7. The Politics of Confrontation

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Argentine-American wartime relations reached their nadir in 1944. When the Ramírez government gave way to another clique of officer-politicians in February 1944, Washington used the occasion to initiate a policy of unilateral nonrecognition. In succeeding months, State Department officials denounced the new government in ever-harsher terms, attempted to isolate Argentina within the hemisphere, and steadfastly refused to state the terms by which Argentina could rejoin the inter-American community. For their tactics as well as their objectives during this the decisive year of World War II, Hull and his associates continued to draw on their Wilsonian heritage. They refused to accept the severance of relations between Buenos Aires and the Axis capitals as placing Argentina in compliance with the Pact of Rio, and they remained convinced that only a fundamental reordering of Argentina’s political processes would produce solidarity with the Allies. Inevitably, the result was blatant coercion of the Argentine government conducted in the name of freedom, democracy, and the Argentine people. Although their mental make-up determined the broad outlines of the internationalists’ policy, developments within the bureaucratic and international milieu often determined the type of tactic selected as well as the timing of its implementation.

Contributing to the internationalists’ intransigence and affecting the formulation of their stratagems was the continuing rivalry with the Latin Americanists, on the one hand, and the Treasury Department and its allies on the other. While Hull and his colleagues managed during the year to completely eliminate the first group from the formal decision-making process, this group’s sympathizers outside the governmental hierarchy, led
by Sumner Welles, continued to hammer away at the hard-liners. Simulta-
neously, Henry Morgenthau and his aggressive underlings, aided and
abetted by Henry Wallace, used every device known in bureaucratic warfare
to gain control of Argentine policy through persuading the White House to
approve sweeping economic sanctions. All the while, Cordell Hull and the
State Department were being excluded from the decision-making process as
it related both to World War II and the postwar order. Their increasing
isolation within the administration and the continuing rivalry with the Latin
Americanists and the Treasury Department created intense pressure on the
internationalists to bring the Argentine affair to a “successful” conclusion.

It was inevitable, however, that the internationalists’ attempts to bring
Buenos Aires to its knees would alienate groups whose power transcended
that of the Latin Americanists. By the end of the year a number of nations
and organizations that felt their interests threatened by the Argentine-
American feud began to challenge the validity of the policies being pursued
by Hull and his associates.

In Argentine politics the year 1944 began with the fall of Pedro Ramírez
and ended with the rise of Juan Perón. Between October and December
1943 the Ramírez regime had become increasingly autocratic and national-
istic. The general-president continued the state of martial law, which had
been proclaimed under Castillo, and erected an elaborate federal bureaucracy
dedicated to suppression of domestic dissent. This authoritarian trend culmi-
nated on 31 December 1943, when the Casa Rosada promulgated two decrees,
one establishing obligatory religious education and the other dissolving all
political parties “for not responding to the political reality of the nation.”¹
Despite the fact that the administration established a Secretariat of Labor
Planning, which Juan Perón utilized to appeal to certain sectors of organized
labor, Ramírez did not look favorably upon the general objectives of
Argentine workers, and he was not tolerant of strikes and other direct-
action tactics.²

By January 1944 Ramírez’s domestic policies had created a ground swell
of public discontent among workers and middle-class Argentineans, while
his pursuit of neutrality in international affairs continued to alienate the
small but vocal group of interventionists centered in Buenos Aires. To un-
dermine the rising tide of opposition, Ramírez in January 1944 initiated a
highly publicized program of reform. During the opening weeks of 1944, Argentineans were deluged with some twenty thousand decrees designed, according to the Casa Rosada, to achieve social and economic justice and to pave the way for eventual return to constitutional government. Then, on January 26, Ramírez made the decision to sever ties with the Axis (a stratagem that he apparently thought would win the support of the pro-Allied element in Argentina), end the nation's growing isolation within the hemisphere, attract arms aid from the United States, and, as we have seen, forestall publication of information linking high-ranking Argentinean officials with the Bolivian coup.

Unfortunately for Ramírez, the rupture with Germany, Italy, and Japan alienated the one group in Argentina that was still firmly committed to him—the integral nationalists. Many within the GOU were simply angry because they believed that the Casa Rosada had buckled under to pressure from Washington. Others, who looked to Nazi Germany for inspiration and who had been responsible for Argentina's aborted program of expansion in late 1943, feared that Ramírez had indeed turned the nation toward a pro-democratic, pro-Allied course. Last, but most important, were the political opportunists headed by Gen. Edelmiro Farrell and Col. Juan Perón. This group was motivated less by ideology and principle than by the desire to use the resentment of other Argentineans in order to further their own political ambitions.

As these diverse factions once again coalesced in opposition to the existing regime, Ramírez acted to preempt the coup that he knew was coming. On 24 February 1944 he requested the resignation of General Farrell as minister of war and vice-president. Farrell responded by summoning the commanders of surrounding army installations and, of course, Perón to a secret conference. Once assembled, the conspirators quickly agreed that Ramírez must go, and they settled upon Farrell as their leader. That same day the minister of war, buoyed up by the vote of confidence from his fellow officers, ordered units from the Campo de Mayo to surround the Casa Rosada. Finding himself a virtual prisoner, Ramírez capitulated and subsequently submitted his resignation to the Supreme Court. The more astute of Farrell's advisors quickly realized that a simple resignation carried with it ample opportunity for nonrecognition by hostile nations. Thus, on February 25 the junta pressured the docile former president into changing his resignation to a delegation of authority to the vice-president, thus, they
hoped, ensuring the continuity of the existing government and thereby for­
estalling the question of recognition.7

It quickly became apparent that Edelmiro Farrell was but a figurehead in his own government. The administration was dominated in its early stages by a bitter struggle between the ultranationalists, headed by the minister of the interior, Luís Perlinger, and the new minister of war, Juan Perón. Perón’s failure to use sufficient vigor in opposing Argentina’s rupture with the Axis had alienated the ultras and convinced them that the colonel knew no god but ambition.8 A number of factors, both historical and con­
temporary, combined to tip the balance of power in favor of Perón during the course of the year. Historian Joseph Barager has succinctly summarized the forces and conditions that the young colonel was to parlay so brilliantly into a nationalist dictatorship. Argentina’s newest man on horseback was able to profit from “a constitutional system tailored to exploitation by a dynamic leader; a new class of economic interest groups and entrepreneurs whose needs were ignored by the old power elite representing the great land­holders; an amorphous lower class neglected by the existing labor organiza­
tions and political parties; a military establishment divided over its attitude toward the world conflict whose final outcome was still in doubt; and a middle class . . . which was resentful of more than a decade of corrupt, reactionary rule, but whose elements showed little ability to subordinate their individual group interests in a common effort.”9 Soon after becoming head of the nation’s armed forces, Perón assumed the duties of minister of labor and then, in July, those of the vice-president.10 From this bureaucratic vantage point he was able to utilize his luck, charisma, and incomparable political sensibilities to become, by the fall of 1944, the dominant political force in Argentina.11

Because the officers in charge of the February coup wanted to deflect possible questions from the international community about the legality of its succession to power, the new government immediately sought to reassure the world as to its diplomatic posture. On February 28 the acting foreign minister, Gen. Diego Mason, held a press conference and declared that there was to be absolutely no change of foreign policies under General Farrell. As always, the policy of the republic would be based on “loyalty and respect towards the governments of friendly countries.”12

American public opinion was far less favorably inclined toward the February coup than it had been toward the revolution of June 1943.
tinuing reports of imperialism, pro-Axis activity, and totalitarianism—juxtaposed with news of the blood and treasure being expended by the Allies on the battlefields of World War II—caused many Americans to demand nothing less than democratization of the Argentine political system and active participation by that nation in the war against the Axis. Most journalists saw the change of government in Buenos Aires as just a shift from one group of power-hungry militarists to another. The *St. Louis Post-Dispatch*, which had reacted to the Ramírez government's severance of relations with the Axis by berating the State Department for "accepting Argentina's hasty about face without applying pressure to bring about its downfall," informed its readers that nothing had really happened in Buenos Aires in February; the new regime, like the old one, was still "a gangster government that must so rule to thwart the will of the people for membership in the U.N." Others, instead of linking the Farrell government with its predecessors, regarded the new regime as a distinct turn for the worse. In the aftermath of Ramírez's downfall the *New York Times* announced that the president was forced to resign under extreme pressure by the ultranationalist GOU, just as he was preparing to announce the formation of a liberal government. An editorial, closer to the truth but equally as damning to the new junta, contended that the coup had been staged in order to prevent publication of the full details of German espionage in Argentina, a move that would have implicated many high-ranking officials. Even conservative oracles such as the *Chicago Tribune*, the *Los Angeles Times*, and the *Saturday Evening Post*, which were usually opposed to interference in the affairs of "stable" Latin republics, concluded that the United States had to be increasingly concerned over internal developments in Argentina.

