Good Neighbor Diplomacy
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WHEN ROOSEVELT received the Democratic presidential nomination in 1940 for an unprecedented third term, many Republicans saw the upcoming campaign as an opportunity to present the electorate with a referendum against the administration’s pro-Allied policies. This wish, however, went unfulfilled, for as Frank Knox observed a month before the voting, “The policies of both President Roosevelt and Wendell Willkie so parallel each other that it is hard to distinguish them.”

The president’s reelection pleased not only the British; Latin Americans also viewed the Democratic triumph as a vindication of Good Neighbor diplomacy and four more years of hemispheric solidarity.

While Roosevelt steered a steady course toward England, the State Department zigzagged on the same heading. After the initial flurry of activity created by the European war had subsided, the foreign service seemingly reverted to prewar patterns. The country desks made most of the routine decisions, while diplomats in the field emphasized daily events, overlooking or dismissing major trends. Dean Acheson recalled a staff “without direction, composed of a lot of busy people working hard and usefully but as a whole not functioning as a foreign office. It did not chart a course to be furthered by the success of our aims, or to aid or guide our arms. Rather it seems to have been adrift, carried hither and yon by the currents of war or pushed about by collision with more purposeful craft.”

Powerful personalities like Secretary Ickes, an early admirer of Hull, openly attacked his inability to formulate foreign policies. Morgenthau, in treasury, criticized the State Department for improperly gauging the Nazi menace, concentrating on a worthless reciprocity program, and listening to the misguided opinions of career diplomats affected by Anglophilism. Political appointees like Dodd and Bowers assailed the wealthy aristocrats who pledged the diplomatic fraternity and gave lip service to the New Deal, while in reality they sabotaged Roosevelt’s programs. “As a matter of fact,” Josephus Daniels asserted, “the philosophy of the New Deal and the Good Neighbor policy are dispised [sic.] by most of the career men in the diplomatic corps...”

The attacks did not cause any major changes in Washington. Hull maintained overall authority. However, by the late 1930s poor health reduced the
time that he spent at his desk. The American people, unaware of this problem, still held the secretary in the highest esteem and trusted him above any other cabinet member. The public approved of his battle to lower trade barriers, his advocacy of the Good Neighbor and search for peace in the Far East.7

As the 1940 presidential contest approached, prominent Democrats began mentioning Hull as a candidate. Encouraged by these feelers, the secretary recognized the desirability of Roosevelt's support and tried to maintain cordial relations with the White House. By the end of 1939 Hull must have been heartened when the president nominated him for the Nobel Peace Prize. Yet, once the secretary learned about the third-term bid, he knew that at seventy years of age his presidential aspirations had ended.8

After the reelection Roosevelt gave no thought to replacing Hull. He wielded enormous power and the president relied on his cautious nature to reflect the public's mood. Hull's continued presence reassured the public, but at the same time certain negative aspects of his secretaryship became more pronounced. Unable to assert firm control over his staff or restrict the president's independent forays into international relations, Hull grew frustrated and disillusioned. His style demanded time for study and contemplation, but his health was progressively deteriorating, forcing him to take protracted leaves of absence.9

When Roosevelt needed an immediate response to Nazi advances, he increasingly turned to Welles. The undersecretary assumed command of the State Department during Hull's absences, and furthermore, Roosevelt personally found the undersecretary's temperament more compatible with his own.10 Besides directing inter-American operations, Welles began to give more attention to European matters. During his trip to Europe in early 1940 he met with the principal leaders and gained a deeper appreciation of the conflict. Welles, in some instances, made poor character judgment—like his admiration for Mussolini. This did not trouble the president; Welles filled a crucial spot in the administration.11

Hull acknowledged the undersecretary's supervision of Latin American affairs, but slowly began to resent his growing responsibilities in other regions. Berle commented on this friction as early as the start of 1939, believing Hull's objections centered on Welles's frequent trips to the White House. Later in the year Drew Pearson, whom the secretary hated, contributed to the secretary's jealousies by forecasting Hull's retirement because of ill health and Welles's assumption of the top position. Hull resented this rumor and believed that the undersecretary leaked confidential diplomatic information to the muckraking columnist. The secretary became even more distraught when he was excluded from the plans for Welles's European mission. Faced with a fait accompli the secretary remained silent, but these happenings almost imperceptibly, moved the two men toward confrontation.12
Roosevelt did not foresee the evolving Hull-Welles conflict. He needed the secretary to reassure the general public of the administration's peaceful intentions and to cater to his former congressional colleagues in order to win passage for vital legislation. The undersecretary worked energetically on a multitude of tasks and translated vague presidential ideas into precise proposals. The president used the talents of both men. He did not notice Hull's growing irritation, for the secretary did not press Roosevelt to end Welles's White House visits.

