

**WESTERN HEMISPHERIC SOLIDARITY
A STUDY OF RECENT DEVELOPMENTS**

by

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INTRODUCTION

In undertaking a study in inter-American relations it is advisable to indicate, by way of introduction, something of the perspective assumed. In tracing recent developments in the movement of the American nations toward an attitude of cooperation in solving problems relating to the welfare of the Western Hemisphere, a strictly objective viewpoint is attempted. It is realized however, that there are limitations on objectivity in any treatment of international relations. In the present case objectivity is conditioned somewhat by the fact that the writer is a citizen of the United States. A second limitation is imposed by the fact that a considerable portion of the material used in working out the study is derived from secondary sources. And finally, mention should be made of the fact that by far the majority of secondary sources reflect the attitude and interpretation of citizens of the United States.

An objective view of the solidarity movement is

attempted because it allows a greater freedom in evaluating the different phases of an international movement. This view is also taken because almost all of the significant articles written in United States newspapers, magazines, and in academic journals have had as their object the interpretation of various phases of the movement as those phases affect the interests of one country, the United States. We read an article on trade agreements showing how such agreements have increased United States trade with certain Latin American nations; we read a report on defensive measures adopted by an inter-American conference and it tells us the import of the measures as they influence United States defense policies; United States diplomats and statesmen bubble with fear quenching phraseology of "the good neighbor" to impress the new-born attitude of the "Colossus of the North" on smaller and less fortunate nations to the South. Since the average United States citizen is interested primarily in the welfare of the United States and only incidentally in the welfare of other nations, this attitude is perfectly natural. In 1941 with the twin foes of international amity, war and aggression, on the march, peoples of all independent nations are thinking in terms

of national well-being and security.

Instead of repeating this United States--other nations attitude, the present paper is an attempt to picture the recent development of solidarity in the Western Hemisphere. This concept imposes the obligation of showing a picture, not of the United States viewing Latin America and other foreign countries, but rather of showing a picture of recent cooperation between and among all the nations of the Western Hemisphere, cooperation having as its ends the same as those which any single nation might have, those of peace, security, and prosperity. And with some reservations as to motives, our story here is that of cooperating neighbor nations collaborating in the formulation of mutual policies, mutually determined, which serve to guide them in their relations with each other and with the rest of the world.

There are a few terms which, because of variation in common usage, might give rise to questions. The term, American, is used to refer to the Western Hemisphere and is, therefore, not synonymous with the United States. Anglicized forms of Latin American names and phrases are used whenever possible. In accord with a growing practice, the term "Latin American" is not

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hyphenated. All references are to works available in English, but a number of references can be found duplicated in Spanish. The material for the paper has been gleaned from current periodicals, newspapers, and journals as well as from available official sources. A number of well-known general reference works were utilized to supplement official sources in the preparation of the chapter showing the background of the solidarity movement. The bibliography at the end of the paper gives a comprehensive list of sources consulted.

It is hoped that this study of inter-American relations will be of some use to students of international affairs, and it is hoped that, by describing what appears to be the lone survivor among examples of international cooperation in the interest of peace, a little light will be cast on the path that leads to a world where cooperation and mutual effort will block off the avenues that lead to war.

CHAPTER I

THE BACKGROUND OF THE MOVEMENT TOWARDS SOLIDARITY

Back of the recent movement leading toward a Hemisphere policy of solidarity, there are a number of factors important enough to demand consideration. In the first place, we need to summarize the work of early inter-American conferences and indicate the nature of the situations which prompted their inauguration. Secondly, because of all-important influence on the recent development of solidarity, we must consider the attitude of the most populous of the American republics, the United States, toward the other nations. This is true not so much on account of the size of the United States in people, industry, and in wealth, but more because of certain very significant changes in the Latin American policies of the United States. These changes, we will find, have a direct bearing on the extent of solidarity, on the nature of the policy, and on the speed of the movement. Then, in the third place, we should note the influence of events in other parts of the world, especially in Europe. Since Western Hemispheric solidarity is a regional movement, it necessarily has been affected in its direction of development by events and policies in

and among other nations. By getting these factors in mind we will be in a better position to understand the study of more recent developments in inter-American relations.

Earlier steps in inter-American co-operation are usually referred to as the Pan-American movement. It is only recently that the term, Hemispheric Solidarity, has come into usage. J. Fred Rippy has aptly defined Pan-Americanism as "the movement designed to promote peace, security, trade relations, and general prosperity among the independent states of America."¹ Other terms which have been suggested include inter-American movement and American international movement. At least these various definitions are enough to point out that Pan-Americanism, properly using the term, refers to the development of mutual co-operation among the ~~states of the Western Hemisphere, and does not, therefore,~~ refer to hegemony of the United States over the rest of the continent.

The very earliest evidence of collaboration between and among American nations, strangely enough, had virtually nothing at all to do with the United States. This evidence is found in the early nineteenth century struggles of the people of Latin America to throw off the yoke of European rule. The story of the struggle of these peoples for

¹Encyclopedia of Social Sciences (New York: Macmillan Co., 1937), Volume XI, p. 538.

independence is as thrilling and dramatic as any fight for independence anywhere in history.