Congressional opinion accurately reflected the prevailing mood. Congressman John Coffee of Washington berated the State Department for pursuing much too soft a line toward Argentina. To America's shame, he declared, Caribbean leaders had been far more outspoken on the matter than had been the Roosevelt administration. In a major radio address, Congressman Emmanuel Celler of New York lashed out at the State Department's handling of the Argentine affair: "You cannot confine or isolate fascism any more than you can confine a stink in a closet. . . . Our own freedom is correspondingly contaminated with Franco flourishing to our east and Farrell to our south." A great many Americans demanded that the State Department wield
one of the oldest diplomatic weapons known to the international community—nonrecognition. Finding the Bolivian government a “paragon of virtue” in comparison to Farrell and his colleagues, the Washington Post maintained that

there would seem to be no reason why the Farrell regime in Argentina should be recognized and every reason why recognition should be withheld from it. The fresh coup gives this country a chance to bail out of the recognition that was so hastily given to Ramírez.19

The internationalists had no intention of struggling against the popular demand for a severance of diplomatic ties. On the day following Farrell’s assumption of the presidency, Armour reported to the State Department that Farrell and Perón had put pressure on Ramírez to term his abdication a delegation of power rather than an outright resignation. The new regime had simultaneously ordered a series of nighttime police raids on various newspapers to confiscate copies of the original resignation message. Armour concluded that the whole thing was a poor attempt at forestalling the question of recognition. Armour, Hull, Long, and Spaeth all agreed that there had been a coup d’état and that Washington should call upon the Montevideo Committee to initiate the procedure that had been established in the wake of the Bolivian coup for consultation in case of the forceful overthrow of an American government.20

In spite of Washington’s campaign to persuade the other hemispheric republics to view the Farrell regime as pro-Axis and totalitarian and to isolate Argentina as completely as possible, some Latin governments indicated that they intended to adhere strictly to a de facto recognition policy. On March 3 the Chilean Foreign Office notified the United States that it regarded Farrell’s assumption of power as entirely legal and that, in view of the new government’s publicly announced policy of continental solidarity, it would be impossible to delay a vote of recognition.21 That same day the Paraguayan ambassador, stressing the danger to his nation’s national existence if his government were to take any extreme measures against Argentina, informed the department that Asunción would continue its relations with Argentina without interruption.22

On March 4, in the midst of the hemispheric discussions that it had initiated, Washington subverted its attempts to multilateralize coercion of
Argentina and prejudiced any further consultation by unilaterally announc-
ing its position. At a specially called news conference Undersecretary
Stettinius informed reporters that because it appeared that a group not in
sympathy with President Ramfrez's policy of joining in the defense of the
hemisphere was now in control of Argentina, the State Department would
refrain from entering into relations with the new government. “In all mat-
ters relating to the security and defense of the Hemisphere,” he declared,
“we must look to the substance rather than the form.” The United States
would not recognize the Argentine government, or any other for that matter,
as long as it contained elements inimicable to the United Nations. The
internationalists persuaded the White House to reinforce its proclamation of
nonrecognition by dispatching to Montevideo Adm. Jonas Ingram and a
naval squadron from the South Atlantic fleet.

Unilateral nonrecognition promised to satisfy a number of needs for the
internationalists. First of all, it would vitiate some of the election-year criti-
cism that was being leveled at the Roosevelt administration for its failure
to bring Argentina into line. Hull and his associates had become increasingly
despondent over the secretary’s exclusion from the decision-making process
during 1943. By relieving pressure on the White House over the Argentine
affair, Hull hoped partially to regain the confidence of the president and to
become once again a member of FDR’s inner circle. In addition, the inter-
nationalists were determined to facilitate a return to constitutional govern-
ment in Argentina, a development that they viewed as a precondition for
Argentine-Allied solidarity.

In withholding vital intelligence data from the Ramfrez government,
the State Department believed that it was aiding a broad prodemocratic,
pro-Allied coalition which was headed by former finance minister Jorge
Santamarina and Gen. Arturo Rawson and which included the navy and the
Radical party. Reports from the FBI during February 1944 indicated that
Santamarina, Rawson, and their partisans were pressing the Casa Rosada
for free elections, a return to constitutional government, and complete co-
operation with the Allied nations; and if the government did not comply,
a popular uprising would surely follow. When, instead, Ramfrez was
ousted via a coup engineered by Farrell and Perón, a man whom Adolf
Berle characterized at the time as “the particular and putative Mussolini”
within the GOU, Washington’s disappointment was intense. The coup
merely hardened the internationalists’ determination to restore the blessings
of liberty and democracy to Argentina; they hoped that nonrecognition would either bring down the Farrell government or force the president to call elections. As the end of the war approached, democratization of the Argentine political system assumed an even higher priority than before because the hard-liners were determined that a totalitarian state not be allowed to participate either in the Inter-American System or the proposed worldwide collective-security organization.  

Because they were willing to settle for nothing less than the destruction of the Farrell government, the internationalists refused to make explicit the steps that Argentina must take to end her isolation. Thus, in one of the most bizarre interludes in United States-Argentine relations, from March until December 1944, Washington steadily increased pressure on Buenos Aires, all the while refusing to state the grounds for reconciliation. At one point the secretary advised Armour, in the strictest confidence, that recognition would never be forthcoming until certain key cabinet changes were made. On March 6 Armour rejected a proposal by the Argentine Foreign Office for a secret meeting between him and Perón to iron out the differences between the two nations. After conferring with Washington the ambassador informed the Foreign Office that there was no need for a conference because Argentina well knew what she had to do for recognition.  

Finally, nonrecognition appeared doubly attractive as a coercive technique to the internationalists in general and to Cordell Hull in particular because it promised to alienate the Latin Americanists so completely that they would leave the department. The secretary was convinced that Sumner Welles, though he no longer held an official position in the diplomatic hierarchy, still commanded Duggan, Bonsal, and their associates and that the entire group was plotting to replace the internationalists at the top of the State Department hierarchy as soon as FDR was elected to a fourth term.  Consequently, early in 1944 Hull began to lay plans to force the Latin Americanists out of the foreign-policy establishment altogether. The internationalists were familiar enough with their adversaries’ views to know that a unilateral severance of relations with Argentina would more than likely drive Duggan, Bonsal, Collado, and the other top men in American Republic Affairs to resign.

The Latin Americanists were not long in assuming the position that Hull had anticipated they would. On March 22 Bonsal suggested an “informal interview” between Hull and Argentine ambassador Adrian Escobar,
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during which the secretary could deliver a brief aide-mémoire covering the various Argentine activities that the United States considered inimicable to hemispheric security. According to the director of ARA, Hull should limit himself to activities that would help the Axis in the war and should exclude “broad allegations as to what we think the GOU and other Argentine nationalist groups believe should be Argentina’s role in South America.” Such a move, Bonsal advised, “would produce an atmosphere in which the friends of continental cooperation in Argentina would be assisted rather than hindered by our attitude.” In early June, Bonsal notified Hull through Duggan that, in his opinion, nonrecognition was reducing the State Department’s flexibility and was destroying its ability to influence events in Argentina. Moralistic denunciations only strengthened the hand of the rabidly anti-American elements. If Washington continued on its present course, it would have to rely on “good luck” rather than “good management” for success. “We and the other United Nations need Argentina and she needs us. Only Germany is the gainer from any real rift with us.”

It remained, however, for Laurence Duggan to render the definitive criticism of diplomatic nonintercourse. On June 22, some three weeks before his departure from the department, he submitted a long memorandum to Hull in which he traced the internationalists’ policy to its historical roots and restated the basic assumptions behind the Good Neighbor Policy. Terming the “reactionary political cycle that began in 1930” in Argentina an aberration, Duggan insisted that “Argentine evolution has been towards democracy” and not away from it. The United States should not expect a sudden reversal in the political situation, however: “What is more likely is the beginning of a gradual return to the country’s democratic institutions. . . . Several years, even a decade might be required.” Arguing that “the present Argentine military regime does not have its roots dug deep into Argentine tradition and life” and that it faced increasing opposition from the liberal middle class, the leader of the Latin American establishment concluded that the Farrell government was holding its own by “waving the banner of outside interference with Argentine sovereignty—in other words, nonrecognition.”

