The Roosevelt Foreign Policy Establishment and the "Good Neighbor"

Woods, Randall Bennett

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LATIN AMERICANIST VS. INTERNATIONALIST: THE RIO CONFERENCE OF 1942

Pearl Harbor and the subsequent declarations of war on the United States by Germany and Italy set in motion the inter-American machinery for consultation on joint action against the enemies of the hemisphere. On 9 December 1941, Secretary of State Cordell Hull invoked Article Fifteen of the Havana Resolutions, which declared that any attempt by a nonhemispheric state to violate the territorial integrity, political independence, or national sovereignty of any American nation would be considered an act of aggression against all and would result in consultation among the signatory powers. In response, the Governing Board of the Pan-American Union scheduled a meeting for 15 January 1942, to be held in Rio de Janeiro. The conference, like the two preceding inter-American conclaves, was highlighted by a clash between Argentina and the United States over two issues: hemispheric policy toward World War II and the nature of the inter-American consultative system established during the 1930s. As in the past, Argentina demanded the right to remain neutral and insisted that the Inter-American System should be nothing more than a forum for discussion. The United States sought to have all American states sever relations with the Axis and urged that the consultative system be converted into a collective-security organization. Despite this basic divergence and the crisis atmosphere created by the United States’ sudden entry into the war, hemispheric unity was preserved as Argentine and American diplomats agreed to a resolution that merely recommended to each American republic that it sever relations with the Axis nations. Both Washington’s decision to acquiesce in Argentina’s insistence on a nonbinding pact and its refusal to isolate Argentina within the hemispheric community were the outgrowth of a power
struggle within the Roosevelt foreign-policy establishment between two rival coalitions of diplomats.

In his search for new ideas with which to combat the Depression, Franklin Roosevelt stimulated rather than eliminated bureaucratic conflict and personal rivalries within his administration. Thinking that out of conflict and compromise would come the best possible solution, he deliberately assigned two advisors or groups of advisors with diametrically opposed views to work on the same problem.\(^2\) In practice, however, the president's techniques often blurred the lines of authority and responsibility, and led to bitter rivalries that distorted the decision-making process. Contributing to the confusion that characterized the Roosevelt administration was FDR's well-known inability to say no to a subordinate who was reaching for more power and authority. Moreover, an in-depth look at Roosevelt's personal relations with his official family indicates that he actually enjoyed the maneuverings and Byzantine intrigues of the hundreds of powerful men who flocked into Washington during the 1930s and 1940s. Confident that his charm and personal magnetism would be sufficient to keep department and agency heads loyal to him, he saw no reason to interfere with the bureaucratic bloodletting. Only if an intergovernmental power struggle threatened either his political position or, after 1941, the war effort, did he force a resolution.\(^3\) The State Department and the Good Neighbor Policy were not exempt from Roosevelt's penchant for policy-making by bureaucratic conflict.\(^4\)

On the eve of the Japanese attack on Pearl Harbor, formulation of inter-American policy within the federal bureaucracy was the responsibility of two "organizations" which were highly competitive but virtually invisible to outsiders. Each had its own goals, programs, and priorities; each had a quite definite view of the place the Pan-American community should occupy in United States foreign policy; and each was characterized by its own particular brand of parochialism. Although both groups functioned within the State Department, communication between the two was virtually non-existent. In their determination to control the Latin American field, both bureaucratic coalitions presented policy alternatives to the president in ways designed to gain his approval and to discredit each other. One organization triumphed over the other because of its special relationship to the White House, exclusive access to certain intelligence data, and control over the actual implementation of policy.
The first group, which will be referred to as the Latin Americanists, was composed of career diplomats who had for years been concerned almost exclusively with the development of hemispheric policy. Its leaders—Undersecretary Sumner Welles; Laurence Duggan, assistant secretary for political affairs; Philip Bonsal, chief of the Division of American Republic Affairs; and Emilio Collado, special assistant to the undersecretary—sprang from similar backgrounds and shared a common view of inter-American affairs. Harvard-educated and reform-oriented, these individuals, most of whom were ardent New Dealers, regarded Latin America as their area of expertise and their private policy-making domain. As bureaucrats who had long been responsible for a particular area, they were intensely parochial and thus tended to view the entire panorama of international affairs from the perspective of the hemispheric community. According to Welles:

"The inter-American system . . . has its roots in the common recognition of the sovereign equality of all the American states, and in their joint belief that they find individual advantage in cooperation. . . . Continued participation by the United States in this system should become the permanent cornerstone of American foreign policy. Hemispheric unity, and the security and welfare of the United States itself depend on it."