We have no room here for the details. It is enough to say that the various Latin American groups frequently united in common cause against the unwanted European overlords.¹ Many ideas were circulated in the United States and throughout Latin America favoring some form of organization during the latter stages of this struggle.

It is rather interesting to note that the first fruitful movement for a conference of representatives of American states came from Latin America and not from the United States. In 1824 Simon Bolivar, one of the prominent leaders in the fight of Latin America for independence, circulated a letter inviting Spanish American nations to send representatives to a meeting to be held at Panama. Great Britain and the United States were also invited to send delegates; the Netherlands seems to have had no formal invitation, but an unofficial representative was present at the conference. The presence of Great Britain at the conference might make the Panama meeting something less than a strictly American conference, but we know that while the British delegate was in attendance for the duration of the meeting, he did not take an official part in the

¹For a complete historical sketch of this struggle for independence see: F.A. Kirkpatrick, Latin America-A Brief History (New York: Macmillan Company, 1939).

deliberations. After long discussion the United States accepted their invitation, and, after considerable debate, dispatched two delegates. One died on the trip, and the other arrived after the meeting had disbanded.¹

The members attending the conference held ten sessions in July and August of 1826; chief conclusions reached included the idea of future formation of a Hispanic confederation, the idea of settlement of disputes by peaceful means, and a proposal for a mutual protective armed force. But with growing strength the Latin American nations did very little about their projected organization, and it was not until toward the end of the nineteenth century that Pan-Americanism again became an important public issue.

However, while interest in any large Pan-American movement was latent, several minor meetings of American states show that the spirit of co-operation was not at any time completely obliterated by the nationalistic policies of the various countries. Conferences for common defense among groups of American nations continued down until 1864.²

Conferences on private international law met at Lima, Peru,

¹The instructions given to the United States delegates would not have permitted joining the type of organization proposed at the conference. For a complete statement interested students should see: H. Clevon, Readings in Hispanic American History (Boston: Ginn and Company, 1927).

²Benjamin H. Williams, American Diplomacy (New York: McGraw-Hill Book Company, 1936), p. 94.

in 1877 and in Montevideo in 1888-1889.¹

The second major step in the development of inter-American consultations resulted from renewed interest on the part of the United States in Pan-American affairs. While Secretary of State in 1861 James G. Blaine, a long-time advocate of United States trade expansion, sent out a call for a conference of American states, but, because of the war then being waged between Chile and Peru, (War of the Pacific), the conference was postponed. In 1888 the Congress of the United States authorized the calling of a conference of all independent American nations to be held in Washington. President Cleveland issued the call for the conference, but by the time the delegates assembled, President Harrison came to the Presidency with Blaine as Secretary of State. By this peculiar political coincidence Blaine thus came back into office to play host to a conference he had planned several years before.

The United States took the lead in this conference seeking greater Latin American trade and peaceful settlement of disputes; but the significant point is not in the motives so much as in the fact that American nations were able to get together and work on problems common to all. This conference set the stage for others to follow; it established a permanent inter-American organization called,

¹Williams, op. cit., p. 95.

since 1910, the Pan-American Union; and it made some progress on means of settling disputes between and among American states by peaceful means.

The 1889-1890 conference inaugurated a long series of conferences; the Second International American Conference met in Mexico City in 1901, the Third held sessions at Rio de Janeiro in 1906. At this conference Elihu Root, well known for his magnificent services in behalf of international justice and peace, addressed the conference as representative of the United States. A Fourth conference convened in Buenos Aires in 1910, but the Fifth meeting did not take place until 1923 after World War I, and the rise of the League of Nations. At the latter conference, in addition to consideration of inter-American problems, certain changes were made in the organization of the Pan-American Union. Prior to this time the accredited representatives of Latin American states to the Government of the United States constituted the Governing Board of the Union and the United States Secretary of State had acted as "ex-officio" chairman of the Board. The Fifth conference voted to have the Board elect its own officers, and the representatives attending agreed that all Latin American states should be represented on the Governing Board regardless of whether or not the particular government of a state had an accredited representative in Washington. This change was the result

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of alleged domination of the Union by the United States.¹

At the Sixth Conference held in Havana, Cuba, in 1928, all the Latin American nations were represented. The United States delegation was so impressive as to almost arouse suspicion. It included, among others, Charles Evans Hughes, Dwight W. Morrow, James Brown Scott, and Ray Lyman Wilbur. On political questions little progress was made, but in other fields a number of important conventions were signed. The question of tariff revision proved especially thorny. At this time the United States was following a high tariff policy, a program heartily disliked by most Latin American nations. In spite of failure to agree on political questions, we can, in the 1928 Havana conference, see the beginnings of discussions vitally important to hemispheric solidarity. Conventions were approved on the rights and duties of neutrals, on regulation of air communication, and on private international law; recommendations were made for such projects as an inter-American highway, better communication service, and for an inter-American railroad. One point concerning the Havana conference of 1928 we reserve for inclusion in the discussion to which we now turn, that of the attitude of the United States and especially of policy changes