When these and numerous other remonstrances failed to alter American policy, the Latin Americanists, as they had done so many times in the past, cited the need to preserve the credibility of the Good Neighbor Policy. Quite simply, if the State Department continued to repeat the mistakes of the past,
it would destroy the rapprochement between the United States and Latin America that Washington had worked so hard during the 1930s to create. The United States, Duggan declared, had achieved the trust of the Americas "by openly and frankly laying the Big Stick on the shelf and relying instead upon the development of a community of interests that would produce common attitudes and unity of action." All the republics save one responded by rushing to the defense of the United States after Pearl Harbor. If the United States destroyed the good faith upon which the Good Neighbor Policy was based, as it was doing by its unilateral policy toward Argentina, it could not expect cooperation and support in any future crisis. 34

Hull, Long, and Spaeth responded to these charges in two ways. Their rhetorical rebuttal consisted of another attempt to link the Farrell regime with the Axis. "It is a travesty on the doctrine of nonintervention," the secretary declared during a heated interview with Duggan and the Chilean ambassador, "for any Government or group of military officials who are the real power behind it to deny all their sister nations the right of self-defense by attempting to shield behind the doctrine of nonintervention a notorious state of pro-Axis activities within their boundaries." 35 Or as he put it in a draft of a speech on the Argentine matter some two months later: "To aid the Argentine government is to aid the Axis powers in the present war." 36

As they rejected the Latin Americanists' arguments, the internationalists simultaneously moved to eliminate their dependence on Duggan, Bonsal, and their subordinates for information on day-to-day events in the hemisphere and for implementation of policy toward Latin America. To do so, they by-passed the top echelon of the Latin American establishment and worked through the Division of River Plata Affairs (RPA), a component of ARA. 37 The officials in RPA, which was headed by Eric Wendelin, did not possess wide experience in hemispheric affairs, had not participated in the development of the Good Neighbor Policy to any extent, and were used to dealing with the Argentine problem to the exclusion of all others. 38 Hull, Long, Spaeth, and their associates were able to obtain all needed intelligence and to enforce complete nonintercourse with Argentina without consulting ARA. 39 Because Duggan and Bonsal no longer wished to be associated with a policy that they believed was destroying hemispheric solidarity and because they were by now completely excluded from the decision-making process, the two career diplomats resigned in mid July. From then until the close of
the year there was not a significant dissenting voice left within the State Department to challenge the internationalists.46

There was, nevertheless, continuing bureaucratic competition from the other extreme. As with virtually every other coercive technique employed by the State Department, unilateral nonrecognition did not go far enough to satisfy the Treasury Department. It did not produce an instantaneous change in Argentine domestic and foreign policies, and it did nothing to increase the Treasury's control over Argentine-American relations. Convinced that the State Department was appeasing an obviously Fascist state either out of sympathy with its anti-Semitic policies or out of simple weakness, Morgenthau, White, Paul, Pehle, and their associates not only redoubled their efforts to have FDR approve a comprehensive freeze of Argentine assets but demanded that the State Department institute an absolute embargo. Hull chose once again to oppose a freeze, primarily because he perceived this to be a threat to his and the State Department's position in the bureaucratic hierarchy; but he decided to support commercial nonintercourse, a tactic that could be implemented with a minimum of Treasury interference.

The Treasury Department's approval on January 14 of the decision to suspend the order freezing Argentine assets in the United States did not signal a reversal of its hard-line approach but rather a momentary hope that the break with the Axis was a prelude to a declaration of war. On February 2, however, White and his subordinates informed the Economic Division of the State Department that the Argentine decree severing financial relations with the Axis was proving to be totally ineffective. When Armour requested that the Banco de la Nación and the Banco de la Provincia be taken off the list of blocked nationals as a sign of good will toward Buenos Aires, the Treasury Department refused to do so. J. K. Bacon, an officer in ARA, reported to Duggan and Bonsal that the Treasury Department still had a chip on its shoulder as far as Argentina was concerned and was not willing to give an inch to demonstrate America's trust in the present Argentine government.41

Just as the hard-liners within the State Department used the transfer of power from Ramírez to Farrell as an occasion to institute nonrecognition, Treasury Department officials attempted to utilize the coup once again to persuade Hull—and, failing that, Roosevelt—to impound all Argentine assets in the United States. Through their confidential sources in military intelli-
gence, the department was able to follow developments in Argentina quite closely. Reports received from General Strong seemed to confirm the suspicions of Treasury officials that Argentina was a thoroughly Fascist state and a potential successor to the Third Reich. By the first week in March, Morgenthau faced a virtual rebellion among his subordinates concerning his inability to persuade Hull to approve a general freeze. As a result, Morgenthau brought up Argentina during a conversation with Roosevelt on March 7. "This [Argentine fascism] is going to spread all through South America and what you have accomplished in the last eleven years is all going up in thin smoke," Morgenthau declared. "Yes," Roosevelt replied, "but we can't prove anything on the Argentines." Morgenthau was incredulous at the response, but FDR refused to approve any further action. At a departmental meeting on the ninth the secretary tried to placate Pehle and White by threatening to deliver a "show cause" order to the State Department as to why freezing controls had not been imposed.

The secretary's resort to legal action remained merely a threat, however, and by late April, Morgenthau, stung by continued criticism both implicit and explicit from his subordinates, decided that it was time once again to force Hull to make a decision, even if that necessitated going directly to the White House. Morgenthau was at first unsure as to exactly what approach he should employ. On the twenty-seventh he called Dean Acheson, who was in overall charge of financial and economic matters in the State Department, and informed him that he was bringing Leo Crowley, head of the Foreign Economic Administration, to the State Department within the next day or two and that they would jointly recommend the freezing of Argentine assets. "I've just gotten to the point," Morgenthau told Acheson, "where I don't feel that I'm living up to my responsibility if I don't make a firm recommendation." Later in the day, in consultation with his subordinates, the secretary, obviously agitated, dropped the Crowley plan and briefly considered bureaucratic blackmail as a device to achieve his objectives. He proposed going to Hull with a copy of a memorandum containing a scathing indictment of Argentine domestic and foreign policies and recommending a freeze. At the projected confrontation, Morgenthau would tell Hull that unless the State Department authorized a complete blockage of Argentine funds, the Treasury would once again take the matter into the inner sanctum of the Oval Office. The record is unclear as to whether Morgenthau actually visited the State Department. Late on March 27 he did send a
written note to Hull, citing numerous anti-Argentine statements made by the secretary of state in the past and urging an immediate freeze.49

As in the past, Treasury officials were aided and abetted in their struggle with the State Department by Henry Wallace. Although BEW had been abolished in July 1943, Wallace remained deeply interested in the Argentine situation. He continued to refer to the Argentine government as a "nest of fascists" and as a tool of Nazi foreign policy. The ultimate objective of Argentine expansionism, he told President Alfonso López of Colombia in January 1944, was the acquisition of the raw materials of southern South America for the Third Reich.50 Wallace and his advisors were convinced that the State Department's soft line toward Argentina was due in part to its sympathy with the military-Catholic-landowner coalition which dominated Latin American politics and which was now throwing its support to Farrell and Perón, just as "conservative Germany and conservative Italy" had opted for Hitler and Mussolini.51 Revelations in early 1944 that Breckinridge Long had been blocking efforts to rescue Jewish refugees from occupied Europe aroused suspicions that anti-Semitism might also have something to do with America's "appeasement" of Argentina.52 Thus, alarmed at the state of affairs in South America, certain that the State Department leadership was thoroughly reactionary, and still smarting over Jones's and Hull's successful vendetta against BEW, Wallace throughout 1944 harangued Chief of Staff George Marshall, President Roosevelt, and other administration figures about the dangers of Argentine expansionism, the impotency of State Department policies, and the need for an immediate freeze.53

The most the State Department would agree to do was to invite an opinion from Armour.54 The ambassador's views on freezing had changed since 1943. Prompted in large part by continuing interference with embassy operations on the part of officials from the Treasury and FEA, Armour was once again adamantly opposed to a total blockage of funds. His views were, no doubt, well known to Hull and his associates. On May 5 the secretary cabled Buenos Aires "that the Secretary of the Treasury has again urged, and I am seriously considering, the desirability of subjecting Argentina to a general Treasury freeze similar to the one proposed last January."55 The next day, Armour flatly rejected the scheme, terming it superficial and counterproductive.

Morgenthau brought the simmering feud between himself and Hull, the Treasury and State departments, to a head on May 10 by announcing to
Hull that he had a responsibility to communicate his views on freezing in writing to the President. As Morgenthau put it in a subsequent conversation with one of his subordinates, that “was like lighting a match to a powder keg.”

Freezing, declared Hull, who had for one of the few times in his life lost complete control of himself, was an obsession with Morgenthau, an obsession that had gotten the United States into trouble more than once in the past:

That is the trouble with you. You always want that [freezing]. That is what you wanted in the case of Japan. You are completely wrong. If we had followed what you had done, we would have been in the war right away. . . . You wanted to freeze the Japanese. It is going to come out in the future! You were all wrong. The Army wasn’t ready, and the Navy, and we have been called, and that is going to come out.