Believing that the United States should develop a long-term nonpartisan policy toward Latin America, this coalition of officials had devoted its efforts during the 1930s to eradicating the anti-Americanism created by years of United States intervention and, after 1936, to establishing an inter-American consultative system that could act to protect the hemisphere in the event of an external threat. The Latin Americanists regarded the association as their own creation and hence were determined to protect its integrity amidst the stresses and strains generated by global war. In an address to the American Political Science Association delivered shortly after Pearl Harbor, Laurence Duggan assured the hemispheric republics of Washington's belief that

the strength of the inter-American structure results from strict abstinence from intermeddling or interference in the internal or external concerns of the other countries. . . . The most precious asset the United States now has in the Western Hemisphere is the confidence and respect that one man of good-will has in another. This
could be lost overnight by a hasty, ill-considered step of apparent urgent necessity.\footnote{7}

The organization’s willingness to trust in the consultative system and the Good Neighbor Policy in order to right all wrongs is well illustrated by its attitude toward Argentina. Although they were acutely aware that Argentina had effectively blocked Washington’s plans for the creation of a hemispheric alliance, the Latin Americanists still believed that if a non-hemispheric power were to attack the Americas, pressure on Buenos Aires from the other republics would be sufficient to compel participation in common defense measures. Washington could not take unilateral coercive action to force a change in Argentine policy without undercutting the entire Good Neighbor Policy and obscuring the fact of inter-American mutuality of interest.\footnote{8} As Welles later wrote:

The very foundation of the inter-American system was the United States’ acceptance of the juridical equality of all the American republics. From that standpoint, particularly since no inter-American conference could yet take action except by unanimous agreement, it was illogical to regard Argentina as hostile to the United States merely because her policy differed diametrically from our own.\footnote{9}

By January 1942, reliance on the inter-American association of nations to solve problems between republics and to formulate hemispheric policy toward the rest of the world had become standard operating procedure within this organization.

There was in the State Department, however, a second set of diplomats who were concerned with the formulation of Latin American policy but who operated quite apart from the Latin American establishment. This group, led by Secretary of State Cordell Hull and Assistant Secretary Breckinridge Long, adhered to a much different view of inter-American affairs.

In the first place, their backgrounds were vastly dissimilar to those of the Latin Americanists. Hull and Long were old Wilsonians. The secretary first entered public life as a Democratic congressman in 1907 and was inevitably drawn to Woodrow Wilson when the Princeton academician turned to national politics in 1911.\footnote{10} After Wilson captured the presidency the following year, Hull not only became a staunch supporter of the administration’s domestic programs but took the Wilsonian philosophy toward
foreign affairs as his own. That the United States ought to be the “supreme moral factor in the World’s progress,” that American political institutions were superior to all others, and that the concept of collective security held the key to the future peace of the world—all seemed as self-evident to the young Tennessee politician as to the Calvinist in the White House. Long, a former student of Wilson’s at Princeton, equaled Hull in his ardor for the New Freedom and his devotion to the principles of Wilsonian diplomacy. At the 1916 Democratic Convention he authored the plank advocating the creation of a world organization, and he was on intimate terms with Wilson until the latter’s death in 1924.

In the second place, both because of their backgrounds and because of their positions within the department, members of this group were less regionally oriented than the Latin Americanists and, as a result, tended to view United States relations with Latin America as part of a much larger whole. Thus, although Hull, Long, and their colleagues had participated in the formulation and implementation of the Good Neighbor Policy, they generally regarded it as only a means to a larger end. In return for Washington’s renunciation of intervention and for its virtual abandonment of United States business interests south of the Rio Grande, the internationalists anticipated that the other American states would trust Washington to determine hemispheric policy toward the rest of the world. The Inter-American System was to act first as a collective-security organization, a sort of New-World League of Nations to prevent the forces of fascism from spreading to the Western Hemisphere, and second as a device to mobilize Latin American support for United States policies toward the rest of the world.

A sometimes member of this group was Adolf Berle, who had joined the State Department in 1938 as assistant secretary of state for Latin American affairs. Although always interested in hemispheric matters and in preserving the sanctity of the Inter-American System, Berle, a former brain truster and general counsel to the Reconstruction Finance Corporation from 1933 to 1938, had not participated in establishing the “special relationships” between the American republics and the United States that characterized the Good Neighbor Era. He, along with Assistant Secretary of State Dean Acheson, attempted to remain in the good graces of both the Welles group and the internationalists. Nevertheless, when forced to choose, Berle generally sided with the internationalists. As assistant secretary from 1938 to
1944 and as ambassador to Brazil during 1944 and 1945, Berle was in a position to influence both inter-American relations and the bureaucratic situation, and he sometimes did assert himself, particularly from 1944 on. He was more important, however, as a conduit of information to the White House. Berle continued to enjoy independent access to the Oval Office throughout his career, and Roosevelt valued him as a relatively impartial witness to events within the State Department and the hemisphere.  

The internationalists were at once less and more parochial than the Latin American group: less, in that they saw Washington's relations with Latin America as only one side of a multifaceted global problem; more, in that their knowledge of hemispheric affairs was, in places, quite superficial. Ignorance of indigenous political conditions and regional rivalries was an inevitable by-product of Hull's, Long's, and Berle's being formulators of general policy. Not surprisingly, then, the internationalists evaluated the American republics primarily on the basis of the latter's attitude toward World War II. Preservation of the consultative system and hemispheric unity based on "the juridical equality of all the American republics" certainly did not top their list of diplomatic priorities.

After the attack on Pearl Harbor the internationalists clearly expected each New World nation to sever all ties with the Axis and even to participate actively in the war effort. From their perspective, World War II "was a life-and-death struggle, the result of which could only mean freedom and advancement for Latin America or domination and probably occupation by the Axis." In the epic battle about to be waged against fascism, one was either for the forces of freedom and humanity or against them: nonalignment by a hemispheric state after 7 December 1941 was nothing less than treachery.  