¹Report of the Delegates of the United States to the Fifth International Conference of American States, (Washington: Government Printing Office, 1924).

greatly influencing the recent development of hemispheric solidarity.¹

At the Sixth Conference in 1928, the Latin American states, long critical of the United States' policy of intervention, argued for adoption of a convention which would outlaw intervention by one state in the internal affairs of another; but with the marines chasing Sandino in Nicaragua, and with the Platt amendment holding Cuba in line, the United States was obliged to stand up for intervention to maintain order, protect United States investments, property, citizens, and to prevent bloodshed by violent revolution. Naturally enough, no agreement was reached and no convention was signed, but it was evident that the United States would have to burn some bridges before real solidarity might be brought within reach.

One needs only to borrow a few facts from the historian to illuminate the main sources of Latin American suspicion of United States motives in inter-American affairs. The recorded statements of men like Sumner, Seward, Cleveland, Olney, and Theodore Roosevelt as the leaders of an aggressive neighbor with seemingly limitless energies

¹For a brief discussion of these early inter-American conferences see: Graham H. Stuart, Latin America and the United States, (3rd. edition, New York: Century Company, 1938), pp. 16-40. For a documentary collection see: International Conferences of American States, ed. James Brown Scott, (New York: Oxford Union Press, 1931).

would be enough to scare any small state within easy reach. "Manifest destiny" was no joke below the Rio Grande.¹ Add to this United States activities characterized by such terms as "the big stick," "dollar diplomacy," and "Yankee imperialism;" then consider a few historical facts on United States activity in the Caribbean. The Spanish-American war brought mingled feelings of hope and fear in most Latin American countries, but subsequent United States intervention in Cuba and in Panama left no doubt in the minds of Latins everywhere; it was plain that the United States had its own fish to fry. At one time United States officials directed the financial policies of eleven out of the twenty Latin American countries, and in six of these bank officials were supported by the bayonets of United States armed forces.² After 1901 Cuba became a virtual protectorate; after 1903 Panama was in a similar position. The same was true of the Dominican Republic after 1905; United States marines occupied that small nation almost continuously from 1914 to 1924. Military forces of the United States have also been in Mexico, in Honduras, in

¹Arthur P. Whitaker, America To The South, (New York: Macmillan Company, 1939), p. 3.

²Albert K. Weinberg, Manifest Destiny, (Baltimore: Johns Hopkins Press, 1935).

Costa Rica, and in Nicaragua.¹ The United States has collected customs, hunted bandits, and chased revolutionists in several Caribbean countries. The United States, like Great Britain, is an old hand at economic penetration of other countries. Investments and loans have led to considerable difficulty with several Latin American nations.

In view of this picture, is it any wonder that many Latin American nations came to look on the United States, not as a friend and a neighbor, but as an aggressor and exploiter of small nations? Real solidarity could not develop while suspicion and fear existed concerning the motives of the most powerful American republic.

However, at various points along the way bright spots appear in the attitudes and actions of the United States and its representatives. As early as 1913 President Woodrow Wilson, in speaking of relations with Latin America, declared that:

The United States will never again seek an additional foot of territory by conquest. She will devote herself to showing that she knows how to make honorable and fruitful use of the territory she has, and she must regard it as one of the duties of friendship to see that from no quarter are material interests made superior to human and national opportunity.

¹J. Fred Rippy, Latin America in World Politics (New York: Alfred A. Knopf, 1928), pp. 243-247.

We must prove ourselves their friends, and champions upon terms of equality and honor¹

We have already mentioned the remarkable progress made by the inter-American conferences up to 1928. John Quincy Adams, Henry Clay, James G. Blaine, Elihu Root, Charles E. Hughes, and Woodrow Wilson all held and expressed idealistic views for the future of inter-American co-operation. But this does not mean that some of these men were completely altruistic in their motives. Most of them naturally thought of the United States as the guiding light of all the American republics. Unfortunately, it was not until the late nineteen twenties that United States actions began to foreshadow a truly new spirit. Between the election of 1928 in the United States and the time for the convening of the Seventh International Conference of American States at Montevideo in December, 1933, a number of statements, paralleled by actions, indicated an important change in United States policy.