Morgenthau, who never needed an excuse to bait Hull, retorted by accusing the State Department of supplying the Japanese with the scrap iron and aviation fuel with which to fight the war. On the afternoon following this stormy interview, the Treasury Department officially requested the White House to intercede and to allow it to freeze Argentine assets in the United States. “We can win the battle of Europe and the Pacific,” Morgenthau wrote to FDR, “and find that we have lost the war, or what we were fighting for, in our own backyard, i.e., a Fascist Latin America.”

Roosevelt responded to the Treasury Department’s request during the cabinet meeting of May 18. To Morgenthau’s chagrin, FDR rejected a freezing order on the grounds that Argentine shipments of raw materials were too vital to the war effort to endanger and that Brazil was strong enough to contain Argentine expansionism. Humiliated, Morgenthau withdrew. This marked both the last attempt by the Treasury Department to leapfrog the State Department and the last serious effort to obtain a comprehensive freezing order. From the summer of 1944 on, Morgenthau was preoccupied with plans for postwar Germany, and he wanted to do nothing that would reduce his influence in this area.

Despite their adamant opposition to confiscation of Argentine assets in the United States, the internationalists were not opposed to economic sanc-
tions per se. As has been noted, their objections to freezing stemmed both from fear that, if implemented, it would give the Treasury Department a large degree of control over Argentine policy and from resentment over the fact that Morgenthau had twice gone over Hull to the White House. An economic embargo of Argentina offered no such bureaucratic threat. Moreover, to their minds, economic nonintercourse appeared to be consistent with nonrecognition; it promised to exert a great deal more pressure on the Farrell regime than freezing would; and it enjoyed a precedent in the diplomacy of Woodrow Wilson.

In their attempt to interdict all Allied trade with the Argentine, the internationalists enjoyed—perhaps "endured" would be more apt—the support of their principal bureaucratic rivals. The Treasury Department and Vice-President Wallace were strong backers of an embargo. Wallace, who had taken a much-publicized tour of Latin America in 1943, told Treasury officials in March 1944 that, given the threat to peace and democracy in Latin America posed by the Farrell-Perón regime, the Allies should make whatever sacrifices were necessary in order to isolate Argentina economically. Morgenthau was in wholehearted agreement. Over lunch with Marvin Jones, the war food administrator, who adamantly opposed sanctions for fear they would eliminate Argentina as a source of food, and Wallace, the secretary of the treasury expressed disgust with those who were not willing to pull in "our protruding belt one little notch" and declared that if "the President gave him the job of seeing this thing through [the embargo] he would see to it that the British stopped shipping food from Argentina, even if he had to blockade Argentine ports." Jones, whose primary concern was supply, was not enthusiastic. Shortly thereafter, the vice-president proposed buying up British investments in Argentina—all $1.3 billion worth—and reselling them to the Argentineans in return for concessions in the political and diplomatic sphere. Because they believed that Hull was dragging his feet on the matter of an embargo, Wallace and Morgenthau at one point schemed to have Tom Connally, chairman of the Senate Foreign Relations Committee, "put a little heat on the Secretary of State." In addition, congressional and public support for sanctions increased markedly during 1944. Emanuel Celler of New York proclaimed: "We should blockade the ports of Argentina, embargo essential gasoline, and terminate a most lucrative export trade of hides, corn, meat, and wheat. The Farrell-Peron militarist-Fascist government would then collapse." Even the
usually cautious *New York Times* was calling for all-out economic warfare by July. Added belt-tightening, according to the editors, would surely result in the calling of elections and the turning out of the Farrell government.67

In opposition, however, were a wide variety of organizations and agencies whose sole concern was Allied victory on the battlefield. Not the least of these was the Combined Chiefs of Staff. As early as 1 February 1944, this highest of Allied military bodies notified the State Department that the cessation of purchases of meat, wheat, and leather from Argentina would have “serious military implications.”68 Military authorities remained adamantly opposed to sanctions throughout the remainder of the war, and despite Morgenthau’s comment that the Chiefs of Staff were totally incompetent when it came to economic warfare, their views carried a great deal of weight with FDR and Harry Hopkins.

Adding their voices to those of Allied military authorities were various combined boards that were responsible for fueling the Allied war effort in Europe. The State Department began a drive to gain the support of these agencies as early as January 1944, when Hull and his associates were considering a cessation of trade in connection with the Bolivian coup. At that point and periodically throughout the rest of the year, the State Department asked what and how much the United Nations proposed to buy from Argentina in 1944, how the liberated areas would figure in such purchases, what foregoing Argentina as a source of raw materials would cost Allied civilian populations and military forces, and how long the Allies could endure without Argentine products.69

Replies from the combined boards gave no encouragement whatsoever to advocates of an embargo. The United Nations’ dependence on Argentina was high, reported the Combined Food Board in January 1944, and of so vital a nature that the Board “would regard with the gravest apprehension the cessation of Argentine supplies.” The agency’s recommendation was unambiguous: “We know of no political possibility of meeting the position which would be created by their withdrawal.”70 Submitting a supplementary report in April, the food authorities noted that two conditions had changed: world food demands had increased, and the United Kingdom had undertaken new commitments to the Supreme Commander of the Allied Expeditionary Forces, General Eisenhower. As a result, (1) food consumption was at a level in Great Britain below which the British government would not allow it to fall; (2) there could be no further cuts in United Kingdom
quotas if commitments to the Supreme Commander were to be met; and (3) the United States members had received specific instructions from the president to use the board’s resources to meet the heavy relief demands from devastated areas.\textsuperscript{71}

The Combined Raw Materials Board was equally as pessimistic. Rationing of boots and shoes was in effect in both the United States and Great Britain; loss of the Argentine supply would result in an end to domestic supplies in both nations. The agency’s objections to an embargo became even more strident in March when the White House notified United States delegates to the raw-materials agency that relief and rehabilitation requirements were to be regarded as equally important with maintaining the economies of the other members of the United Nations and the Associated Nations.\textsuperscript{72}

Shipping authorities asserted that the balance between the requirements of the European theater and the tonnage that was available did not leave a sufficient margin to take care of the increase in distances that would result if purchases from the Argentinians were cut off. The board informed Acheson that it refused to assume responsibility for any resulting shortages.\textsuperscript{73}

All relevant inter-Allied agencies, in short, judged that Argentine exports were essential to the Anti-Axis Alliance’s war effort, vital to the British economy, and extremely important to United States consumers. With the steady increase in wartime devastation and with the expansion of the area of liberation, the situation could only worsen.

As in 1942 and 1943, however, Great Britain was the chief impediment to the imposition of economic sanctions. Typical of British arguments in favor of restraint toward Argentina was that put forward by Neville Butler, undersecretary for North and South America, in a conversation with a member of the United States embassy in London. Using language reminiscent of Welles and Duggan, Butler asserted that the current Argentine regime was an extreme nationalistic-militaristic government rather than Fascist in the commonly accepted sense. Extreme pressure from abroad would only accentuate this nationalism and “make heroes of certain individuals.” He predicted that if the Farrell regime were overthrown, it would surely be replaced by a more intransigent one.\textsuperscript{74} The British generally agreed with this point of view. A July editorial in the \textit{Economist} blasted the idea of Anglo-American cooperation in economic sanctions. United States–British collusion in a drive to topple the present Argentine regime would
"greatly antagonize the Argentines who are rightly sensitive about their sovereignty."  

The key commodity in Anglo-American discussions concerning economic sanctions was meat. Britain’s desire to augment its political influence in South America and a determination to protect British investments in Argentina were the prime considerations behind British policy; but Whitehall, for obvious reasons, chose to center its arguments on the importance of Argentine beef to the British public and to Allied armies in Europe. When Whitehall was pleading with Washington to forego economic sanctions in connection with the Bolivian coup, Churchill cabled Roosevelt: “I beg you to look into the formidable consequences which would follow our losing their hides, meats, and other supplies. We get from them one-third of our meat supply. If this is cut out, how are we to feed ourselves plus the American Army for Overlord?”  

The internationalists accepted beef as the most important consideration in any program of economic sanctions, not because of its importance to the Allied war effort or to Britain’s nutritional well-being, but because it was Argentina’s chief export. Hull, Long, Spaeth, and the other hard-liners suspected throughout the war that Whitehall was overstressing Britain’s dependence on Argentine meat and that that nation was quite capable of enduring any shortages that might result from a cessation of trade with Argentina. In March 1944, officials of the United States Mission for Economic Affairs in London advised the secretary of state that Whitehall had been underestimating its meat stockpiles to the amount of some 300,000 tons and that, in their opinion, British attitudes toward a beef embargo were at best “cautious.” On March 5, Stettinius told Morgenthau that the State Department had found that the statistics that the combined boards had given to it regarding supply reserves were generally inaccurate. Thenceforth, the internationalists operated on the assumption that British representatives had hopelessly prejudiced the findings of the Combined Boards and that the United Kingdom could reasonably be expected to forego Argentine meat for a period necessary to bring the Farrell government down.  