The internationalists' tendency to take an oversimplified view of Latin American affairs and their overriding determination to obtain hemispheric support for the war against the Axis powers are perhaps best exemplified by their attitude toward Argentina. The obstructionist tactics pursued by various Argentine governments during the 1930s enraged Hull and his associates to such a degree that by 1938 they were convinced that Germany was directing Argentine foreign policy. Moreover, when the government of President Ramón Castillo proclaimed a state of siege in January 1942 and set about systematically to suppress domestic dissent, the internationalists concluded that the people of Argentina were consumed by a desire to aid the Allies but
were being prevented from doing so by an unscrupulous group of individuals who were temporarily in control of the government.20

Thus, by the time the Governing Board of the Pan-American Union responded to Secretary Hull’s request for a meeting of foreign ministers, these two cliques—each with its own goals, priorities, and assumptions—had arrived at totally different conclusions as to the direction that United States hemispheric policy should take. The Latin American establishment had resolved to protect the Inter-American System and to preserve hemispheric unity, whatever the cost. The internationalists were equally determined to eradicate all traces of Axis influence in the Western Hemisphere and to get each state to sever all relations with America’s enemies. The split within the State Department might well have remained hidden had Argentina decided to adopt a vigorous anti-Axis stance, but such was not to be the case.

Argentina’s decision to continue her policy of nonalignment even after Pearl Harbor and to resist pressure from the United States to make a total commitment to the Allied cause at the forthcoming conference of foreign ministers was a product not only of the nation’s location, economy, tradition of neutrality,21 and burgeoning nationalism, but of an intense political rivalry between Dr. Ramón Castillo and Gen. Augustín Justo. Each had his agents and supporters within the federal bureaucracy, Congress, the army, and the general electorate. Each saw in the problem of Argentine policy toward World War II an issue that would not only vitally affect the national interest but one that could make or break his political future.

Of the two men, Justo was by far the more experienced in national politics, and originally at least, he possessed a much broader power base. Elected president in 1932, this brilliant, ambitious officer concentrated on creating a national rather than just a military following during his term in office, and he quickly earned a reputation as an adept political maneuverer.22 During his stay in the Casa Rosada he continued to cultivate the military by increasing overall troop strength and coercing Congress into voting for ever-higher military appropriations. In addition, a working alliance with the Radical party, which at that time controlled the Chamber of Deputies in the national legislature, provided him with an impressive stronghold in the civilian sector. By 1938 Justo had gained enough control of the political process and enough support to choose his successor and to rig the election without fear of military intervention or popular revolution.23 As heir apparent, he selected Roberto Ortiz, leader of the Radical party;
Justo believed that Ortiz was the man most likely to continue his economic policies, protect the Justo reputation, and pave the way for his return to the presidency in the next election. In order to balance the ticket and preserve the delicate political truce that he had engineered, the general-president reluctantly accepted Sen. Ramón Castillo, a National Democrat, as Ortiz’s running mate.

With the ticket duly if fraudulently elected, Justo’s scheme seemed to be developing according to plan. However, the collapse of Ortiz’s health in 1940 allowed the vice-president to assume the duties of chief magistrate and radically altered the situation. It quickly became apparent that Acting President Castillo was not disposed to serve as a mere link between Justo administrations. The new chief executive ignored pressing economic and social problems and devoted his efforts instead to attracting political allies in the hope of being able to defy Justo, serve out a full term in office, and hand-pick his successor.

Casting about for means with which to enlarge his anemic constituency, Castillo quickly concluded that the most fertile area for political cultivation would be the integral nationalist movement then flourishing in Argentina. In an attempt to draw this group into his camp, he proclaimed throughout 1941 his intention to keep Argentina nonaligned and to fend off all threats to the national sovereignty. The army, by far the most important element in the nationalist coalition, refused to join forces with the acting president, however, until he made certain specific pledges. Realizing that he must have the support of the military in order to survive, Castillo met secretly in October 1941 with a group of leading army commanders from the Campo de Mayo and promised that he would proclaim a state of siege at the earliest possible date, close various pro-Allied newspapers, and, above all, maintain strict neutrality. With this meeting, the alliance between Castillo and the integral nationalists was consummated.

Justo, momentarily taken aback by his rival’s audacity, responded by assuming a pro-Allied posture and urging intervention at every opportunity. An outspokenly anti-Axis stand not only provided the general with an issue over which to attack Castillo, it also further endeared him to the generally pro-Allied Radicals and, somewhat ironically, made him the spokesman for all liberal nationalists within Argentina.

By the end of 1941, then, the battle lines between Castillo and Justo had been drawn on the issue of Argentine policy toward World War II.
The Japanese navy's destruction of the United States' Pacific Fleet and Washington's subsequent calling of the Third Meeting of Foreign Ministers of the American Republics set the stage for a showdown between the two political adversaries.