In 1927 the work of Dwight W. Morrow in patching up the delicate Mexican situation helped to soften hard feelings engendered during the Wilson, Harding, and Coolidge administrations over the land problem. The tour of President-elect Herbert Hoover to South America in the fall of 1928 helped to set the stage for a change of policy on

¹President Wilson's State Papers and Addresses, Introduction and notes by Albert Shaw, (New York: Doran Company, 1917), pp. 35-36.

the part of the United States. The non-stop flight of Charles Lindbergh from Washington to Mexico City in December, 1927, aroused great public interest and seemed to promote restoration of good feeling between the two countries. In 1931 an uprising occurred in Panama, but the United States did not intervene to restore order. When little El Salvador failed to make payment on her bond indebtedness in 1932, the State Department of the United States did not follow the hitherto common practice of establishing a customs collection agent. With the sponsorship and approval of the State Department of the United States, J. Reuben Clark, under-secretary of state and Ambassador to Mexico at different times during the Hoover administration, brought out a lengthy memorandum on the Monroe Doctrine. This document amounted to a repudiation of the Theodore Roosevelt corollary and restated the Doctrine as a policy of the United States in regard to foreign nations outside the Western Hemisphere.¹

¹For the benefit of new students in the field, it should be pointed out that the Roosevelt corollary is a term describing an interpretation of the Monroe Doctrine by Theodore Roosevelt by which he held that, if the United States refuses to allow other powers to intervene in Latin America to collect debts, etc., then the United States must see that those nations meet their obligations. This amounted to a justification of intervention by the United States in the affairs of any Latin American nation having difficulty with a non-American nation. For application of the corollary see: Samuel Flagg Bemis, A Diplomatic History of the United States (New York: Henry Holt and Company, 1936), pp. 526-528.

Early in 1933 the last of the United States marines in Nicaragua were withdrawn and it appeared that those in Haiti would follow as soon as practicable.¹

In his inaugural address, March 4, 1933, Franklin D. Roosevelt sounded the keynote for the new policy. He was speaking to all the nations of the world when he said:

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

On April 12, 1933, in addressing the Special Session of the Governing Board of the Pan-American Union on the occasion of the celebration of "Pan-American Day," President Roosevelt was talking to the peoples of the Western Hemisphere when he said:

The essential qualities of the true Pan-Americanism must be the same as those which constitute a good neighbor, namely, mutual understanding, and, through such understanding, a sympathetic appreciation of the other's point of view. It is only in this manner that we can hope to build up a system of which confidence, friendship, and good-will are the cornerstones.³

With these words Franklin D. Roosevelt set the stage and the tempo for United States participation in the

¹John Mabry Mathews, American Foreign Relations, Conduct and Policies (New York: D. Appleton-Century Company, 1938), p. 140.

²The Public Papers and Addresses of Franklin D. Roosevelt, (New York: Random House, 1938), Vol. II, p. 14.

³Ibid., p. 130.

Montevideo conference. This Seventh Conference of American States convened December 3, 1933, in the shadow of the Chaco war between Bolivia and Paraguay. After succeeding in getting the two countries to agree to a truce for the duration of the meeting, the Conference went ahead and adopted proposals made by Argentina and by the United States looking toward peaceful settlement of the dispute. A number of conventions designed to strengthen inter-American peace machinery were adopted. The Chaco war offered grim evidence that in a practical way inter-American peace machinery was not by any means complete. True to expectation, the United States delegation led by congenial Cordell Hull reversed the former attitude of the United States and agreed to sign an anti-war pact, drawn up by Argentina, which definitely outlawed intervention either by diplomacy or by arms. Thus, the United States gave up the right of intervention, a right long upheld and often practiced, and by so doing removed a particularly vexatious thorn on the way to inter-American solidarity.

In summary, the Montevideo conference resulted in improvement of United States standing in the eyes of Latin American neighbors, inter-American peace machinery was integrated and strengthened, a brief truce was effected in the Chaco war with resolutions passed looking toward peaceful settlement, and steps were taken looking

toward improvement of trade.¹ Latin American delegations went home from Montevideo with a much improved attitude toward the United States and with warm feeling toward the Roosevelt administration.

Toward the end of 1933 President Roosevelt further expanded the change in attitude of the United States, when, in an address before the Woodrow Wilson Foundation on December 28, he pointed out:

. . . . The definite policy of the United States from now on is one opposed to armed intervention.

The maintenance of constitutional government in other Nations is not a sacred obligation devolving upon the United States alone. The maintenance of law and of the orderly processes of government in this hemisphere is the concern of each individual Nation within its own borders first of all. It is only if and when the failure of orderly processes affects the other Nations of the continent that it becomes their concern; and the point to stress is that in such an event it becomes the joint concern of a whole continent in which we are all neighbors.²

We should note in this statement by the President of the United States that it not only affirms the policy of non-intervention, but it also clears the way for possible continentalizing of the Monroe Doctrine. In 1934, in line with the policies stated above, the United States

¹Report of the Delegates of the United States of America to the Seventh International Conference of American States, (Washington, D.C.: Government Printing Office, 1934).

²Roosevelt Papers, op. cit., pp. 545-546.

withdrew the last marines from Latin American soil (except the canal zone) and the much criticized Platt amendment by which United States control over Cuba had been maintained since 1903 was abrogated. At about this same time, 1934, the Trade Agreements Act was made into law by the United States government, indicating that a change in United States tariff policy would open the way to improved trade relations between the United States and Latin American nations.