This unwholesome situation did not disturb Welles's almost absolute hold over hemispheric appointments and transfers. He placed key personnel at strategic stations and rid the foreign service of those who could not handle their jobs. Career officers with wide experience held several critical posts. Jefferson Caffery, for example, remained in Rio for seven years, exceeding the normal tour of duty. Norman Armour moved to Chile before the European conflict and, in recognition of his abilities to direct delicate negotiations, went to Buenos Aires after the fighting started. George Messersmith, a seasoned career diplomat, left his assistant secretaryship for the Havana ambassadorship and later replaced Daniels in Mexico. Spruille Braden, after serving as a delegate to the Montevideo conference and assisting in the resolution of the Chaco War, became ambassador to Colombia and afterwards was transferred to Cuba.13

Ambassador Bowers in Chile reflected the spirit of these diplomats who sought to build stronger inter-American ties shortly before the Germans marched into Paris:

We may as well get down to brass tacks and admit to ourselves that our interest in South America MUST be lasting and not merely the gesture of the moment. Were it to develop otherwise we would lose the confidence of South America which we have gained through the policy of the "good neighbor." In view of the slaughter and destruction in the Old World I think there can be no doubt that domination is passing to the New and that makes South America more important to us. I hope that even the press will conclude that news from South America is as important to us as gossip from Roumania or politics from Bulgaria.14

The general public increasingly appeared to accept Bowers's evaluation. During December 1940 an opinion poll found 84 percent of its sample wanted to know more about Latin America. Seventy-five percent called for more articles on the Americas and favored closer contacts, even at the cost of greater governmental expenditures. Over 50 percent advocated loans for Latin American industrial development, railroads, and defense and were willing to pay higher taxes to support them. Stories alleging German infiltration and sabotage along with the pleas for hemispheric security heightened regional awareness. With European vacation resorts closed, many tourists traveled within the Americas. Spanish and Portuguese language classes' attendance
rose sharply; in 1941 *Reader's Digest* and *Time* inaugurated Spanish editions, and the two largest United States radio networks started weekly broadcasts to and from Latin America. The Copacabana and Latin Quarter opened in New York City, where performers like Carmen Miranda from Brazil popularized songs like “South of the Border” and “The South American Way,” while patrons danced to the conga and rumba.15

Some worried that the Latin American upsurge was a craze. Once the Axis threat disappeared, some felt, the enthusiasm for continental solidarity would fade. Pan American proponents wondered if Roosevelt had institutionalized Pan Americanism, or if the termination of his presidency likewise would signal the collapse of the Good Neighbor.16 Philip Jessup, a professor from Columbia University, reflected upon these concerns after a tour of fifteen American republics in the summer of 1941 and optimistically predicted: “A decade of the good neighbor policy has helped enormously to overcome the results of mistaken policies of the past but the postwar situation will be a great challenge to our intelligent self-restraint. We shall meet that challenge successfully because the government and the people of the U.S. are irrevocably committed to the sound conclusion that the old stupid type of imperialist policy can never be used again.”17

A boundary controversy between Peru and Ecuador temporarily shattered hemispheric peace. Beginning over disputed border claims dating back to the colonial era, the argument between these two nations flared periodically over which one owned certain lands. The Peruvians actively settled what they considered to be their northern provinces, while Ecuador claimed the territory as its southern frontier. Both nations at various times threatened war. When Roosevelt took office, some hoped that his mediation would settle the dispute, but this did not happen. Instead, border incidents increased, and Peruvian nationalists agitated for war. Ecuador, realizing its inferior military position, worked for a diplomatic solution. Peru refused to bargain, and on July 5, 1941, its troops and planes crossed into the frontier. The fighting lasted for less than a month with superior Peruvian might overwhelming its weaker opponent. As Ecuador's situation worsened, its government desperately pleaded for assistance to end the combat, but only after Peru had occupied its objectives and agreed to a truce did the bloodshed stop.18

While this conflict created a deep bilateral rift between the combatants and openly displayed the fragile nature of the Pan American system to end warfare, these issues were temporarily submerged when the Japanese attacked Pearl Harbor and the rest of the Axis declared war on the United States. During the World War I, eight Latin American states, most of them considered United States protectorates, declared war. The majority, however, clung to neutrality, and some even sympathized with the Central Powers. At the end of 1941 the United States no longer maintained its protectorates. The question was: How would the Americas respond? All nine
Central American and Caribbean republics answered by declaring war on Japan by December 12; by the new year they had signed the United Nations Declaration and considered Germany and Italy enemies. In the same period Colombia, Venezuela, and Mexico further contributed to hemispheric solidarity by severing diplomatic relations with the Axis. Berle reflected the department's elation on December 10: "The heartening thing in all this is the swift and virtually unanimous support from all the republics of this hemisphere. If ever a policy paid dividends, the Good Neighbor policy has. So far, they are sticking to us with scarcely a break and you will have a united hemisphere...." A week later he recorded: "Even the doubting Thomases in the United States are beginning to see what the Good Neighbor policy was all about...."

