Good Neighbor Diplomacy

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Roosevelt and Hull had made two noninterventionist promises before the end of their first year in office. The secretary accepted a broad pledge at Montevideo that a state had no “right to intervene in the internal or external affairs of another.” Roosevelt added that the United States opposed military intervention. Both men acted without realizing the full implications of these statements, but in any event, they committed the administration to the principle. Others would have to try to reach this unobtainable goal.

Returning to the State Department in late December 1933 as assistant secretary of state for Latin American affairs, Welles had the responsibility for making nonintervention a reality. Relying on his diplomatic skills and learning from his mistakes in Cuba, he developed policies that helped make nonintervention become part of the Good Neighbor.

In the case of Mexico, Welles’s key was to establish cordial relations while carefully respecting the Mexican government’s acute sensitivity over its ability to handle its internal affairs. Josephus Daniels assumed his ambassadorial assignment at Mexico City determined to win friendship by assisting in these efforts. He believed that Mexico had experienced a profound social revolution and was searching for its national identity. Welles’s and Daniels’s sympathetic approach succeeded in defusing several potentially explosive situations and at the same time continued the movement toward bilateral collaboration.

For centuries Mexico had been embroiled in an internal dispute over the relations between the government and the Roman Catholic Church. Secular clerics, the religious orders, and some of the laity advocated close bonds, while opponents demanded a complete separation between church and state. American Catholics periodically joined in the effort to enhance the status of the Mexican Church, and at the start of Roosevelt’s presidency, United States bishops lobbied the president to prevent alleged religious persecution in Mexico. Unaware of the church-state conflict, soon after taking up his duties, Daniels outraged the proclericals by a rash speech praising the Mexican
government's efforts to improve education. Catholics on both sides of the border exaggerated Daniels's words, implying that he supported secular over parochial learning. Some United States Catholics became so distraught that they called for his removal.³

Throughout 1935 the embattled Catholics applied pressure on their congressmen, and found a powerful and unexpected ally in Senator William Borah, a prominent Republican from Idaho who formerly had chaired the Foreign Relations Committee. Erroneously informed that American lives were in jeopardy, he introduced a resolution on January 31 to investigate Mexican religious conditions. Despite persistent lobbying by Catholics, the resolution had no chance of being passed. Roosevelt minimized this agitation, refused to sanction an investigation, and expressed his confidence in Daniels's abilities. Some Catholics threatened to retaliate by working against Roosevelt's reelection, but by 1936 both the Mexican government and the Catholic Church realized the imprudence of their rigidity and moved toward moderation.⁴

While the large vocal Catholic minority made newspaper headlines, racial discrimination was quite another matter. Late in 1936 a Negro dean in Texas complained to the National Association for the Advancement of Colored People (NAACP) that several Mexican consuls in his state refused to issue him a tourist identification card for travel in Mexico until he posted a $150 bond, not required of whites. After several injuries, the NAACP learned the main issue was economic; the Mexican government wanted to keep penniless Negroes from the job market. Negroes protested vainly to the State Department. The replies varied, but the meaning was clear. Nothing was done until 1939, when Mexico abandoned this practice.⁵

Rather than considering Catholic and Negro complaints, Welles centered his attention on affirming his respect for Mexican sovereignty. Included in the Gadsden Purchase Treaty of 1853, for example, was an obscure provision that gave American troops and munitions transit rights across the Isthmus of Tehuantepec for faster lines of communications between the two coasts after the California gold rush. The article had never been invoked. In early 1937 the Mexican government asked for its abrogation, and the United States quickly agreed to its termination.⁶

Welles's diplomacy toward the Central American republics was highlighted by a similar refusal to become involved with their domestic politics. The Hoover administration had refused to normalize relations with El Salvador since 1931 or terminate the Central American nonrecognition treaty of 1923. On returning to Washington from Cuba, Welles immediately decided to reverse both policies. He knew the futility of nonrecognition from his Cuban experience. Central America, plagued by instability for a century, longed for order. If the United States wanted peace in that region, consistency was essential. On January 23, 1934, Welles wrote: "We are all delighted with the
way in which our Central American negotiations are working out. I trust they will be concluded with complete success." By the end of the month, El Salvador received United States recognition, and shortly afterwards the nonrecognition treaty of 1923 was cancelled. The United States no longer had any obligation to defend existing regimes from their opponents. To the assistant secretary, this meant that in the future the United States would follow a "hands-off" policy in the area. 