At the special peace conference held in Buenos Aires in 1936, a convention was signed which in effect did continentalize the Monroe Doctrine--even though no actual mention of the term was made. This conference, called through the initiative of President Franklin D. Roosevelt, had for its purpose the strengthening of inter-American machinery designed to maintain peace in the Western Hemisphere, but in the background the United States appeared to be working for a unified America with policies designed to meet the possible development of war abroad. Without intending to discolor the altruistic motives of Roosevelt and Hull, it ought to be said that the United States was at this time becoming increasingly aware of totalitarian inroads in Latin America both in the field of trade and in political ideology.

Solidarity was much talked about at Buenos Aires, but the conventions signed reveal the successful opposition

of Argentina and the League of Nations bloc to the far-reaching proposals of the United States. Provision was made, however, for mutual consultation among the American republics in case of threat to the peace of the hemisphere from within or without; progress was made in coordination of peace treaties and in the development of cultural understanding. The pleasant, unassuming manner of Hull, combined with the "good neighbor" personality of Franklin Roosevelt, did much to reassure Latin American nations that the United States had really turned a page in policy.¹ One of the cornerstones on solidarity, complete legal equality of states, had been achieved. Another cornerstone, the agreement for mutual consultation, set the stage for the Lima Conference--the Eighth regular International American Conference.

When the Lima meeting opened in December, 1938, events abroad had so developed that the cloud of war filtered into the thinking of all free and independent peoples. Totalitarian propoganda was being disseminated throughout Latin America. And not a few Latin American nations, who had succumbed to the economic bargaining of the European dictators, found their economic and

¹For a scholarly discussion of the accomplishments of the Buenos Aires Conference (1936) see: Charles G. Fenwick, "The Inter-American Conference for the Maintenance of Peace," American Journal of International Law, (April, 1937), pp. 201-225.

financial liberty in serious danger of impairment. To raw material exporting Latin America, the prospect of war in Europe meant the prospect of finding mounting surpluses and demoralized trade. Latin American members of the League of Nations faced the prospect of finding new connections to meet the growing menace of totalitarian aggression. The United States, seeing democracy on the defensive in Europe, was naturally anxious to line up the Western Hemisphere on the side of democracy.

Where to turn? What to do? Build an American league, work for solidarity, hope for the best, or look to the United States for leadership? With such mingled emotions of hope, fear, and quandary the delegates of twenty-one American states convened at Lima.

Almost at once a friendly attitude toward the United States was apparent. This was especially true of those nations closest geographically to the United States. Undoubtedly part of the success of the Lima Conference in agreeing on a common program represented fruit of the "good neighbor" policy of the United States, as well as the realization by most of the Latin American that the situation abroad demanded a definite co-ordinated program of action. We have room here for only a brief summary of accomplishments at Lima.

Among the pronouncements of the Lima conference, the following are significant. First, solidarity as an idea and as a policy is reaffirmed. A slightly new interpretation is given with the implication that solidarity means opposition to any action threatening the basic principles held by American republics. Second, these basic principles, peace, equality, respect for law, independence, co-operation, and non-intervention are reaffirmed. Third, common action on political, economic, and cultural problems is strengthened through the policy of consultation. Creation of adequate machinery to meet particular situations was not accomplished, and finally, in the fourth place, without specific declaration the original idea of the Monroe Doctrine was taken over as a joint responsibility of all the American republics.

The actual constituency of the idea of solidarity at this stage of development is revealed in the introduction to the Declaration of Lima:

. . . . the respect for the personality, sovereignty, and independence of each American State constitutes the essence of international order sustained by continental solidarity. . . .¹

Latin American interpretation of solidarity at this point of development is found in La Nacion, an Argentine

¹ Eighth International Conference of American States, Final Act (New York: Carnegie Foundation, April, 1939), p. 242.

daily paper:

American solidarity is not a threat to the men of good will who may want to come into our midst, with the permission of each State; it is only a rational means of collective defense intended to protect against any possibility of conquest by war, what has cost us so much to create. . . .¹

In spite of reported activity by totalitarian propaganda agents² the Lima conference produced a clear statement of unified American purpose. The idealism of the Declaration of Lima is truly Wilsonian. And insofar as words are concerned, the Lima conference was a success by any standard, but behind the smoke-screen of phraseology and diplomatic verbiage, certain serious problems remained unsolved. Thinly veiled dictatorships existed in a number of American states, and a feeling of nationalism combined with economic factors left unsolved the trade problems of the Western Hemisphere. Theoretically, peace machinery for the Western Hemisphere seemed complete with the co-ordination work of the Lima conference, but actually a study of the various treaties and conventions designed to offer peaceful settlement of disputes between American nations shows that reservations to particular agreements are numerous, and that large numbers of states have failed

¹Quoted by Ricardo J. Alfaro, "Democracy and the Americas," in The Annals (Philadelphia: American Academy of Political and Social Science, July, 1939), Volume 204.

²Reported in The New York Times.

to ratify one or more of the instruments.

