de facto policy which they endorsed. The mimeographed booklets, Relations of the United States with Latin America and The United States and Latin America, published by William Magner, Counsellor of the Pan American Union, proved very useful. The two reports of the Emergency Advisory Committee for Political Defense supplied the recognition policy during World War II. These reports lack details with
regard to the findings of the committee; they seem to be plans rather than reports.
Secondary Sources


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Commentary

I. Works Dealing with Policy

Of the special histories used in this work, Wilfrid Callcott's *The Caribbean Policy of the United States* was the most helpful, not only for the policies it contained, but for the copious footnotes and bibliography. S. F. Bemis' *The Latin American Policy of the United States*, as well as his *Diplomatic History of the United States* were exceptionally good. In general, Bemis is favorable to the administration, while Parker T. Moon in *Imperialism and World Politics* is critical of the State Department's policies toward Latin America. *Hands Off, A History of the Monroe Doctrine*, by Dexter Perkins, is paramount for a study of recognition. *A History of American Foreign Policy*, initiated by J. H. Latane and completed by David W. Wainhouse, contains valuable information on the Central American republics. *Inter-American Affairs, Annual Surveys*, edited by Arthur P. Whitaker, are summaries of the principal events of the year, but contain opinions and conclusions, valuable to an interpretation of Latin American problems. The chronology charts, with day by day occurrences, proved very useful. William Schurz, *Latin America*, embodies agricultural and land problems, but contains little of the political
aspect of Latin America. The chapter, "Implementing the Good Neighbor Policy," in Graham M. Stuart's _Latin America and the United States_, is pertinent. An _Intelligent American’s Guide to the Peace_, edited by Sumner Welles, includes short but comprehensive appraisals of the political set-up in each of the American republics with emphasis on the part each will play in the future world.

II. Works Dealing with Conditions:
Political, Economic, Social

_The Latin American Front_ by Joseph Privitera is an excellent study of the future of the Good Neighbor policy. One cannot but condone the fact that so few thinking Americans realize the implications he has penetrated—that a nation's foreign policy emanates from the people and that the Good Neighbor policy could grow into a plan for global peace. Its success is in the hands of the American people who are letting it die rapidly.

Peter M. Dunne, in his _A Padre Visits South America_, shows understanding of the Latin American temperament. He explains the attitude of the Church toward governments of Latin America. Ysabel F. Rennie's _The Argentine Republic_ gives a rather distorted picture of the Church in Argentine politics. In _Argentina_ by John W. White, the author analyzes United States-Argentinian lack of
cooperation. He writes from a vast storehouse of experience—twenty-five years of constant association with Argentinians. The symposium, *What the South Americans Think of Us*, prepared by Carleton Beals, Bryce Oliver, Herschell Brickell, and Samuel Guy Inman, is rather superficial and contains little South American opinion. Beals' chapters, in particular, seem to be collections of opinions which already confirm his fixed ideas. This work, like his *Coming Struggle for Latin America* and *Rio Grande to Cape Horn*—all are critical of the State Department's policies. Albert Carter's *Battle for South America* and Albert B. Franklin's *Portrait of a People* are studies of the people of Latin America. The best discussions of Guatemala are those contained in Erna Ferguson's *Guatemala* and Vera Kelsey and Lilly de Osorno's *Four Keys to Guatemala*. The former describes the various methods General Ubico used in maintaining his dictatorship, while the latter evaluates the improvements made under the dictator's regime. *A New Doctrine for the Americas* by Charles Wertentaker is an excellent story of the men who shaped the Good Neighbor policy, especially Sumner Welles. *Time for Decision* by Sumner Welles, the architect of the Good Neighbor policy, gives his opinion of how the recognition of Argentina should have been handled.
Articles in Periodicals

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"Argentina," America, LXX (Jan. 15, 1944), 408.

"Argentina and Axis," Newsweek, XX (July 20, 1942), 45.


"Argentina at Mexico City," Commonweal, XLI (Mar. 2, 1945), 484.

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"Argentina Lines Up," The Inter American, III (March, 1944), 5.

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"Bolivia Plays Ball," Newsweek, XXXII (June 5, 1944), 60.


"Bolivia Reconnoiters," Newsweek, XXIII (Jan. 10, 1944), 32.

"Bolivia's Bow," Newsweek, XXIII (Apr. 10, 1944), 58.

Bromsen, Maury A. "Viva Velasco!" The Pan American, IV (September, 1944), 39.

Bulletin of Pan American Union, LXXVII (July, 1944), 401-403.


"Costa Rica Eruption," The Inter American, III (November, 1944), 5.

"Counterattack," Time, XLIII (Jan. 17, 1944), 32.


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"Fall of a Dictator," Time, XLIII (June 12, 1944), 38.


"Growing Pains," The Inter American, III (July, 1944), 8.

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"Guatemala Full Circle," The Inter American, IV (August, 1944), 9.


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"Jot for Velasco," The Inter American, III (September, 1944), 8.


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"Los Hermanos Plaza," Newsweek, XXIII (June 19, 1944), 62.


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Martin, Sylvia. "Uncle-Sam Takes the Rap," The Inter American, III (April 25, 1944), 22-25.


"Nipped in the Bud," The Inter American, III (March, 1944), 7.

"How You See It--Now You Don't," The Inter American, III (April, 1944), 9.

"One Down..." The Inter American, III (June, 1944), 8.
"One Man Election," The Inter American, IV (February, 1945), 8.


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Newspapers

New York Times

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Commentary

The Inter American is the most dependable reference for current events in the Latin American countries. It is replete with articles written by leaders of Pan America. The correspondents report news accurately and generally without bias. Newsweek and Time report news similarly but Time has a radical biased slant that is tinged with "anti" sentiments. Lloyd Mallan's articles in Current History and Virginia Quarterly Review are sparked with criticism of the State Department's policies. America, Commonweal, and Ave Maria interpret the news from a Catholic point of view. Richard Pattee's articles in Columbia are thought provoking and stimulating; in general he opposes the State Department's attitude toward recognition, during the period under discussion. The Bulletin of the Pan American Union is very conservative and reports news as one would wish it rather than as it is. The New York Times proved invaluable for keeping the pulse of Latin America from day to day. The editorials in the Kansas City Star were particularly good on the Argentine question.