The first major test of Welles's determination came in Nicaragua. Hoover had withdrawn the last United States troops from that nation. When they left, the new President, Juan Sacasa, and the military leader, Anastasio Somoza, began competing for power. Augusto Sandino added to the political instability. Refusing to abide by a truce imposed by the United States in 1927, he took his forces to the mountains and became a folk hero by displaying his cunning and leadership in avoiding capture by United States soldiers.

The Roosevelt administration took control in the midst of this explosive political situation and selected Arthur B. Lane to head the ministry in Managua. Coming from a wealthy background, Lane had attended private schools and graduated from Yale. In the summer of 1917 he officially entered the foreign service and spent eight years in Europe. He then went to Mexico and continued his association with that nation until his Nicaraguan appointment. Lane evolved a paternalistic attitude toward Latin America, accepting the Monroe Doctrine but rejecting the Roosevelt Corollary. He opposed intervention and sympathized with the Mexican Revolution's objective of raising living standards. At thirty-nine years of age, he was the youngest career minister in the diplomatic corps.

Lane arrived at his post in the fall of 1933 and quickly realized Somoza's challenge to Sacasa's control. Under these circumstances, the minister urged Washington to take steps in behalf of the central government. Welles refused. The United States had to remain neutral. While these two argued over policy, Sacasa tried to increase his support by reaching an agreement with Sandino in early 1934. After Sandino surrendered his arms and disbanded his forces, the national guard arrested him as he was leaving the presidential palace and immediately assassinated him.

To condemn Somoza's role in this murder and reduce his growing power, Lane wanted the United States to illustrate its displeasure by withdrawing recognition, but Welles denied the request. Placed in an impossible position, the minister wrote somewhat philosophically: "I have been . . . accused of the murder and even people who should have more sense indicate that they think I had some connection therewith. It is not very pleasant, but all in the day's work. The real trouble is that our intervention was greatly resented here and it will take many years before the antagonism which it created dies down. Consequently criticism of the United States or its representatives is a popular and legitimate sport!"
Lane continued his vain efforts to thwart Somoza's emerging military dictatorship through subtle diplomatic maneuvers, and finished his tour of duty in Managua before his prediction came true. In the summer of 1936 Somoza ousted the president, gained prompt recognition for himself, and inaugurated his authoritarian rule, which lasted for two decades. Toward the end of the year, Welles met with Sacasa, who still hoped for United States assistance. The assistant secretary put out any glimmer by promising "to cooperate with respect to economic and cultural matters, but the political cooperation would inevitably involve us in the internal affairs of Nicaragua."

Welles offered further proof in 1937 to convince Central Americans of the United States' refusal to resolve political controversies. When a longstanding boundary dispute threatened war between Honduras and Nicaragua, the assistant secretary urged both nations to remove their forces from the common border, cancel accelerated armament purchases, and submit their grievances to arbitration. In any eventuality, Welles insisted that negotiations for a settlement must take place outside of the United States. Hitherto Central Americans had customarily let Washington settle their disputes, a procedure that easily led to American political involvement and enabled Central Americans to blame the United States for their troubles instead of solving their own problems. Although the disputants rejected arbitration, a mediation committee composed of the United States, Venezuela, and Costa Rica, meeting in San José, ultimately resolved the dispute. The State Department now abandoned its earlier practice of making decisions in local Central American politics, in addition to ending military involvement.