At the close of the Lima conference the totalitarian nations were doing a rushing business in commodities and propaganda in many of the Latin American nations; and the larger raw material exporting countries seemed disinclined to take any step which would "queer" their trade relations with Europe. But many of the totalitarian moves in Europe were not meeting with favor in Latin American eyes. The increase of racial persecutions, the disappearance of human rights, and the spread of a philosophy which refused to recognize the sanctity of treaties started a reaction to earlier admiration of the European dictatorships by many of the Latin American states.

With this note of mixed encouragement and caution the background of our study of solidarity is finished. It remains for us to see how these problems work out in view of recent developments.

CHAPTER II

POLITICAL SOLIDARITY

It has already been pointed out how the idea of hemispheric solidarity took shape at Montevideo in 1933, in Buenos Aires in 1936, in Lima in 1938, and in other earlier inter-American consultations. Now it is our purpose to describe recent trends in the solidarity movement with particular emphasis in this chapter on political factors. To avoid what might otherwise be termed a disagreeable euphemism, it is necessary to consider inter-American political questions from two positions. Beneath inter-American relations there exists a basic dualism.

The American republics have worked, all through the history of inter-American relations, toward a policy and a program which would cope with political questions concerning the various American nations one with another, and secondly, American nations have collaborated in working out mutual policies and programs which would guide them in their relations with non-American nations. This latter aspect has been particularly influential in developing American solidarity.

The American family of nations, like any ordinary family, has a long history of internal squabbles and

bickerings; but also like any ordinary family, the American family of nations has developed the idea of getting together and sticking together when menaced by conditions existing among non-American neighbors. It is this latter aspect of American solidarity with which we shall deal first.

With the outbreak of war in Europe in September, 1939, the American nations were not caught napping. The probability, or perhaps one should say the possibility, of war in Europe was anticipated at Buenos Aires and at Lima by provision for mutual consultation to meet any threat to the peace, ideals, independence, and security of all states in the Western Hemisphere.

A synthesis of the feeling of solidarity at the end of 1935 is revealed in the Declaration of Lima:

The peoples of America have achieved spiritual unity through the similarity of their republican institutions, their unshakable will for peace, their profound sentiment of humanity and tolerance, and through their absolute adherence to the principles of international law, of the equal sovereignty of States and of individual liberty without religious or racial prejudices.¹

To meet the problems created by the new war the American republics immediately called into use the program of consultation. Acting on the invitation of the

¹Lima Conference, "Final Act," International Conciliation, (April, 1939), p. 242.

Government of Panama the twenty-one republics arranged for their foreign ministers to meet at Panama. Deliberations lasted from September 23, to October 3, 1939. The problems to be met revolved around three definite issues. In the first place, there was the question, how could the European war be kept away from American shores; secondly, what common principles should guide the American nations in defining their status as neutrals; and finally, how could the economic problems growing out of the war be solved. All of these issues, it is easy to observe, related to the world emergency created by the outbreak of war.

At Panama a number of significant steps were taken to meet the issues listed above. Individual problems appear to have been largely submerged in an effort to reach a set of common policies and to provide suitable machinery to carry those policies into operation. The introduction to the text of the final act gives a vivid expression of united interest.

The Foreign Ministers of the American Republics resolve that: "In view of the present circumstances, . . . it is more desirable and necessary than ever to establish a close and sincere cooperation between American Republics. . . ."¹

¹Panama Conference, "Text of Final Act," International Conciliation, (January 1940) Number 356, p. 15.

In an attempt to meet the economic problems growing out of the war a committee composed of one representative from each American Republic was constituted to meet not later than November 15, 1939, in Washington D.C. (For details see the chapter on economic solidarity.)

To provide a common political front for maintaining peace the Ministers reaffirmed the principle of solidarity by declaring that the American nations stand "firmly united by the democratic spirit which is the basis of their institutions" and that they were determined to:

" . . . endeavor with all the appropriate spiritual and material means at their disposal to maintain and strengthen peace and harmony among the Republics of America."¹

In order to keep the war itself as far away from American shores as possible, a maritime security zone was set up in the Declaration of Panama. This zone, described in specific latitude and longitude in the Convention, stretches from Passamaquoddy Bay south around the southern end of the Hemisphere and north to the Strait of Juan de Fuca. Waters adjacent to Caribbean possessions of non-American nations were excluded. The average depth, about 300 miles, varies so as to include all the normal maritime routes of communication and trade between

¹Panama Conference, "Joint Declaration of Continental Solidarity," op. cit., p. 17.

American ports. All twenty-one nations agreed to seek acceptance of the zone by the belligerent nations, Great Britain, France, and Germany. Specifically, the belligerents were to be asked to keep their war out of waters adjacent to the Western Hemisphere. The reasoning of the Ministers in working out justification for creation of such a zone is interesting:

As a measure of continental self-protection, the American Republics, so long as they maintain their neutrality, are as of inherent right¹ entitled to have those waters adjacent to the American continent, which they regard as of primary concern and direct utility in their relations, free from the commission of a hostile act by a non-American belligerent nation. . . .²

A note drawn up by Brazil was included in the Declaration advancing the theory of "continental waters" and declaring the zone a complement of the Monroe Doctrine.³ Argentina and Guatemala qualified their adherence by declaring that they did not recognize existence of European colonies in waters adjacent to their respective countries.⁴

¹Underline my own.