Hull and his associates decided to use the Anglo-American diplomatic conferences scheduled for April to approach the British once again. When, at that conclave, Stettinius pressed Foreign Secretary Anthony Eden to commit the Churchill government to an embargo, Eden informed the under-secretary that the imposition of sanctions would be very difficult for his
country but that Britain would go along if the United States would give the proper guarantees on shipping and supply problems. These the State Department simply could not provide.\textsuperscript{79}

Morgenthau and Wallace urged the State Department to appeal to FDR to exert pressure on the British, but Hull, Stettinius, and their associates believed that the opponents of an embargo both in London and Washington were still too strong to risk a direct confrontation. The State Department's estimate of the situation proved to be entirely correct. At the May 18 cabinet meeting at which FDR quashed the Treasury Department's request for a freeze, the president also shunted aside Morgenthau's demand for an embargo. “Henry wants to apply sanctions,” Roosevelt told Stettinius, “but you can't do that on account of the English, and the food. . . . Ed, you make a bad face at the Argentineans once a week. You have to treat them like children.”\textsuperscript{80}

By the summer of 1944, however, Hull and his colleagues believed it was pointless to wait any longer. It was obvious that the British were not going to accept Washington's view of the Argentine affair voluntarily. More importantly, by mid 1944, State Department officials were convinced that London was plotting to incorporate Latin America into its strategic defenses as well as make it the cornerstone of its postwar economic empire. For example, beginning in June, Washington frantically sought comprehensive airbase agreements with the Vargas regime and other American governments. “The necessity for covering the situation,” Berle told Hull, “is increased by the very active British operations now going forward for surveying bases and routes allegedly for use by the R.A.F. in transporting men and material to the Far East after the war, but which are very obviously undertaken with longer range objectives in mind.”\textsuperscript{81}

In addition, Britain was in the midst of negotiating a long-term meat contract with Argentina which, if concluded, would end any chance of instituting an effective program of economic nonintercourse. On July 15 the secretary of state called at 1600 Pennsylvania Avenue and urged Roosevelt to persuade Churchill to use Britain's buying power in the Argentine export market “to let Argentina know beyond a doubt that we are all fed up with the pro-Axis sentiments and practices of her government.”\textsuperscript{82} The president refused to ask Churchill to forego a meat agreement\textsuperscript{83} and would consent only to request the British to show their disfavor in some manner that would not threaten the Allied war effort or Anglo-American consumers.\textsuperscript{84}
In frustration the internationalists decided to implement a unilateral intensification of economic warfare against the Farrell-Perón government. In August, Hull ordered a reduction of forty to sixty-five percent in all United States imports from Argentina. At the same time he refused a request from the Caribbean Defense Command that United States export policy toward Argentina be revised in order to allow airplane parts to be shipped to that country. Later in the month the State Department established the Inter-Departmental Economic Committee on Argentina, which had as its primary objective the coordination of economic sanctions against that country. Protests from sectors of the American business community that were dependent on Argentine trade had no impact whatsoever on Hull and his colleagues. As a memorandum from Spaeth to Long on the subject clearly indicates, preservation of America’s economic empire in Latin America did not at that point top the State Department’s list of priorities:

There is a disposition to resist an affirmative stand, to seek to carry on “business as usual,” and to be governed primarily by the possibility of postwar trade benefits in Argentina. Such thinking recalls only too clearly the attitude toward Germany and Italy in the months before the War.

Unilateral attempts at economic constriction proved as fruitless as they had in 1942 and 1943. Argentina continued to prosper. Consequently, as Anglo-Argentine meat negotiations drew ever closer to a successful completion, Hull became desperate. In mid September he informed Lord Halifax that if the Fascist threat in Argentina grew and began to threaten the rest of Latin America, the repercussions could be quite severe for Great Britain. If worst came to worst, the United States would feel compelled to publish all the facts about Britain’s reluctance to cooperate in bringing Argentina into line. FDR, Hull informed the ambassador, felt that His Majesty’s government could furnish full cooperation without endangering their meat supply and that they could exert great influence as the purchasing party in a buyer’s market. He concluded the talk with the gratuitous observation that British officials were unduly apprehensive about the loss of Argentine beef because they had made only a superficial study of the matter. Shortly thereafter, the United States embassy in London informed Whitehall that until the United States could discern more clearly Britain’s export-import policy toward Argentina, the State Department would feel obligated to with-
hold equipment needed to facilitate Argentine exports to the United Kingdom. Finally, on October 10, Hull instructed Ambassador Winant to make it clear to Eden that the United Kingdom was contributing to the survival of a state that was “working feverishly” to subvert the independence of its neighbors, while at the same time it served as a New World refuge for Nazi technicians, economists, and military personnel.

At the last possible moment an extremely annoyed Churchill capitulated by agreeing to delay six months before signing a comprehensive meat contract with Argentina. Nevertheless, he warned Roosevelt and Hull, Whitehall would honor this pledge only on the condition that the United States keep all other buyers out of the Argentine meat market.

Actually, Churchill’s pledge was meaningless, because British purchases in Argentina not only continued but increased. Moreover, London let Buenos Aires know that it would resume negotiations on a comprehensive agreement at the earliest possible date. As a result, phase two of Washington’s trade-restriction offensive was no more effective than the 1943 campaign had been. The Wall Street Journal ran an extensive survey of South America in late 1944 which reported that Argentina was the best-fed country in the world. Clothing was plentiful, housing was adequate, transportation was good, and prices were low. “There have been fewer interferences with the individual’s freedom to move from place to place,” the Journal reported, “to buy what he wants when he wants it; to work when and as he pleases. . . . There has been less interference in the conduct of private business, and there have been fewer labor altercations and disturbances.” Argentina was definitely not in a revolutionary state of mind.

In retrospect, one of the key factors in the State Department’s failure to persuade Britain to cooperate in economic sanctions was Roosevelt’s consistent refusal to make up Britain’s loss of meat supplies out of stockpiles earmarked for consumption in the United States. Nineteen forty-four was an election year, and the White House was convinced that the electorate would retaliate against the administration at the polls for the ten percent cut in meat rations which any diversion to England would necessitate. Ironically, the internationalists’ program of economic coercion against Argentina, motivated in part by a desire to reduce domestic criticism of the White House, was sabotaged by a president who was convinced that the political cost of such a program would be prohibitive.

All the while that Hull, Long, Spaeth, and Wendelin were maneuvering
to avoid one kind of economic sanction and to implement another, the State Department continued to avoid formal diplomatic contact with the Farrell government. As the Latin Americanists had predicted, nonrecognition did not weaken the Farrell regime in Argentina, and more importantly, it hindered Washington in its pursuit of America's long-range goals in the hemisphere. The internationalists believed that in announcing nonrecognition on March 4, they would create irresistible pressure on the other states of the hemisphere to join in isolating Buenos Aires. It quickly became apparent that Hull and his colleagues had sadly miscalculated. By March 9 Chile, Paraguay, and Bolivia had established relations with Argentina. Of those who agreed to support the North American position, only Costa Rica, the Dominican Republic, El Salvador, Haiti, Nicaragua, and Panama assented to Washington's request that they make public statements denouncing the Farrell regime. Uruguay, the object of intense pressure from her neighbor across the Plata, notified the State Department that she could not hold out for long.94 Brazil, which welcomed as a sign of weakness every new change of government in Buenos Aires, perceived no threat in the Farrell regime. While Foreign Minister Oswaldo Aranha fended off United States demands that Rio join the nonrecognition front, leading Brazilian newspapers abounded with expressions of friendship for Argentina.95 Typical of these journals was O Globo, which repeatedly voiced its desire that the "recent misunderstanding" between the United States and Argentina could soon be resolved.96 Even Mexico, certainly one of America's staunchest wartime supporters, refused to lend unconditional support. On March 7 Foreign Minister Ezequiel Padilla informed Washington that because of a lack of information, he could not make a public statement denouncing the Farrell government. The longer the difficulties with Argentina dragged on, he warned the United States ambassador, George Messersmith, the harder they would be to resolve.97

Argentine propagandists proved quite successful in 1943-44 in exploiting popular discontent within various pro-Allied republics that resulted from rationing, shortages, and various other material discomforts caused by the war. Argentine prosperity was much on the minds of his countrymen, Brazil's Ambassador Carlos Martins told Berle in January 1944. Argentines had made steady capital out of the "ease and luxury of their own life ... and ascribed it to the fact that they were neutral while others had been fools enough to join the war effort." Martins complained bitterly that Wash-
Washington was taking its Latin allies for granted. The United States was refusing to provide the steel, tin plate, and machinery necessary to maintain Brazil’s economy at merely prewar levels and, in so doing, was contributing to Argentina’s drive to win the hemisphere to neutrality. During 1944, then, the Vargas regime and a number of other Latin governments were beginning to question whether blind acquiescence in Washington’s anti-Argentine campaign really served their interests. A more “independent” course might compel the Roosevelt administration to be more sensitive to the needs of its cobelligerents.88