The outpouring of bilateral support received a multilateral boost on December 9, when the United States and Chile cosponsored a meeting under a resolution at the Havana conference that stated that an act of aggression on any American national by any non-American power constituted grounds for consultation. The American republics agreed to the request and set a January meeting date to gather in Rio de Janeiro. This display of solidarity came during the bleakest moment of the war for the Allies. Spain flirted with the idea of joining the Axis, while the Russians and British desperately fought for survival. The Japanese had inflicted a stunning defeat to the United States fleet and landed soldiers in the Pacific, demonstrating American military unpreparedness. Assistant Secretary Long was distressed: "The result is loss of prestige on our part. The invincibility of the United States is being questioned by the world. The effect of that on the coming Rio Conference may be of the first importance. We have to be impressive there."

Internal uncertainties plagued the Americas. The sudden death of the Chilean president forced an election in early 1942; in the meantime the nation was left without firm executive guidance in foreign affairs. Because of a terminal illness President Ortiz of Argentina, sympathetic to Allied goals, surrendered his authority to Vice President Castillo, who depended on politicians and military leaders with Axis proclivities. In addition, even though the fighting between Peru and Ecuador had ceased, the antipathy on both sides had not diminished.

These troubles did not interrupt United States plans for the meeting. Hull, exhausted from his futile talks meant to avoid war with Japan, decided to remain in Washington and in his place sent Welles. Both men worked on the agenda, which featured a resolution requiring the American republics to sever all relations with the Axis in order to limit any subversive activities. United States planners ruled out a hemispheric declaration of war, especially since American armed forces were incapable of protecting the entire hemisphere. The undersecretary knew that the proposal would meet stiff opposition from two nations. Chile feared Japanese hit-and-run attacks on its
long, exposed coastline if the nation signed the suggested resolution. Large segments of the Argentine population sympathized with the Axis or wished to retain the nation's historic commitment to neutrality. These serious problems did not discourage Welles. He first intended to overcome Chilean trepidation over cutting relations with the Axis, and win its approval. After he accomplished that goal, Welles felt "that Argentina will not permit herself to be placed in a minority of one at the meeting, even on an issue of this fundamental character."

Welles left for Rio on January 10, 1942, in a confident mood. Nine nations had already declared war, and the Dominican Republic announced its intention to present a hemispheric declaration of war. Three other countries had severed relations, and Peru, Bolivia, and Paraguay were leaning in that direction. When the undersecretary arrived at the Rio airport, thousands of enthusiastic Brazilians led by the cabinet warmly welcomed him. He quickly gained an audience with Vargas, who pledged his support and hoped for Argentine cooperation. Amidst this positive atmosphere, Welles wired Washington: "The Foreign Ministers of all the Caribbean, Central American and northern South American Republics are vehemently of the opinion that the destiny of the hemisphere should not be determined by the veto power which the Argentine Government apparently desires to exercise. This tendency ... is stronger today and is I think uncontrollable."

Welles also had a major tactical edge, the full cooperation of Brazilian Foreign Minister Oswaldo Aranha. The two had developed a warm friendship when Aranha was Vargas's ambassador in Washington. As chairman of the meeting, Aranha exercised considerable power by exchanging information on the positions of the various delegations and working closely with the undersecretary. To aid the United States even further, the foreign minister intended to announce his country's break with the Axis at an appropriate moment.

Brazilian support depended in large part on winning Chilean cooperation. Juan Rossetti, politician and newspaper editor, had been foreign minister for only six months and impulsively cosponsored the meeting as a way to enhance his own presidential ambitions, but he had miscalculated. Chilean voters wanted to remain neutral because of their vulnerable coastline. Caught between domestic politics and inter-American solidarity, Rossetti knew that he did not have any mandate to bind his nation to strong commitments at Rio.