In the weeks following America's abrupt entry into World War II, President Castillo gradually realized that the forthcoming Rio meeting offered a unique opportunity not only to cement his relationship with the integral nationalists but also to discredit Justo and thus to win the support of the bulk of Argentina's citizenry. He realized that most Argentineans, however much they might despise Hitler and his associates in aggression, hoped to remain aloof from World War II. Even pro-American groups in Argentina, such as the navy and a sector of the Radical party, had come out in favor of strict nonalignment. Citing, among other things, the nation's exposed position; its large German, Italian, and Spanish populations; and the inability of the United States Caribbean Defense Command to defend southern South America, they urged Castillo to resist any attempts to have Buenos Aires sever relations with the Axis or use Argentine ships for convoy duty. The ambitious chief executive was also well aware that not only the integral nationalists but all of his countrymen were sensitive to any hint of foreign pressure. Given the history of United States intervention and Anglo-American economic imperialism south of the Rio Grande, many Argentineans believed that they had almost as much to fear from an Allied as from an Axis victory. Thus, when in the opening weeks of 1942 the State Department made it quite plain that it was going to press hard at Rio for a severance of all hemispheric ties with the Axis, Castillo perceived an opportunity to strengthen his political position by using the meeting to portray Washington as the interventionist threat of old, his administration as defender of the national sovereignty, and Justo as the toady of a foreign power.

Despite the history of Argentine obstructionism in the 1930s, both groups of policy-makers within the State Department were confident that Buenos Aires would join wholeheartedly with the Allies when the Rio Conference convened. True, Argentina's response to Pearl Harbor had differed markedly from that of the rest of Latin America. By the end of December 1941, most of the beneficiaries of the Good Neighbor Policy had either severed relations with or declared war on the Axis, while the Castillo administration had simply decreed that all American states that were at war
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with Germany, Italy, and Japan were nonbelligerents and hence not subject to the limitations of Argentine neutrality. Still, reports from the American embassy in Buenos Aires were quite encouraging about the posture that Argentina would ultimately assume toward World War II. The same day that Hull roused the Governing Board to action, Ambassador Norman Armour informed him that the Conservative regime gave little evidence that it would not live up to its inter-American obligations or that it could not be trusted with lend-lease. Displaying considerable ignorance of the true situation and a lamentable inclination to believe the best about the government to which he was accredited, he predicted that nationalist-neutralist groups would be able to exert a significant influence on government policies only through a coup. Expressions of support for the United States in other Latin nations, revulsion at Japan’s surprise attack, and Argentine economic ties with the United States were all important factors impelling Argentina toward a pro-Allied policy.

Armour’s rather misleading reports were only partially responsible for the general optimism that prevailed in Washington, however. For their part the Latin Americanists were willing to trust in the dividends that past United States diplomatic restraint would pay, and they were certain that the United States could achieve a pro-Allied consensus within the context of the inter-American consultative system. The internationalists, reflecting Hull’s faith in the ability of trade concessions to win friends and influence governments, were confident that economic aid provided to Argentina since the outbreak of war in Europe would, in conjunction with other factors, be enough to draw Buenos Aires into the anti-Axis camp. And, in fact, the economic concessions made by the Roosevelt administration had been quite significant. By March 1941 the Export-Import Bank had committed itself to $62.42 million in loans to Argentina, by far the largest amount proffered to any one Latin American country. In late 1941 Argentine and American diplomats concluded a reciprocal trade agreement that was extremely favorable to Argentina. The pact, which was to run through November 1944, lowered duties on thirty-nine items composing 18 percent of United States exports to Argentina, while cutting rates on items constituting about 70 percent of previous Argentine exports to America. As a result of these breakthroughs and of heavy United States purchases of Argentine strategic materials, Argentina’s $28 million deficit with the United States ballooned to a $53 million surplus within a year. If anything, attempts to placate
Argentina increased during the two months between Pearl Harbor and the convening of the Rio Conference. In response to hints from Buenos Aires that the best method for keeping fascism from the Western Hemisphere would be to continue to lower tariffs and make other economic concessions, the State Department inaugurated a second aid campaign which included the dispatch of a complete military instructional mission and the extension of further Export-Import and Treasury Department credits.\textsuperscript{42}

Whether they put their faith in Pan-Americanism or in foreign aid, those in Washington who took an optimistic view of the Argentine situation were destined to be disappointed. Gradually, from a variety of sources, the State Department began to glean Argentina's true intentions. In early January, during a discussion with Welles at the State Department, Ambassador Felipe Espil provided a clue to what would be the Castillo administration's attitude toward a United States-dominated security system. With tongue in cheek, Espil observed that the act of nine American states' declaring war on the Axis without first consulting with their neighbors constituted a violation of existing inter-American agreements, especially the Declaration of Lima. In view of their "high-handed action," there was absolutely no need for the Rio meeting. "The Argentine Foreign Office," Espil informed his bemused colleague, "could not keep silent with regard to this impression since it is its intention to join in loyal application of the consultative system."\textsuperscript{43}

The following week a Radical member of the Argentine Chamber of Deputies and a visiting professor from the University of La Plata called at the State Department and informed Berle that Castillo and his foreign minister, Enrique Ruiz Guiñazú, represented nobody, that one-third of the army was Nazi, and that the United States would be able to get nothing out of the Argentineans at Rio. The only solution to the problem of pro-Allied hemispheric solidarity, they declared, was a change in the Argentine government.\textsuperscript{44}

In addition, by the last week of December, Armour's dispatches had become extremely pessimistic, tending to confirm Hull's suspicions that Argentina would once again pursue an obstructionist course. The ambassador and his staff were quite sympathetic to Justo, and the embassy received most of its information on the state of public opinion, the intentions of the Castillo administration, and other vital matters from the general's followers. Armour's once-optimistic reports now indicated that Castillo meant to block United States attempts at Rio to secure a comprehensive rupture of relations
with the Axis. Moreover, according to the embassy, the state of siege was being employed specifically to deny Justo outlets with which to promote his campaign for the presidency and generally to suppress the overwhelmingly pro-Allied sympathies of the populace.  