²Panama Conference, "Final Act," International Conciliation, (January 1940), Number 356, p. 27-28.

³Ibid., p. 28.

⁴These reservations referred to islands occupied by Great Britain but to which Argentina and Guatemala have never surrendered their claims.

Provision was also made for consultation on any specific situation which might arise in connection with the zone. To carry out the Declaration, provision was made for individual and collective patrol of the zone, presumably to protect American shipping. The President of Panama was delegated to transmit the Declaration to the Governments of the belligerent nations.

For the purpose of reaching a common policy and for the purpose of creating machinery to handle the problems of neutral nations in time of war, the Ministers assembled at Panama agreed on a general declaration of neutrality. General standards were agreed upon to define the American interpretation of the rights and duties of neutrals; an inter-American Commission, composed of seven experts on international law, was provided to act for the duration of the war. Members of the Commission were to be designated by the Governing Board of the Pan American Union not later than November 1, 1939.

Finally, the Ministers meeting at Panama, anticipating a problem which was not to have a thorough airing until the Havana conference in July of 1940, provided for consultation in case any European possession in the Western Hemisphere should be obliged to change its sovereignty, and by so doing create a potential threat to the security of the Hemisphere.¹

¹ Panama Conference, op. cit., p. 32.

From this survey of the policies and provisions agreed upon at Panama in September, 1939, it is clear that the American nations made progress toward the establishment of a common international outlook. The provisions for dealing with neutrality and economic problems provided machinery to meet situations growing out of the war. Both the Neutrality and Economic Committees were functioning by the time specified in the conventions creating them. In actual operation the "security zone" appears to have accomplished little more than to give expression to the desire of the American nations to keep the war away from the Western Hemisphere. After a number of minor violations of the zone, the "Graf von Spee" naval engagement with British war ships off the coast of Uruguay (December, 1939) resulted in a united protest by the American republics. Augusto S. Boyd, acting President of Panama, transmitted the joint protest to France, Germany and Great Britain in which it was pointed out that:

The American nations resolve to lodge a protest with the belligerent countries and to initiate the necessary consultation in order to strengthen the adoption of adequate rules, among them those which would prevent belligerent vessels from supplying themselves and repairing damages in American ports, when said vessels have committed warlike acts within the zone of security established in the Declaration of Panama.¹

¹Bulletin of the Pan American Union, (May, 1940)p.403.

In replying to the American republics, through the government of Panama, Great Britain and Germany both recognized the sincere desire of the nations of the Western Hemisphere to keep out of the war. In effect, the belligerents politely informed the American nations that in order to prosecute their war aims, it was essential that they utilize their full rights as belligerents, and that, since the "security zone" would not allow such enjoyment, it would be impossible to agree to respect the zone. Both Great Britain and Germany pointed out, to soften their rejection of the Zone, that acceptance would allow the adversary to gain intolerable advantages. Great Britain, for example, pointed out that German ships could use such a zone as a sanctuary for escape or as a haven from which German warships might prey on British commerce. Britain argued, further, that in no case could German merchant shipping be allowed to operate in inter-American trade and thus earn foreign exchange with which to purchase needed war supplies.¹ The belligerents thus declined to accept the Declaration of Panama. On March 16, 1940, after Brazil had reported the scuttling of the German freighter, the "Waukena", fifteen miles off the Brazilian coast as a result of British warship activities, the President of Panama, representing the American nations, dispatched a mild note of

¹Op. cit. P. 403-404.

protest to Great Britain. Following inter-American correspondence, it was agreed in March, 1940, that the Inter-American neutrality committee would be charged with the handling of questions relating to the "zone". Since that time there has been no serious effort to force acquiescence by the belligerents. Tacit abandonment of the "zone" reflects the failure of the belligerents to accept the "zone," and it also reflects the realization by most American nations that attempted enforcement might result in bringing the war closer to the Hemisphere. One writer has argued that the "zone" was abandoned when it became apparent that any attempt at enforcement would result in handicapping the British.¹

Any way one looks at the "security" zone, it is difficult to see how the American nations could have expected to gain its acceptance. It has no precedent in international law and probably could not be enforced by the combined naval forces of the American nations. Furthermore, any attempt to effect enforcement would only be asking for trouble; and that was what the Declaration of Panama sought to avoid.

In closing discussion of the Panama conference, it is interesting to note that, while the security zone failed of acceptance, it did provide a vehicle through which the American nations could serve notice of their mutual desire to

¹J. I. B. McCulloch, "Latin American and the Hemisphere Front," Yale Review, (Winter, 1940), p. 293.

keep the war away from the Western Hemisphere. As an "insulator" the Declaration of Panama was a failure, but as an outlet for expression of American policy, it can be considered a success.