Panamanian conditions provided their own unique problems for the State Department. The United States had actively assisted that country's successful revolt against Colombia in late 1903. To assure Panamanian independence, Theodore Roosevelt quickly made the tiny state a protectorate by signing a treaty guaranteeing its sovereignty, permitting United States troops on its territory, giving the United States control over a ten-mile zone for a canal, and paying the republic $10,000,000 at once, plus an annual zone rental fee of $250,000. American soldiers intervened in domestic affairs on several occasions. However, by the late 1920s Panamanian nationalists were condemning the occupation of the Canal Zone and demanding control for themselves. They vehemently resented the privileges given United States citizens living in the zone, especially their higher pay scale.

When Roosevelt entered office, he faced a new Panamanian president, Harmodio Arias, who had won his election on a promise to gain greater authority over the canal's operations. As a result of this pledge, Arias journeyed to Washington in October 1933 to discuss with Roosevelt the rental fee and a variety of other common concerns. After the two presidents met, Roosevelt instructed Welles to begin talks with Panamanian diplomats. No
previous United States president had been willing to conduct serious bilateral discussions, and the War Department held to that precedent, objecting to any changes. After almost two years of bargaining, a treaty was signed on March 2, 1936, and was later ratified by the Senate, acknowledging Panama's right to a large share of the canal's revenue and raising the annuity to $436,000. Perhaps more important, it ended the protectorate by stipulating joint responsibility for the canal's defense, upholding transit passage across the Canal Zone for Panamanian citizens, and abrogating the United States obligation of military intervention in Panama City and Colón. Other sections dealt with a transisthmian highway and greater freedom of radio transmission for Panamanians. 

Arias had carried out his campaign promise to renegotiate the treaty of 1903, thanks to the cooperation from the United States president and the State Department. Arias, not Roosevelt, had initiated these talks, but once they commenced, Welles took charge. In the case of the radio provisions, the War Department delayed ratification for eleven years on the grounds of defense considerations. In other matters, over the military's protests, Welles, with support from Hull and Roosevelt, allowed the Panamanian point of view to prevail.

Of course the treaty did not end Panamanian agitation, and nationalists were soon demanding more concessions. In August 1938, Duggan, who had participated in the negotiations, declared that the Panamanians wanted too much. He objected to any further changes because the United States had "stretched every point that we could to make it appear that the Panama Canal is a cooperative enterprise on the part of Panama and the United States." 

The truth of Duggan's observations became more cogent as the United States moved closer to war with the Axis. Military anxieties over the canal's security led to requests for additional bases. President Arnulfo Arias, elected in 1940, refused to discuss defense issues unless the United States made further treaty concessions, but he was driven from office before he could force a choice on Roosevelt. Shortly before Pearl Harbor the new regime solved the United States' dilemma by supporting hemispheric solidarity. Seeing this collaboration, some charged United States complicity in the overthrow, but no one could prove it. Indeed, administration spokesmen like Assistant Secretary of State Adolf Berle categorically denied the allegations. Panamanian agitation temporarily abated, but the fundamental conflict remained. The Panamanians wanted control over the canal, while United States opponents refused to alter the status quo.

Welles faced different issues in the Caribbean Islands. Even though the proposed treaty between Haiti and the United States had been defeated at the end of Hoover's term, Stimson informed Roosevelt that the United States was reducing its military presence and making progress on other issues. To promi-
nent Negro leaders like Walter White, executive secretary of the NAACP, this was not enough. Disapproving of imperialism in general, he stubbornly pushed to end the occupation of the only Negro republic in the Americas. White particularly objected to the American demand that this tiny, poverty-stricken nation honor its entire bond obligations at a time when the major European powers were defaulting with impunity on the payment of their war debts.20

The Roosevelt administration quickly moved toward terminating the American occupation by appointing as minister to Haiti Norman Armour, a highly respected career diplomat with wide Latin American experience. In early August 1933 he signed an executive agreement that was similar to the rejected Hoover treaty but did not require approval by the hostile Haitian Congress. The central provisions called for the Haitianization of the national guard by October 1, 1934, and the departure of the United States Marines within the next thirty days. Financial arrangements, however, were not significantly altered.21