Even more alarming to Washington than the Espil interview, the information given to Berle, or Armour's dispatches were reports from American representatives in the other hemispheric republics that Argentina was seeking to persuade a number of southern South American states to form a neutralist coalition that would be capable of resisting United States economic and diplomatic pressure to sever ties with the Axis. Despite Welles's efforts to block such proceedings, Argentine officials held a series of preconference meetings in Buenos Aires and Rio. They urged the foreign ministers of Chile, Paraguay, and Peru to join with Argentina in combating North American "intervention" and in defending each American nation's right to pursue an independent foreign policy. While the ultranationalist Ruiz Guiñazú spoke grandly of "austral republics" and "harmonizing the economic interests of neighboring countries," other Argentine diplomats warned their South American colleagues that Washington's policies would create an entity that would be superior to the state, a kind of "supersovereignty" that might outlast the war and pave the way for perpetual United States domination of the Americas.

By mid January, then, there could be no mistake as to what Argentina's policy would be at the forthcoming conference of foreign ministers. The Castillo government's determination to remain nonaligned during World War II and its campaign to persuade as many South American governments as possible to follow suit precipitated a clash between the internationalists and the Latin Americanists. Because both organizations realized that the key issue at Rio would be Argentine opposition to Washington's attempts to line up the entire hemisphere behind the Allied war effort, the struggle between the two coalitions of policy-makers for dominance within the State Department and the conflict between their philosophies of inter-American relations centered on their differing views as to how the American delegation should react if Argentina sought to block a resolution committing the entire hemisphere to severance.

It must be noted that in the federal bureaucracy the ultimate objective of an agency advising the president is to obtain White House approval for its policies. Therein lies the key to larger budgets and wider responsibilities
for the organization and to advancement and power for the individual administrator. In designing policy alternatives the internationalists and the Latin Americanists were motivated as much by their estimation of what would meet Roosevelt’s approval as by their view of inter-American affairs or by their personal prejudices. Quite simply, the undersecretary and his colleagues reasoned that FDR’s commitment to the Good Neighbor principles would cause him to endorse the unity-above-all approach, while Hull anticipated that the president’s preoccupation with the war would lead him to approve a hard-line attitude toward all those who refused to cooperate.

The internationalists were certain for two reasons that their approach would prevail. Aside from Secretary Hull’s preeminent position in the diplomatic chain of command, statements and actions made by the Latin Americanists prior to and during the Rio Conference indicated that they had acquiesced in their rivals’ views. The United States delegation, which was to be headed by Welles and dominated by the Latin Americanists, met with Hull prior to its departure and agreed that no effort should be spared to secure from the American republics a declaration that would actually end relations with the Axis. Subsequently, dispatches from the United States delegation in Rio promised that if Argentina resisted a binding resolution regarding severance, the remaining republics would eject her from the inter-American community and proceed with a total rupture.48

The internationalists’ sense of security was totally unwarranted, however. The power structure within the United States foreign-policy establishment bore no resemblance to the table of organization. Instead of there being a direct line of command from the president to the secretary and his staff (internationalists) and to the Division of American Republic Affairs (Latin Americanists), there existed two coequal organizations, both of which had direct and separate access to the chief executive.49 In short, the department was compartmentalized rather than being unified under a single authority. The Latin Americanists’ entree to the White House, in conjunction with select information that came into their possession in mid January and a tacit coalition with a powerful intragovernmental ally, enabled them to put a particular face on the Rio situation. As a result they were able to gain presidential approval for their projected policy and at the same time to exclude their rivals from the decision-making process.

Of inestimable value to the Latin Americanists was the fact that the recommendations of the United States military with regard to hemispheric
policy coincided with their own. Reflecting its traditional preoccupation with the security of the hemisphere, particularly the Panama Canal, top officials in the Caribbean Defense Command urged the State Department, on the eve of the Rio Conference, to persuade the republics of southern South America not to declare war on the Axis or commit any other provocative act that could lead to a military assault by Germany and its Allies. In the wake of the destruction of the Pacific Fleet and the continuing drain caused by convoy duty in the Atlantic, the United States Navy barely possessed the resources with which to protect the canal; it certainly could not guarantee the safety of the southernmost republics. The military planners who were concerned with hemispheric defense were particularly troubled about Argentina’s situation. During Argentine-American staff talks held throughout the winter of 1941-42, American officers had become acutely aware of the Argentine navy’s weakness and of the potential threat that its anemic condition posed to the Straits of Magellan. Consequently, United States strategists believed that Buenos Aires, perhaps more than any other capital, should avoid a tough anti-Axis posture. The military’s support of Argentine nonalignment stemmed not only from sound strategic considerations but from traditionally close ties with the Argentine officers’ corps. A perpetual concern for similar problems and an identity of organizational goals caused a considerable degree of solidarity.