Argentina presented a far different picture. At every major inter-American gathering since 1933, the United States had made major concessions to the Buenos Aires governments. Welles understood that Argentina considered itself the diplomatic spokesman of South America, for he had begun his hemispheric training in the Argentine capital. He hoped to use his experience and his relationship with Foreign Minister Enrique Ruiz Guíñazu, who would at-
tend the gathering, to negotiate an agreement. The undersecretary had already held two rather lengthy conversations with the foreign minister in the spring of 1941, and characterized him as “a man of considerable background, well-educated, measured and moderate in his views and in his decisions.” Wells detected no hostility toward the United States, but Ruiz Guíñazú did concede that he was “very conscious of the fact that his many years in Europe have left him very much out of touch with the problem of inter-American relations.” The undersecretary had inaccurately judged the foreign minister’s sentiments. Ambassador Armour in Buenos Aires later presented a far more pessimistic picture: “Stupidity and vanity are a bad enough combination in any individual, but when they are found in a Foreign Minister with pro-Axis leanings they become positively dangerous.”

Welles also seemed to ignore Argentina’s public refusal to cut its ties with the Axis. Castillo went so far as to decree a state of siege, which prohibited potentially embarrassing public demonstrations favoring the Allies. In the face of these internal restraints, the foreign minister tried to form a South American bloc to oppose the rupture resolution and make economics the paramount issue. When these tactics failed, Ruiz Guíñazú searched for other ways to defeat the proposal, such as declaring that the American republics who had signed the United Nations Declarations had violated the principles of consultation and prejudiced the Rio agenda. These obstructionist maneuvers brought a firm and inflexible response from Washington: “The feeling in the Department from Secretary Hull down is in accord, believing that a breach in unanimity would be preferable to a compromise formula. This is a situation in which the Argentines must accept the situation or go their own way, in which case the overwhelming public feeling in Argentina may be relied on to supply the corrective.”

In the middle of an oppressively hot summer, the Third Meeting of Ministers of Foreign Affairs of the American Republics opened on January 15. After Welles received warm ovations from large crowds outside and the delegates within the halls, he outlined the United States position at the first plenary session. The Japanese attack on Hawaii followed by German and Italian declarations of war, according to the undersecretary, were parts of the plan for Axis worldwide conquest. The dictatorships, however, had miscalculated in their dreams of world domination, for the United States entrance into the conflict marked the beginning of the enemy’s inevitable decline. To quicken this, the Roosevelt administration needed hemispheric cooperation to halt Axis penetration in their nations, while the United States supplied economic assistance to insure domestic tranquility.

The acceptance of Welles’s offer depended on the decisions made in three South American countries. Aranha, fully committed to the United States, required Vargas’s authorization to break with the Axis, but the Brazilian military feared that any pro-Allied action might provoke an Argentine in-
vasion of Brazil's southern provinces. Before Vargas would publicly cut ties with the Axis, Aranha had to eliminate this possibility. Chile also needed incentives to break relations. Despite local problems created by the presidential campaign and fears of Japanese reprisals, Chile had traditionally aligned itself with Brazil as a balance to Argentine military superiority. The Chileans, furthermore, desired United States trade and economic assistance. With these latter considerations in the forefront, Rossetti asked his government for permission to sever relations if the Roosevelt government guaranteed to provide financial and military aid. With these two countries committed to breaking relations, Welles convinced Ruiz Guiñazú that his nation would be the lone nonsignatory, and he, too, agreed to the break on January 21. The undersecretary seemed to have won unanimity according to his preconference strategy. For the first time since his arrival he went to bed early, after cabling the State Department about his apparent success.33

The severance accord lasted only a day, for President Castillo in Buenos Aires ordered his foreign minister not to cut relations. Unless some wording could be arranged that would allow Argentina time to sever ties at a later date, Argentina would not sign the resolution.34 With a January 23 deadline for proposals, Castillo's decision caused a great deal of confusion and anguish over how to proceed. Welles worked frantically to find a compromise, and after a full day of heated debate, he arrived at a new draft. The crucial section read: "The American Republics . . . recommend the rupture of their diplomatic relations with Japan, Germany, and Italy, since the first of these states has attacked and the other two have declared war upon an American country."35 Instead of requiring a break, the article recommended one. This provision permitted Argentina the leeway to move at a pace dictated by domestic events. Argentina agreed to this draft and so did Chile. Other countries, like Brazil, also accepted the changes because they could safety cut ties with the Axis and not worry about Argentine military retaliation.