Too, many latinos believed that both the objectives and the tactics of America’s Argentine policy represented a throwback to the not-so-distant past, when the United States treated the hemispheric republics as retarded wards. In the first place, Latin America had historically defined the withholding of recognition from an existing government as diplomatic intervention into the affairs of another state. In 1930 Mexico’s foreign minister, Manuel Estrada, announced that henceforth Mexico would simply “maintain or recall, when it is deemed appropriate, its diplomatic officials in other countries, and accept . . . the diplomatic officials accredited in Mexico, without passing judgment . . . on the right which other nations have to accept, maintain, or replace their government or authorities.”99 The Estrada Doctrine was, of course, a reaction to the then prevailing United States policy of refusing to recognize other American governments which, in its opinion, were not legally constituted, and it was designed to provoke Washington into foreswearing the use of such a coercive tactic. After the inauguration of the Good Neighbor Policy, New Deal diplomats accepted the Estrada interpretation and assured the hemispheric community that henceforth America would recognize New World governments purely on a de facto basis.100 Not surprisingly, a number of Latin states believed that Washington’s nonrecognition of the Farrell regime constituted a repudiation of the Estrada Doctrine, a change of policy that was not justified by a threat to the peace and security of the hemisphere. Perhaps even more offensive to the latinos than the policy of nonintercourse was the fact that Washington had proceeded unilaterally, thus vitiating the principle of consultation upon which the Inter-American System rested. Finally, during 1944 most Latin Americans came to the conclusion that the Farrell government posed no threat to the Allied war effort and that the State Department’s primary objective was democratization of the Argentine political system, a goal that

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they believed to be beyond the proper scope of United States foreign policy. Increasingly, the Latin republics saw in North America's coercion of Argentina the setting of a number of precedents that would pose a potential threat to their own national sovereignty. These considerations, voiced frequently by prominent latinos and, before their departure in July, the Latin Americanists, had no impact on the State Department's leadership.

In view of the pervasiveness of Argentine nationalism and the presence of such ultranationalists as Perlinger in the cabinet, Farrell and Perón could hardly have moved toward a more conciliatory position after the State Department instituted its policy of denunciation and nonrecognition, even if they had wished to do so. Instead, Argentina began to retaliate. In early March the minister of the interior demanded of All-America Cables—the Anglo-American company that provided Argentina with international cable service—that all communiques from the United States embassy be delivered first to the Argentine Foreign Office. When the company refused, the government closed All-America for twenty-four hours and imposed an embargo on AP and UPI for sending uncensored dispatches. The government began disseminating rumors that it was going to nationalize foreign interests as a penalty for nonrecognition, rumors that soon became reality. After expropriating a portion of the American and Foreign Power Co., Perlinger ordered seizure of the East Argentine Electric Company. By preying on unprotected American and British interests, the government hoped to bring home to the State Department the disadvantages of non-recognition.

Instead, these and other acts of economic retribution, coupled with two events that transpired in June, prompted the State Department to withdraw its ambassador from Buenos Aires, further reducing the opportunity for communication and thus reconciliation. The first of these events concerned a secret meeting between Armour and key figures in the Farrell regime. By mid May the Latin American states within the nonrecognition camp began to grow extremely restive. A number of republics let the State Department know that they wanted to establish relations with the Farrell government before May 25, Argentine National Independence Day. Pointing out that the United States still recognized such neutrals as Iceland, Switzerland, and Spain, they questioned the validity of continued nonintercourse with the
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Farrell government and warned that it would be a grave insult to the Argentine people not to attend the official functions scheduled in connection with the nation’s birthday. The State Department’s refusal to consent intensified hemispheric demands for a rapprochement. Complaining that pressure from the other American representatives in Buenos Aires was growing stronger, Armour cabled Hull on June 16, asking for permission, for appearance’s sake if nothing else, to enter into secret talks with Orlando Peluffo, the Argentine foreign minister. When Hull reluctantly agreed, Armour proceeded with the covert conference.\textsuperscript{106} The ambassador was received not only by Peluffo but by Perón and the former ambassador to the United States, Felipe Espil, as well. The Argentineans opened the discussion by accusing the United States of employing crude pressure tactics, citing Admiral Ingram’s trip to Montevideo as an example, and they warned that the government could cope with any economic sanctions that Britain and the United States might impose. On the positive side, Perón, Peluffo, and Espil promised that in return for normalization of relations, the Casa Rosada would cut off all aid to pro-Axis firms and newspapers and would fully implement a break in relations with the Axis.\textsuperscript{107} The meeting came to an abrupt halt, however, when Peluffo informed Armour that to avoid the appearance of foreign pressure, the United States would have to recognize Argentina before Argentina would take any further steps to comply with Washington’s wishes.\textsuperscript{108} The entire episode infuriated the State Department, which regarded it as a ploy designed to create the appearance of recognition.

No less upsetting to the internationalists than the Armour-Peluffo encounter was a highly publicized, ultrachauvinistic speech delivered by Juan Perón at the University of La Plata on June 10. Although it did not become apparent until late 1944, Perón favored a rapprochement with the United States. As World War II ground toward a successful conclusion, the colonel saw that if the nation were to break out of its existing isolation and were to play an active role in the postwar world, Buenos Aires would have to seek accommodation with Washington.\textsuperscript{109} In June, however, the man who was to dominate Argentina politics for a generation had not yet regained the confidence of the integral nationalists, a group that he felt he had to win over before he could embark on any new, dramatic schemes or international initiatives. Many of his former colleagues in the GOU distrusted his ties with organized labor and his views on international affairs. Argentina, he proclaimed to the graduating class at La Plata, had to rededicate itself to the
principle of national defense. The victorious powers in the present conflict, whoever they might be, would surely fall out among themselves and would probably "attempt to establish in the world an odious imperialism which will obligate the oppressed to rebel." The power of Argentina's armed forces must be increased, he asserted, "in order to ensure the respect and consideration it [Argentina] deserves in the world concert and in the family of nations." He called for long-range planning and total mobilization to prepare the nation for the coming struggle. The speech was a political gambit. Industrial and military leaders welcomed Perón's theme of ensuring peace by preparing for war, while the integral nationalists were gleeful over what they perceived to be a veiled threat to the United States.

Analyses of the address by military intelligence, as well as the speech itself, confirmed the Hull group's conviction that the Farrell government represented the same faction that had plotted the overthrow of the Bolivian government in the last days of 1943. A report from the Office of Strategic Services entitled "The Significance of Perón's Speech of June 10" stated that the minister of war and labor had called for

the scrapping of the present hemispheric system of peaceful consultation and the substitution of power politics based on armed force. It also confirms . . . that the guiding principle and major factor holding the Farrell regime together had been preparation for military action in support of a program of economic and territorial expansion aimed at giving Argentina political and economic control of its neighbors and eventual hegemony over the entire South American continent.112

This document, given wide credence by the internationalists, even hinted that the author of the La Plata address was not Perón but a highly placed Nazi official.113

In response to the abortive Peluffo-Armour talks, to Perón's speech,114 and to the demands made by Morgenthau, Wallace, and Crowley, the State Department persuaded the White House to recall Armour, pressured the British into withdrawing their ambassador from Buenos Aires,115 and delivered the tirade against Argentina that had been planned for release on January 25. On June 22 the secretary of state announced to all diplomatic representatives of the United States in the Western Hemisphere that since the Farrell government had continually denied the relevance of hemispheric
defense commitments and since, by repeatedly insisting that the rupture was due to foreign pressure, it had implicitly disavowed any intention to honor its obligations, Ambassador Norman Armour was being recalled.116 Meanwhile, the president, at the behest of the State Department, ordered the Joint Chiefs of Staff to make all necessary preparations to defend Paraguay, Uruguay, or any other state that was vulnerable to an attack by Argentina.117 On July 26 the secretary of state delivered one of the strongest verbal blasts ever leveled at a nation with which the United States was not at war. It was abundantly clear, he proclaimed in a press release, that Argentina "has deliberately violated the pledge taken jointly with its sister republics to cooperate in support of the war against the Axis . . . and has openly and notoriously been giving affirmative assistance to the declared enemies of the United Nations." Turning to United States policy, he declared that to recognize Argentina then would be "seriously to damage the Allied cause" and would undermine hemispheric and wartime principles. What was more, the pro-Axis and totalitarian elements that dominated Argentina had thoroughly suppressed the basic civil rights of the Argentine citizenry. On the basis of both its domestic and foreign policies, therefore, the clique then holding forth in Buenos Aires was beyond the pale.118

As had been true so often in the past, those in control of Argentine affairs were able to use the State Department's intemperate blasts to rally public support for the government and to create a ground swell of anti-Americanism. Government censors permitted domestic papers to carry full texts of the press release, while Buenos Aires recalled Ambassador Escobar from Washington.119 La Nación and El Mundo ran editorials on June 27 in support of the government in general and Perón in particular. Claiming that Argentina had steadfastly supported the Allies, they argued that their country, by standing up to the United States, was defending not only its own sovereignty but that of free states everywhere.120 La Prensa, the great prodemocratic and pro-Allied daily of Buenos Aires, scored Hull's indictments as unfounded and denounced his habit of discussing weighty international problems in "impromptu declarations to the press." With America's entire policy of nonintercourse no doubt in mind, the editors advised Washington that diplomacy should be conducted by direct personal contact between diplomats, not by means of news releases.121 Not since the war began had the Argentine nation been so unified.