The information that Brazil would not sign a severance resolution unless the proposal met Argentina’s approval was even more useful to the Latin Americanists than was the military’s position. Although relations between Brazil and Argentina, who had sometimes been bitter rivals, were quite cordial during the late 1930s, ties began to weaken as the integral nationalists within Argentina clamored for a “Greater Argentina.” Shortly before the opening of the Rio Conference, Brazil’s President Getulio Vargas and his foreign secretary, Oswaldo Aranha, informed Welles and his associates that their government as well as the overwhelming majority of the Brazilian people were anxious to show complete support for the United States. Unfortunately, the general staff was apprehensive about the fate of southern Brazil if that nation became involved in World War II while Argentina remained neutral. As a result the officer corps would not allow the Foreign Office to place Brazil on a course that was diametrically opposed to that of her powerful neighbor to the south.

Instead of going through channels with this vital intelligence, the Latin
Americanists held it until the last possible moment and then went straight to the White House. In a private interview with Roosevelt just prior to the delegation’s departure, Welles confided that in his estimation, Brazil would be the key to the conference because that country and Argentina would not tread opposite paths. Warning that Hull’s judgment was beclouded by an irrational antipathy toward Argentina and hence could not be trusted, he argued that whatever happened at Rio, inter-American unity should be preserved so as to prevent the Axis from fishing in troubled waters. In short, the undersecretary proposed, and Roosevelt agreed, that Latin America should be urged to take as tough a stand toward the Axis as the individual states could reasonably support, but that there should be unity when the meeting ended.54

The campaign to convince the internationalists that Welles and the United States delegation would brook nothing less than a binding severance resolution continued as the opening date for the conference approached.55 When the undersecretary addressed the initial session of the Third Meeting of Foreign Ministers, his remarks were as tough and uncompromising as the internationalists could have wished:

The shibboleth of classic neutrality in its narrow sense can . . . no longer be the ideal of any freedom-loving people of the Americas.

There can no longer be any real neutrality as between the powers of evil and the forces that are struggling to preserve the rights and the independence of free peoples.56

The Latin Americanists’ program of dissimulation worked to perfection, for as the American republics turned to the problem created by the coming of World War II to the Western Hemisphere, the internationalists were ignorant not only of the Latin Americanists’ long-range objectives for Rio but of the Brazilian situation and the Welles-Roosevelt interview as well.57 Only once, apparently, did Hull, Long, and their subordinates evidence any suspicion. On the opening day of the conference, Berle cabled Welles, outlining once again the course that negotiations should follow. “In the Department from the Secretary on down,” wrote Berle, “the feeling is in accord with the belief that rather than a compromise formula, a break in unanimity would be preferable. . . . The Argentines must accept this view or go their own way.”58

The Latin Americanists anticipated problems with Argentina and Bra-
zil at Rio, but they were shocked by the degree to which hemispheric solidarity had been shattered. Almost as soon as they stepped off the plane on February 12, Welles and his colleagues learned that Argentina’s power play to block a United States-sponsored obligatory severance resolution was approaching a successful climax. The inauspicious nature of America’s entry into World War II and its alarming vulnerability during the first months of 1942 made ultimate Allied victory seem far from certain. It was obvious to representatives of many hemispheric republics that Latin America’s extended coastline, the weakness of her navies, and the sharply reduced defensive capacity of the United States would make any nation that adopted a hostile posture toward the Axis extremely vulnerable to retaliation.\(^59\) And, in fact, in late December and early January, Germany, Italy, and Japan had intimated to Chile and a number of other republics that if those countries were to break relations with the Axis, they would find themselves immediately at war.\(^60\) These considerations, together with traditional fear of Yankee imperialism, had caused a number of states to entertain Argentina’s suggestions. The American delegation realized that to run roughshod over Argentina, especially given Brazil’s attitude, would polarize the hemisphere.

In talks with key figures of the Brazilian delegation, the undersecretary began to give ground immediately. He agreed with Foreign Minister Aranha that no greater encouragement could be given to the standard-bearers of fascism than a break in hemispheric unity, and he again expressed his belief that the conference could not take action except by a unanimous vote. Encouraged by the American’s obvious willingness to compromise, Vargas and Aranha told Welles that the Argentineans were not as adamant as they appeared: Ruiz Guíñazú would almost certainly sign a severance resolution if he could fall back on some face-saving device.\(^61\)

Before engaging the Argentineans in a test of wills, Welles and Jefferson Caffrey, the United States ambassador to Brazil, a man who thoroughly sympathized with Welles’s point of view, began to sound out opinion in the other hemispheric delegations concerning mandatory severance of relations with the Axis. The Caribbean, Central American, and northern South American states presented little problem. After the United States promised the removal of all tariffs on war materials, negotiation of lucrative long-range contracts for raw goods, and aid for developing local industries with the objective of establishing more diversified economies, these states announced that Argentina’s veto power should not be allowed to interfere with
hemispheric defense. Turning to the South American republics, American officials used a variety of arguments in order to extract unenthusiastic endorsement of a rupture with the Axis from Bolivia, Paraguay, and Peru. These republics, no less than Argentina, were far from the protective arm of the Caribbean Defense Command and were very vulnerable not only to Axis attack but to Argentine pressure as well.\textsuperscript{62}