Welles believed that he had adhered to State Department guidelines. He had directed United States negotiations from Rio without gaining prior clearance from Washington; the procedures established at earlier meetings did not demand concurrence as long as the general outline was followed. He felt that the severance resolution met his interpretation of departmental instructions, which, in reality, he had helped formulate. Hull did not concur with his subordinate's understanding. The secretary had closely scrutinized past Argentine intransigence and demanded the requirement for the rupture. He learned of the recommendation wording from a radio commentator, who editorialized that this resolution meant that Argentina had defeated the United States' main objective. In no mood to challenge the broadcaster's viewpoint or make his own careful evaluation of the conference proceedings, Hull phoned Welles, gave him a profane tongue-lashing, accused him of undermining departmental policy, and predicted widespread criticism because of
his folly. Hull ended his assault by insisting that the undersecretary reinsert *require* in the place of *recommend* and force Argentina and Chile to decide whether or not to sign. When Welles refused to comply with the secretary's ultimatum, Roosevelt came onto the line and listened to both arguments. To Hull's displeasure, the president sided with Welles, ending the heated exchange. The undersecretary had won his point, but an irreparable breach between Hull and Welles had been opened.36

Hull was incorrect in thinking that the change in the severance resolution diminished solidarity at Rio. In fact, just the opposite occurred. With the draft's acceptance, Peru and Uruguay announced that they had immediately complied with the recommendation; Bolivia and Paraguay acted next; Aranha made Brazil's rupture known at a dramatic closing session, for Vargas, over military objections, acceded to his foreign minister's arguments. Almost anticlimactically, Ecuador became the eighteenth republic to break relations.37 As a United States observer in South America happily concluded: "Vargas turned what threatened to be a River Plate victory into a Washington triumph. It was excellent statesmanship—and damned fine showmanship, too."38

As a result of Argentina's actions at the meeting, its diplomatic prestige plummeted. Ruiz Guiñazú's vacillation lowered his standing; Castillo's failure to honor the original draft weakened his internal and external authority. Argentine esteem slipped even more when, shortly after takeoff for Buenos Aires, the plane carrying Ruiz Guiñazú had to force-land in Rio harbor. Once all were rescued, the emergency lent itself to many jokes. Aranha, for example, jested: "The plane was not overloaded. . . . It was simply Ruiz Guiñazú's conscious that was heavy."39

The Rio conference had achieved much more than the severance resolution. While all of the measures were not effectively enforced throughout the war, the results were impressive. The conferees worked on mutual economic problems like shipping, production of strategic materials, price controls, and a stabilization fund. Actions to limit subversive activities were also put into effect. Several wartime bodies were established: the Inter-American Juridical Committee, to discuss legal issues of the war and postwar periods, an Inter-American Defense Board comprised of a representative from each republic and located in Washington, to discuss war strategy, and an Emergency Advisory Committee for Political Defense meeting in Montevideo, to publicize fifth-column activities and investigate subversion. Finally, the delegates had Ecuador and Peru sign a protocol ending their border war.40

Welles returned to the United States by the end of January and announced the conference a triumph for hemispheric solidarity. Roosevelt reinforced this sentiment by stating that Pan American unanimity and actions taken against Axis subversion markedly enhanced the Allied cause. Hull also grudgingly admitted to some of the meeting's accomplishments and congratulated the
delegation upon its return. Some did express criticism, but it was nothing like the adversity that the secretary had envisioned.  

The Rio meeting marked the pinnacle of inter-American multilateral cooperation—a new dimension that the Roosevelt administration introduced to inter-American affairs. From 1910 until 1923 the United States did not participate in any major hemispheric meetings; from 1933 to 1942 the Democrats attended six. This United States participation at these regional conferences flattered Latin Americans, and they responded in turn by cooperating with the United States. These frequent gatherings brought diplomats into closer contact, and they became better acquainted. The meetings also provided a forum for the American republics to debate a variety of issues and evolve a hemispheric consensus. The practical benefits of these interchanges were clear at Rio, where the Roosevelt administration won a critical vote of confidence at a time when the United States desperately needed a morale boost.

This multilateral victory did not extend to the personal relations between Hull and Welles. Since the late 1930s the secretary’s resentment toward his subordinate had steadily grown. His suspicious nature coupled with deteriorating health aggravated the situation. The secretary’s failure to prevent the war with Japan and Roosevelt’s rebuff over the St. Pierre-Miquelon incident lowered Hull’s spirits so much that he penciled out his resignation in mid-January 1942. The phone conversation between Hull and Welles during the Rio conference allowed the secretary an opportunity to release his long-contained anger and frustration, which sealed Welles’s fate. The secretary was raised in the Tennessee feuding tradition. Hull would wait for the right moment “to get his man,” for he intended to rid his department of a man he considered to be a disloyal subordinate.