Increasingly convinced that the Argentine problem was simply a bi-
lateral squabble between Washington and Buenos Aires, a number of Latin American states attempted during the summer and fall of 1944 to mediate between the two. In July the Paraguayan and Uruguayan ambassadors called on Hull and urged him to outline publicly the steps that Argentina must take in order to elicit recognition. Shortly thereafter, the Peruvian representative in Washington arranged an interview at the State Department, during which he asked what he and his country could do to bring Buenos Aires and Washington closer together. In early September the foreign minister of the Dominican Republic, a nation that was virtually immune to direct pressure from Argentina, called on Breckinridge Long and pushed for the presentation of specific terms to Buenos Aires. The present situation, he declared, was only strengthening the hand of the extreme nationalists within Argentina.

Although it did not dare offer its services as an intermediary, Whitehall tacitly supported the Latin drive to break the Argentine-American impasse. The British had agreed to withdraw their representative from Buenos Aires, but they did so grudgingly. United States policy had caused great “anxiety” in the War Cabinet and the Foreign Office, Churchill wrote Roosevelt after an appeal for Ambassador Kelly’s recall. Asserting that he could not see where United States tactics were leading or what Washington hoped to gain, the prime minister expressed the hope that coercion of Argentina would not injure either vital Anglo-American interests in Argentina or the war effort in Europe. What was more, he complained, “This American decision [has] placed us in an invidious position, having been taken without consultation with us. . . . We were faced with a fait accompli.”

Latinos who were disgusted with the State Department’s hard-line approach to inter-American affairs also received vigorous support from Sumner Welles. By January 1944 the former undersecretary’s columns on foreign affairs were appearing not only in papers across the United States but in journals throughout Latin America, including La Nación of Buenos Aires. In late May he came out strongly for recognition of the Farrell regime and told his readers that attempts to change existing Latin governments through nonrecognition would inevitably stimulate the nationalist movements that were already burgeoning south of the Rio Grande. The State Department’s attempts to establish a pro–United States puppet regime in Buenos Aires, he warned, would only earn the unremitting hostility of the Argentine people. As of 25 June 1944, the Casa Rosada required all
federally subsidized newspapers and radio stations to carry Welles’s remarks. In September the former undersecretary presided over a secret meeting of Latin American officials at his home in Bar Harbor, Maine. The discussion centered on the need for an inter-American conference on postwar problems and on the state of Argentine-American relations. News of the conclave prompted Hull to complain bitterly to Stimson and Morgenthau that Welles “seemed to be operating a second State Department.”

In the face of this criticism and the attempts by various Latin republics to mediate, Hull and his associates clung ever more firmly to nonrecognition and attempted to coerce into submission those states that objected to Washington’s tactics. Both the pressure applied to dissenting members of the hemispheric community and the rhetoric that accompanied it once again revealed the degree to which the Argentine problem had come to overshadow all other considerations. Chile, which had steadfastly refused to sever relations with the Farrell government, hoped, despite its refusal to join in the nonrecognition front, to improve relations with the United States during 1944. The State Department responded to Chilean initiatives by denouncing that nation’s “collaboration” with Buenos Aires. When, in March, Chilean officials inquired about the possibility of having President Ríos visit the United States, Hull indicated that he would be welcome only after his country had reversed itself on the Argentine matter. Shortly thereafter the secretary confided to the United States ambassador to Chile: “While the Chilean people have given constant indications of their wholehearted sympathy for our cause . . . I cannot honestly say that the record of the Chilean government impresses me in an equally favorable light.”

Other states that urged Washington to settle its differences with Buenos Aires encountered threats of economic coercion. When on July 12 the Bolivian chargé d’affaires, whose government still maintained relations with the Farrell regime, offered Bolivia’s services as mediator, Hull blew up. If La Paz equivocated much longer, the secretary declared, the United States would make permanent arrangements for acquiring its tin supplies from Indochina rather than from the mines of Bolivia.

Just as they had come to equate Argentine neutrality with a pro-Axis posture, the internationalists in the summer and fall of 1944 began to view diplomatic intercourse with the Farrell government as a form of aid to the Rome-Berlin-Tokyo coalition. On July 1, State Department officials told the Chilean representative in Washington that if the republics then abjuring
The Argentine-American dispute was only one of a number of problems that Latin diplomats believed the hemisphere needed to solve before the end of World War II. The Latin American republics were disturbed about being excluded from the major diplomatic conferences of the war, particularly the meeting held at Dumbarton Oaks in the fall of 1944 to discuss the creation of a world organization. An increasing number of latinos hoped to strengthen the Inter-American System in order that it might serve as a bastion against communism, a restraint on North American imperialism, and a device for enhancing the hemisphere’s unity and influence within the new world organization. In addition, a majority wanted to commit the United States to a transition from wartime to peacetime purchasing programs in Latin America that would not disrupt the fragile economies of the region. As always, they looked to North American capital and technical assistance to facilitate industrialization and thus to drive living standards upward. The desire south of the Rio Grande for a general inter-American conference to solve these and related problems was, by late 1944, virtually universal.

Hoping to take advantage of the rising discontent in Latin America and the widespread desire for a hemispheric conference, on October 30 the Farrell-Perón government officially requested the Governing Board of the Pan American Union to hold an inter-American meeting in order to con-
sider Argentina’s situation in relation to the rest of the hemisphere. While emphasizing the righteousness of its cause, Buenos Aires proclaimed that Argentina was willing to go an extra mile to achieve reconciliation. The Farrell government maintained that the systematic consultation outside a formal conference engaged in by the rest of the hemisphere in connection with nonrecognition would constitute a violation of Pan-Americanism as defined at Lima, and it argued that only a full-dress consultative meeting of the PAU was qualified to formulate policy for all the Americas. The only reason that Argentina was so unselfishly submitting her international conduct to Pan-American scrutiny, declared the Foreign Office, was a desire to see that the postwar world would be established on a foundation of unity and harmony.\textsuperscript{139}

As Buenos Aires had hoped, a number of Latin American states literally leapt to the support of the Argentine proposal. Several governments, including those of Colombia, Venezuela, and Ecuador, indicated their immediate approval of Argentina’s request, arguing that Argentina could not really be denied such a meeting under the rules of the PAU.\textsuperscript{140} Venezuela declared that Argentina was sincerely trying to make honorable amends and should be respected for subjecting itself to the judgment of the other American republics.\textsuperscript{141} On November 6 Ezequiel Padilla of Mexico pressed the attack by suggesting to Washington that when Argentina’s request came before the Governing Board, the Mexican ambassador would propose a foreign ministers’ meeting to discuss general subjects. At the same time he would also move a delay of two or three months during which Argentina would have an opportunity to reincorporate itself into the hemispheric family. Asserting that he was speaking not only for his own government but for the ambassadors of Brazil, Cuba, and Uruguay, the Mexican foreign minister implied that reincorporation of Argentina into the hemispheric fold should be the goal of each member of the American community. He made it clear that if Buenos Aires were to comply with conditions to be established by the nonrecognizing governments, then the Farrell government should be accorded recognition and a seat at the forthcoming meeting of foreign ministers.\textsuperscript{142}

The Argentine initiative and Latin America’s response threw the State Department into a momentary state of confusion. There was no question as to what attitude to adopt toward the Farrell government’s proposal. Throughout 1944 the internationalists had adamantly opposed the calling of

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an inter-American meeting. Not only had it been a pet project of the Welles-Duggan-Bonsal group, but more importantly, Hull and his associates feared that Argentina would be able to use any such conclave to escape from its diplomatic isolation without having to institute the proper "reforms." Furthermore, the internationalists, in addition to a number of others within the Roosevelt foreign-policy establishment, opposed the holding of a hemispheric conference prior to the United Nations Conference of International Organization (UNCIO), scheduled for April 1945, for fear that the Latin American republics would insist on amending the Dumbarton Oaks proposals so as to preserve the sanctity of regional arrangements such as the Inter-American System.