Washington’s success in lining up votes for an obligatory pledge initially had no effect on the Argentineans. Repeating his standard battery of arguments in support of nonalignment, Ruiz Guíñazú refused to even consider severing diplomatic ties with Germany, Japan, and Italy.\textsuperscript{63} In Buenos Aires, Castillo promised Armour that his government would go along with all other political and economic measures, including the furnishing of essential raw materials and port facilities and the enactment of measures designed to prevent Axis propaganda and subversion; but Argentina would continue to maintain diplomatic ties with the Axis.\textsuperscript{64}

Realizing that Argentina’s position would likely determine the policies of Brazil as well as a number of lesser Latin American states, the Latin Americanists first sought to exert as much diplomatic pressure as possible on the Argentine delegation to sign an obligatory severance pact and then offered them a way out by suggesting a compromise formula. With Welles orchestrating their efforts, the foreign ministers of Mexico, Venezuela, and Colombia took turns urging the Argentineans to make a full commitment to the Allied cause. When their blandishments failed to move Ruiz Guíñazú and his colleagues, Welles’s cohorts collectively introduced a severance resolution at the plenary session of the conference.\textsuperscript{65} After Peru and Chile came out in favor of a rupture on February 19, Ruiz Guíñazú began to waver. United States military advisors subsequently informed their Argentine counterparts, who were intensely desirous of cashing in on the lend-lease bonanza, that financial and economic aid could be given only to those countries that cooperated in the defense of the hemisphere. The climax of the assault on Argentine neutralism came during three long conversations held between the nineteenth and the twenty-second. After haranguing Ruiz Guíñazú on the dangers of neutrality, the undersecretary, as the Brazilians had advised, proposed a middle course. Asserting that there could be no compromise on the severance issue, Welles promised: “I as well as the other chiefs of delegations will make every effort to find some phraseology acceptable to all, provided the necessary principles are maintained intact.”\textsuperscript{66} At
this, the beleaguered foreign minister succumbed and agreed to cable his government, requesting permission to sign a severance resolution.67

The heads of the delegations moved quickly to write a compact that everyone could live with. The key paragraph awkwardly reflected the Argentine-American compromise:

The American Republics consequently declare that in the exercise of their sovereignty and in conformity with their constitutional institutions and powers, provided the latter are in agreement, they cannot continue their diplomatic relations with Japan, Germany, and Italy,...68

Unfortunately, Ruiz Guíñazú apparently acted without authorization from Buenos Aires in agreeing to this resolution, and as a result, post-signing festivities were interrupted by the recall of the foreign minister. After being roundly berated by Castillo, the chastened diplomat returned to Rio and disavowed his signature. To charges of bad faith he replied only that his government was absolutely determined to avoid war.69 Actually, the resolution, like all previous inter-American security pacts, committed Argentina to nothing specific. Castillo’s willingness to scuttle the agreement for the sake of appearances was a product primarily of his plan to assume a highly visible anti-American, neutralist stance.

At this point an untimely outburst from Washington played into Castillo’s hands by hardening the resolve of the Argentine citizenry to pursue an independent course. In response to Buenos Aires’s disavowal, Tom Connally, the parochial and combative chairman of the Senate Foreign Relations Committee, declared to reporters that “we are trusting that Castillo will change his mind, or that the Argentine people will change their President.”70

Despite the State Department’s hurried announcement that the views of the legislative branch did not represent those of the executive, many Argentineans were convinced that Connally was representative of the true spirit of the Good Neighbor Policy.

In order to retain an absolutely free hand, Welles had throughout the conference led the internationalists, who were then absorbed in strategic talks with British officials, to believe that not only he and the entire American delegation, but Brazil as well, were prepared to take a hard line against the Argentineans if they failed to cooperate. “President Vargas told me yesterday afternoon,” the undersecretary reported to Washington on the
twenty-third, "that the Argentines would come along and that he himself had made it clear to Ruiz Guiñazú that Brazil would support the United States 100%; that the final decision of Brazil in this regard had been reached and that he, Vargas, had the support of practically every citizen in Brazil." Moreover, in the course of "reassuring" the State Department, the Latin Americanists either inadvertently or deliberately reinforced the internationalists' negative view of Argentina. In his dispatch to Hull informing him that Castillo had ordered Ruiz Guiñazú to disavow the first severance pact, the undersecretary remarked that "the very definite conclusion has been reached by all of the Foreign Ministers with whom I have spoken that some influence of an extra-continental character is responsible for the decision reached by Dr. Castillo." Meanwhile, the American delegation was retreating in order to establish a new position around which to rally the hemispheric republics and thus preserve unity. After hours of tedious debate the conclave unanimously adopted a resolution representing the lowest common denominator. Of the pact's four major points, the third contained the crucial alteration. After reaffirming that an act of aggression against one of their number was an act against all and after vowing to cooperate for mutual protection until the current crisis had ended, the agreement proclaimed that "the American Republics consequently, following the procedure established by their own laws within the position and circumstances of each country in the actual continental conflict, recommend the rupture of their diplomatic relations with Japan, Germany, and Italy..." Julius Pratt, in his biography of the secretary of state, has recorded Hull's reaction to the ratification of the Pact of Rio and the confrontation between him, Welles, and FDR that followed. On January 24 Hull was sitting calmly beside his radio, awaiting news of an ironclad hemispheric defense pact—with or without Argentina—when article three, which contained the innocuous severance provision, was announced. His first reaction was disbelief; his second was speechless fury at what seemed an American Munich. He immediately alerted FDR, and both men contacted Welles on a three-way telephone hookup. The secretary, his voice "quivering with rage," told his subordinate that article three was a basic change of policy which had been made without his knowledge. Terming the recommendatory resolution a virtual "surrender to Argentina," Hull ordered the undersecretary to repudiate it. Instead of submitting, Welles appealed directly to
FDR, who abruptly ended the debate: "I am sorry, Cordell, but in this case I am going to take the judgment of the man on the spot. . . . Sumner, I approve what you have done. I authorize you to follow the lines you have recommended."75