The ease with which the agreement was concluded reflected the changing conditions in both countries and their attitudes toward intervention. From the United States perspective, the fear of European encroachment had vanished, and Haiti was no longer necessary for the defense of the canal’s approaches. Since its government had imposed some degree of stability, occupation forces became unnecessary to assure peace. The Haitians accepted the agreement with some relief, for they knew of Roosevelt’s boast about having written their constitution, and feared more intervention. Shortly after the signing, the Haitians asked for financial changes, which Roosevelt politely refused. Their delegation at Montevideo discussed the same subject with Hull. As a result of these efforts, the United States and Haiti made a new fiscal arrangement in early 1934 through the National City Bank of New York, but the basic terms were untouched. The United States hoped to find a way to end American financial responsibility, but not without protecting United States investments.22

President Stenio Vincent went to Washington in mid-April 1934 to gain more concessions from Roosevelt. These initial talks formed the basis for a joint statement made when Roosevelt journeyed to Haiti on July 5. The presidents declared that the national guard would take complete charge by August 1 and that the marines would leave a fortnight later, speeding up the American withdrawal by two months. The two nations would shortly begin discussions on a new trade treaty, but the existing customs arrangement remained in force until 1941, when the National Bank of Haiti took over the duties of the United States fiscal representative. All obligations were redeemed six years later, ending American responsibility for collecting the Haitian foreign debt. Although Roosevelt had grave misgivings about the Haitians’ ability for self-government after the troops’ departure, Armour did
not share this pessimism. He regarded the visit as an unqualified success, for Roosevelt had treated Haiti as a sovereign state and thereby given its government a tremendous psychological stimulus.\textsuperscript{23}

Soon after the occupation’s end, some of the most vocal critics of the Haitian intervention reversed themselves. When Walter White learned that President Vincent had instituted censorship and terrorism against dissidents, he demanded an end to these practices. Others reported similar activities, but the State Department refused to investigate their allegations, for the United States had given up its duty to send troops, and interference in Haitian domestic problems was clearly outside American jurisdiction.\textsuperscript{24}

The United States faced similar problems in the Dominican Republic. In 1905 the American government established a customs receivership to pay Dominican foreign debts, and eleven years later, troops landed to stabilize a potentially chaotic political situation. During the occupation, lasting until 1924, American marines trained a national constabulary. A member of this force, Rafael Trujillo, became president in 1930, maintaining order through the use of brutal repression. The United States ignored the dictatorship while continuing the receivership. Complications arose when the depression reduced government revenues. The regime defaulted on its foreign bonds that had come due but still paid interest on other ones. In order to adjust for the new conditions, the debt payment was renegotiated in 1934, and fiscal supervision ended before the United States’ entrance into World War II.\textsuperscript{25}

While this new arrangement solved the difficult economic problem, another depression-related issue caused an enormous loss of life. When the economic decline lowered the Dominican living standard, the government tried to halt the illegal migration of Haitian laborers seeking employment in the neighboring Dominican sugar cane fields. Overly zealous in its desire to stop these crossings, Dominican forces massacred between ten and twenty-five thousand Haitians on October 21, 1937. While seriously aggrieved, the Negro nation never considered war, for Trujillo had a far superior army. Instead, the two nations reached a settlement in early 1938, when the Dominican regime paid an indemnity of $750,000 to Haiti. Both sides acted reluctantly—Trujillo offered payment only because of widespread criticism from abroad, and Haiti accepted the money since it had no alternative. The United States, as in the Nicaraguan-Honduran border conflict, played a minimal role, and Welles refused to dictate the outcome.\textsuperscript{26}

To complete the United States removal from Dominican affairs, Welles moved to terminate the customs receivership. He was well acquainted with its operations since he had served as American commissioner in the Dominican Republic in the early 1920s and had subsequently written a detailed history of the republic. While wishing to end economic control, Welles waited until 1940 to accomplish this by sending a career diplomat, Hugh Wilson, to that nation. Arriving in August, Wilson found that the regime had already formu-
lated an acceptable termination plan, allocating revenues to protect American interests, and servicing the loan. In less than a month the two parties reached an understanding, and the receivership stopped in 1941, with the final liquidation six years later. Here Welles followed his established pattern—as long as no crucial United States interests were involved, American intervention was to be abandoned or avoided. In the Dominican case, Trujillo provided political stability and guaranteed American investments. The United States needed nothing more. 27