Such reservations would, United States diplomats feared, hamstring the unborn world organization by making it less than a collective-security system or by alienating the Russians, or both. The way in which the State Department reacted to the Argentine request indicates that of these factors the most important to the internationalists was the possibility that Argentina might secure readmittance as a full-fledged member of the hemispheric community. Hull was absent from the State Department due to illness—the secretary was sick and away from the department between 30 and 40 percent of the time in 1943 and 1944—when Padilla's suggestion was received. Nevertheless, Long, Spaeth, and Wendelin were present to combat any attempt at "appeasement."

The State Department sought to foil the Farrell government's machination by first giving way on the issue of a foreign ministers' meeting to discuss general problems and then holding fast against reincorporation of Argentina into the hemispheric fold. The immediate problem, however, was to prevent any additional Latin American republics from publicly declaring their support for the Argentine proposition. On October 28 Washington reminded the Latin American governments that the states of the hemisphere must reach a consensus before an answer could be given to the Farrell government. The next day the internationalists expressed their view of the Argentine initiative in no uncertain terms. "It is our judgment," RPA informed the United States chargé d'affaires in Mexico City, "that the Argentine proposal is a brazen and insincere move which does not deserve consideration on its merits." The Farrell regime was well aware of what it needed to do to regain grace. A conference on Argentina would only provide Buenos Aires with another opportunity to make meaningless pledges, and "the American republics would certainly not accord recognition at a
meeting on the basis of a mere promise of future performance.”149 By November 11, however, Stettinius, Long, Spaeth, Armour, and their subordinates had decided that they were going to have to make some concessions lest a full-scale revolt should erupt.150 After Padilla put forth his proposal on November 6 and again on the ninth, Breckinridge Long, with White House approval, suggested to the foreign minister that he push for a consultative meeting on war and postwar problems, including the creation of a hemispheric collective-security organization. If they wished to do so, the Argentineans could send a representative to appear at the conclusion of the regular meeting and to present the Farrell-Perón government’s case for the holding of a conference to hear its problems. Under no circumstances, however, would the United States consent to the creation of a formula by which Buenos Aires could gain recognition.151 “There is grave danger,” Stettinius asserted, “in the creation of a façade of unity behind which hostile forces can work to undermine and destroy everything for which we have been fighting.”152

Latin America was hardly placated by Washington’s “compromise” plan. On November 14 Padilla called a meeting of the American ambassadors in Mexico City to discuss the Argentine situation. Ambassador Messersmith was conspicuously absent from the conference. In his report to the Latin American diplomatic corps, Padilla termed the State Department’s reply to the Latin American proposals “a harsh and peremptory repetition of the irreconcilable United States position.” The Peruvian ambassador spoke for many of his colleagues when he remarked that it was all very well for the United States to treat Argentina as it had, but Latin America would have to live with the Argentineans after the war was over. The group, clearly in a rebellious mood, decided that the best approach would be to take the position that the Argentine problem was a “temporary divergence” within the hemisphere and to try to solve the matter with the help of Buenos Aires.153 Later that same day, acting as spokesman for the insurgent republics, Padilla relayed the views of his colleagues to Messersmith. There were those in the hemisphere, he declared, who felt that the United States might not be really interested in bringing Argentina back into the American fold. When the ambassador denied that such was the case, Padilla retorted that Washington could hardly object, then, to a procedure that would end Argentina’s isolation.154

To compound the State Department’s problems, the Farrell government
initiated an intensive public-relations campaign both inside and outside Argentina in behalf of ending its quarantine. Government propagandists did an excellent job of creating the impression that United States attempts to exclude the Argentine from any inter-American meeting was destroying "continental solidarity."\textsuperscript{155}

As consultations concerning the Argentine initiative proceeded during November, it became increasingly clear to all concerned that the State Department viewed the ouster of the Farrell-Perón government as an absolute prerequisite to recognition. On the seventeenth, Padilla suggested two sweeping conditions, which, if met to the satisfaction of the nonrecognizing American republics, would lead to the reincorporation of Argentina into the hemispheric fold. They were, simply: "1. The fulfilling of the commitments by the Argentine not complied with, and 2. The calling of elections." Even though the latter point would create an opportunity for a return of constitutional government to Argentina, Messersmith, reflecting the views of the hard-liners and not his own, rejected the foreign minister's terms out of hand. The United States, announced the ambassador, would insist on the holding of a foreign ministers' meeting without Argentina "as long as the present people remained in control of the government."\textsuperscript{156} On November 21 Spaeth reiterated this view. Once again describing the Argentine government as Fascist, pro-Nazi, anti-United Nations, and expansionist, he declared that the United States would never accredit an ambassador to Buenos Aires and that it would prevent all Argentine-American commercial intercourse as long as the Farrell-Perón regime remained in power. Diplomatic and economic sanctions had "hurt and hurt badly." Recognition would only solidify the domestic power of this odious regime, and readmission to the Inter-American System would provide it a façade of unity behind which it could proceed with its plans to dominate South America. Buenos Aires, according to Spaeth and his colleagues, was trying to engineer "a Western Hemisphere Munich" and had to be stopped at all costs.\textsuperscript{157}

Washington's unwillingness to support a hemispheric conference on war and postwar problems before the convening of the UNCIO and to at least discuss the Argentine matter at such a meeting finally persuaded the insurgent Latin American states to drop their demand for a procedure that could lead to the immediate recognition of Argentina. Colombia and Ecuador informed the State Department that while they favored a prompt public hearing for Argentina, they would gladly go along with the majority
of republics which had declared in favor of the American plan. Padilla, suddenly compliant again, told Messersmith that his country would formally issue a call for a conference based on the United States agenda.

Although they had staved off open rebellion within the Latin American community for the moment, the hard-liners still faced a procedural problem that, if not solved, threatened to lead to inadvertent recognition of the Farrell regime. Those who had framed the charter of the Pan American Union had operated on the belief that while administrations were transitory, peoples were not. Thus, they had established a community of nations, not of governments. It was commonly accepted among experts on inter-American law that because the Union was composed of Brazilians, Mexicans, Guatemalans, and other national groups, membership was permanent and could not be affected by the policies of particular governments that might rule the peoples of the hemisphere. Argentina, which was well aware of the terms of the charter, had deliberately applied to the Governing Board for a hearing, knowing that it could not refuse and that Argentina would have to be seated as a full member at any conference of Union members. Washington, however, managed to shunt Argentina's initiative aside and to turn the procedure for the calling and holding of an inter-American meeting into another channel. Conforming closely to the "suggestions" of Carl Spaeth, the Governing Board, which met on December 6, chose to defer action on the Argentine question to a later date, citing the small number of replies that had been received from the other republics. On December 11 the United States suggested to the hemispheric states that the meeting of foreign ministers be called through regular diplomatic channels, rather than by the Governing Board, so that there would be no juridical requirement that Argentina be present throughout the meeting. The Latin American republics proved to be amenable, and as a result, Foreign Minister Padilla formally issued invitations to the Inter-American Conference on Problems of War and Peace to be held in Mexico City in February 1945. The Argentine request for a hearing was to be discussed under the last point on the agenda, entitled "Other Matters of General and Immediate Concern."

The internationalists succeeded during 1944 in eliminating their arch rivals from the State Department, in fending off the threat to their control of policy mounted by the Morgenthau-Wallace group, and in implementing
an ever-tougher approach toward Argentina. Their victories, as it turned out, were pyrrhic. Preoccupation with the Argentine affair on the part of Hull and his colleagues both reflected and contributed to their isolation within the Roosevelt foreign-policy establishment. That the internationalists would agree to an inter-American conference, which they believed to be a potential threat to the UNCIO, in return for the continued diplomatic isolation of Argentina indicated the degree to which the Argentine problem had come to dominate their thoughts. By the end of the year, Hull and his associates were completely cut off from policy-planning for Europe and the Far East. Meanwhile, the period of unilateral nonrecognition left the Americas divided and uncertain as to the direction that the hemispheric policy of the United States would take in the postwar world. Nor did Washington's Argentine policy contribute to Anglo-American cooperation. The Churchill government viewed nonrecognition and coercion as needless threats to the war effort and to Britain's ravaged economy. Finally, the diplomatic and economic policies of the hard-liners produced a reaction against United States policy toward Argentina among important groups both inside and outside the foreign-policy establishment, a reaction that, in conjunction with the advent of a new group of policy-makers in the State Department, led to a redefinition of the Good Neighbor Policy and to a sharp reversal in Argentine-American relations.