Adolf Berle’s diary provides a similar but more personalized account. Berle and Laurence Duggan (chief of the Division of American Republic Affairs and one of the Latin Americanists) had been summoned to Hull’s apartment shortly after the secretary learned of Welles’s “betrayal” and were present throughout the entire telephone conversation. According to Berle, Hull became abusive of both Argentina and the undersecretary and repeatedly laid his authority on the line. FDR’s subsequent approval of Welles’s position was a crushing political and spiritual defeat for Hull. Duggan and Berle tried to calm him, arguing that the United States would still be able to hold the anti-Axis republics in line and thus salvage its “moral leadership” in Latin America, but to no avail. Declaring that “a lot of things were going to change” in the department, the secretary, despite Roosevelt’s endorsement of the recommendatory resolution, even went so far as to draft a telegram (which was never sent) both repudiating the recommendatory resolution and recalling Welles. “Along past midnight,” Berle wrote in his diary, “Duggan and I left to get a stiff drink, which represented my sole remaining idea of a tangible approach to the situation. For it is obvious that now there is a breach between the Secretary and Sumner that will never be healed—though the Secretary will keep it below hatches to some extent. . . I felt that several careers were ending that night.”76

In the days that followed, each group tried to vindicate its position. The Latin Americanists reiterated their view that preservation of hemispheric unity and the integrity of the consultative system not only would work to Washington’s long-range interest in the Western Hemisphere but would serve America’s strategic interests during World War II as well. If the delegates had been unable to agree to some type of severance resolution, however superficial, it appeared that Latin America would divide right down the middle between the pro-Allied and the nonaligned states. Those nations closer to the Canal Zone, and hence nearer to the protective arm of the United States, might follow Washington’s lead even to the point of polarizing the Pan-American community. If, however, Argentina, Brazil, Chile, and their weaker neighbors were isolated, they would only fall into the arms of the hemisphere’s enemies. Because of the intrinsic power of these
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republics and their distance from the defensive umbrella of the United States, they would become “untrammelled” centers of Axis activities in the Western Hemisphere. Moreover, contended Welles, Duggan, and Bonsal, if the United States had forced a break in ranks at Rio, it would have been attacked from one end of the hemisphere to the other for undermining the principles of democracy and unity upon which the Inter-American System was based. Undue pressure would have destroyed the trust that the Roosevelt administration had taken years to accumulate.77

To the internationalists, however, Latin America, not the United States, was on trial at Rio. During the 1930s Washington had shown meticulous respect for the sovereignty of her southern neighbors. Now that the very existence of the hemisphere was threatened, argued Hull and Long, Latin America must quickly fall into line behind the Allies, who, after all, were fighting and dying to preserve democratic institutions and to save the entire New World from Axis domination.78 The internationalists believed that the global crisis warranted immediate action against all states that were not willing to cooperate fully with the Allies, and they were convinced that Roosevelt would eventually concur.

Apparently, to Roosevelt’s mind the key to the situation was Brazil. During the anxiety-filled days after Pearl Harbor, American military leaders repeatedly advised the White House that because of the strategic position of Brazil, its wholehearted cooperation with the Allies was essential to the war effort.79 During his preconference interview with Roosevelt and in several mid-conference phone calls to the White House, Welles convinced the president that if the United States continued to pursue a hard line, it would certainly alienate Brazil and drive that nation into the arms of the neutralists. Even if Vargas could be persuaded to sign a compulsory resolution, the undersecretary insisted, the military would eventually revolt, remove Vargas from office, and disavow the Rio agreements.80

Thus, the American position at the Rio Conference was shaped by Argentina’s determination to remain neutral and by Brazil’s refusal to isolate Argentina, but it was also a product of the goals and characteristics of a particular coterie within the foreign-policy establishment. By utilizing direct access to the White House, control over vital intelligence, intragovernmental allies, and its proximity to the actual negotiating process, the Welles-Duggan-Bonsal group eliminated their rivals from the decision-making process and secured approval of their policy recommendations. Like Ger-
many in the aftermath of World War I, however, the internationalists, although humiliated, were left with the sinews of power. Their resolve to regain control of the Latin American policy of the United States and their bitterness toward both the Latin American establishment and Argentina would have profound implications for the wartime history of the Good Neighbor Policy.