The issues presented by the Cuban Revolution of 1933 were much more difficult to resolve. Grau's supporters rejoiced at Welles's recall, assuming that this meant repudiation of his actions, but their elation was premature. Although Welles left the island, he continued to direct United States policy toward Cuba from Washington. His Cuban adversaries failed to comprehend that his return to the State Department made him more powerful than ever before, for his daily access to Hull and Roosevelt enabled him to present his case without letting his opponents answer.

Assisting Welles in his efforts was the new ambassador to Cuba, Jefferson Caffery, who arrived in Havana shortly after his predecessor's departure. Before taking up his duties, Caffery had directed Latin American affairs from Washington and was thoroughly familiar with Cuban conditions. He had demonstrated his ability to win the confidence of Latin American rulers at his previous posts, and Havana was no exception. Within a month of his arrival, local politicians knew that Caffery opposed Grau's recognition. The new ambassador abandoned Welles's plan for a coalition government and initiated his own scheme. He gained the confidence of the leader of Cuba's armed forces, Fulgencio Batista. With pressure from the United States embassy and the military leader's cooperation, Grau resigned in mid-January 1934. 28

After several days of political negotiations, Carlos Mendieta, a traditional politician acceptable to the American embassy and Batista, took the presidency on January 18. Five days later Roosevelt recognized the new ruler, declaring that he had majority support and was maintaining order. Neither assumption was true. During his brief term, Mendieta suffered from his own inherent weaknesses, political bickering, outbreaks of strikes, and urban terrorism. Batista managed to provide a semblance of order, but in so doing he substituted military control for civilian rule. 29

With the recognition of the Mendieta government, nonrecognition ceased to be a foreign policy option. The American failure to establish normal relations with Grau enabled Batista to rise; diplomatic ties consolidated his power. The recognition of Mendieta demonstrated the inconsistency of Welles's earlier refusal to establish relations with Grau. Mendieta did not win diplomatic approval for his personal popularity or claims of stability. He won support because Caffery recommended it, and in this Welles witnessed the futility of nonrecognition. The assistant secretary learned his lesson, and
as long as he determined Latin American policy, nonrecognition was abandoned as a diplomatic weapon.

With formal relations restored, the United States and Cuba started negotiations in early April 1934 to change the permanent treaty of 1903. Welles opened the discussions in Washington, and two months later a new treaty was approved and ratified. Except for maintaining the naval station at Guantánamo Bay, United States troops no longer had the privilege to land on Cuban soil. The Platt Amendment, an emotional issue for three decades, had been abrogated without any serious opposition. Praising the new treaty, the Cuban regime saw in it the beginning of national independence, while the Roosevelt administration publicized it as a milestone in its nonintervention policy. Some Cuban critics still complained about the influence of the American ambassador and Batista's prestige. Their discontent was fully justified, for Caffery, with approval from both governments, kept warships in nearby waters for months after the end of the Platt Amendment to demonstrate continued American backing for the shaky Mendieta regime. 30

Caffery gave another vivid illustration of his power to influence political decisions in 1936. For the first time in twelve years, Cubans conducted a presidential election, which Miguel M. Gómez won. Entering office in late May, he at once began a battle for control against Batista and his followers. Seeking an issue on which to base his campaign, the new president chose a piece of legislation for the funding of rural schools taught by the military. On the grounds that civilians and not the armed forces should direct education, he vetoed the bill. Agitated by Gómez's action, army officers called for his immediate ouster. When Caffery learned about a possible coup d'état, he informed Batista that the embassy would oppose it and support the preservation of the constitutional system. The military leader promised to respect Caffery's wishes. Using the legislative system, the military's congressional supporters and other presidential opponents overrode the veto, and then filed impeachment charges against Gómez. Since the constitution did not define impeachable crimes, the balloting represented a vote of no confidence. In late December, Congress formally removed Gómez from office. Batista had followed the letter of the law but not its spirit. 31

No one staged demonstrations on the president's behalf, for he lacked broadbased support. Duggan dejectedly observed shortly after the removal: "Although the inauguration of the Gómez Government perhaps did not bring back democratic government in Cuba, it was at least a start in that direction. The Army is in complete ascendancy, which has given rise to considerable unfavorable publicity in this country. With regard to the specific point at issue, I can't imagine anything less likely to inculcate democratic ideals than education under the tutelage of the Army." 32

Duggan's criticism indicated a dilemma that confronted the Roosevelt administration throughout Latin America. How should the United States react to the perversion of the democratic process? In this instance, Caffery
had warned Batista to follow the constitutionally prescribed form in dealing
with Gómez. Although Batista had violated the intent of Cuba's basic law,
the ambassador continued his staunch support for the military. To be sure,
American ambassadors were expected to proclaim democratic principles while
at their stations, and Caffery was no exception. However, he knew that
politics had dictated Gómez's fall and that nothing, not even the espousal of
democratic precepts, would save him.

Roosevelt, unconcerned over such inconsistencies, popularized noninter-
vention as the hallmark of the Good Neighbor. In July 1934, for example,
he visited three Caribbean nations for his initial voyage from the mainland
as president. The trip attracted worldwide news coverage, and Roosevelt made
the most of this exposure by accelerating the troop withdrawal from Haiti and
announcing his willingness to discuss Panamanian concerns. At the same time
he instituted a public relations campaign, in which he became the first Ameri-
can president to travel to a South American nation while in office. After his
arrival at the ancient port city of Cartagena on July 10, he and the Colombian
president, Enrique Olaya Herrera, toured the city and exchanged public
compliments. Olaya's praise of American policies was significant, especially
in view of Colombia's bitterness over the United States role in Panamanian
independence.33

Through good will visits by prominent Democratic officials, specific bilat-
eral agreements for withdrawing troops, and multilateral statements uphold-
ing sovereignty, nonintervention and the Good Neighbor became interchange-
able. The Roosevelt administration spokesmen ignored or dismissed the fact
that nonintervention had exceptions. Caffery continually influenced Cuban
internal decisions, and Lane tried to prevent Somoza's rise. The United States
kept its military forces in the Panama Canal Zone and at Guantánamo Bay.
Roosevelt fulfilled his pledge by never landing troops to restore order, but he
did station warships in Cuban waters, first at Welles's insistence and then as
a sign of support for the Mendieta regime. In economic matters, the United
States maintained its fiscal responsibilities in Haiti and the Dominican Repub-
lic until American investments were secure. In actuality, the United States
abrogated what was obsolete and retained what it considered vital to the
national interest.

The Caribbean rulers during the 1930s contributed to the Good Neighbor's
exaggerated claims. Dictators like Trujillo and Somoza and others less des-
potic, such as Batista and Jorge Ubico of Guatemala, looked for United States
approval. To identify themselves with the Roosevelt administration and curry
its favor, they promoted the Good Neighbor. It meant something different
to each of them, but all perceived United States support as enhancing their
authority. Since they controlled or influenced much of their nations' news
media, Roosevelt's Latin American diplomacy gained added credence.
The Roosevelt administration found the nonintervention principle appealing to the general public. The idea was easy to explain, and it was promoted simplistically. Nevertheless, few understood the complex nature of nonintervention. Previous Republican administrations had taken action that easily fell under the heading, like the withdrawal of marines from Nicaragua and similar attempts in Haiti. However, these independent actions were not woven into an overall concept. In the Roosevelt administration, Welles carefully coordinated and monitored complicated policies. Observers missed these subtle distinctions, and neither the Roosevelt government nor the authoritarian benefactors in the Caribbean were anxious to change the image. No intervention was never an absolute reality—only an illusion that was valuable in popularizing the Good Neighbor principle.