At the close of the Panama Conference the American nations were well satisfied with the products of their labor. The meeting had demonstrated the efficiency of the machinery set up at Buenos Aires and at Lima, and politically the American nations had reached unanimity in their outlook on the convulsing world. On paper American solidarity appeared foolproof. Sumner Welles' comment at the close of the conference reveals the feeling with which the United States delegation went home:

The meeting in Panama... was notable above all else because it demonstrated in a moment of grave world emergency the genuine and strong understanding and solidarity which exist between the American republics. It revealed how closely we have come together in policy and in purpose.¹

Similar sentiments echoed from the other end of the Hemisphere. In May, 1940, President Ortiz, opening the Argentine Congress, pointed out that:

We are neutral, but that does not mean an indifference to what is going on. Our policy is directed by the ideals proclaimed at Panama affirming the unity and fraternity of the Americas in the face of events which are agitating Europe.²

¹Sumner Welles, "Report on the Panama Conference" International Conciliation, (January, 1940, Number 356).

²Reported by John W. White, New York Times, (Sept. 15, 1940), E. p. 5. column 3.

But before the Panama meeting had been long disbanded, it became apparent that the European conflict would have greater influence in the Western Hemisphere than had been anticipated. With the speed and cunning of a tarantula, Adolf Hitler's war machine choked the independence of one after another of the small nations separating Germany from Great Britain. Even once mighty France succumbed in less than a month. Great Britain replied by launching a strenuous naval campaign to shut off totalitarian trade and commerce, and at the same time, she shifted her own purchasing in the Western Hemisphere from feedstuffs and raw materials to war machines and finished munitions. Along with economic problems, which are reserved for another section, there arose, with the subjugation of Denmark and France, and with the possibility of the fall of Britain herself, the vitally important question of European possessions in the Western Hemisphere. Then, also, in many American nations totalitarian propaganda agents intensified their activities.¹ The importance of activities inimical to the ideals, security, and the peace of the Western Hemisphere apparently had been underestimated at Panama. The growing significance of these problems prompted the American nations to convene a Second

¹Based on reports in The New York Times and on reports of the Dies Committee.

meeting of Foreign Ministers at Havana, Cuba, in July, of 1940. During the weeks just preceeding the Havana Conference there is abundant evidence to show that American "solidarity" was not as "solid" as had been indicated at Panama. The economic dilemma of Latin-American nations was becoming so severe that anti-democracy propaganda appeared to be making rapid gains. Just before the opening of the Havana conference, the New York Times reported Nazi propaganda activities in Argentina, Chile, Brazil, and Ecuador designed to wreck, or at least weaken, the Havana meeting. From Argentina came word that, according to Foreign Minister Jose Maria Cantilo, the Argentine delegation would oppose any plan for military alliance or for creation of a system of mandates for "orphan" European colonies.¹ Argentina and several other Latin-American countries appeared to be hesitant about supporting any economic scheme which might alienate favorable post-war trade possibilities with Europe. From Berlin, Field Marshal Hermann Goering's newspaper, the Essener National Zeitung warned South American nations against allowing the United States to impose a monopoly over their exports and by so doing to jeopardize their post-war trade.²

¹New York Times, (July 19, 1940), p. 7.

²New York Times, (July 12, 1940), p. 6.

As the time for the Conference approached, the United States appeared to be doing its utmost to quiet Latin-American fears, and at the same time to lay foundations for strengthening solidarity on all fronts. President Roosevelt urged Congress to increase the capital of the R.F.C. owned Export-Import bank by \$500,000,000 in order that credits might be extended hard-pressed Latin American nations to aid in orderly marketing of surplus commodities.

In spite of all rumor and in spite of all attempts to frustrate the solidarity movement, the Havana Conference opened on schedule July 21, 1940, with delegations present from all twenty-one American republics. According to news reports, there appears to have been some last minute scurry¹ing around by agents of totalitarian countries as well as some quiet organizing by the United States and other delegations anxious to put through a far reaching program. As had been the case with the Panama conference, the Governing Board of the Pan American Union had already formulated regulations and an agenda for the meeting.

Following preliminary organization and formulation of committees to work on definite phases of the agenda, ¹ the

¹ According to the Regulations, committees were constituted to study credentials, coordination, neutrality, preservation of peace in the Western Hemisphere, and economic cooperation. Following the practice of electing the Foreign Minister of the host State as President of the meeting, Dr. Miguel Cárdenas of Cuba was named President.

Havana Conference settled down to work. In the first major address of the conference, Cordell Hull of the United States, with his usual alacrity, proceeded to lay on the table a definite and tangible program calling for close economic cooperation based on free trade, for suppression of activities designed to undermine American ideals and institutions, and for joint action on the question of European possessions in the Western Hemisphere. Hull spoke out sharply against activities on the part of interests trying to keep the American nations from working out in a cooperative manner their common problems.¹ Dr. Leopoldo Melo, the head of the Argentine delegation, followed Cordell Hull to the platform; he expressed warm sentiments for solidarity and cooperation but pointed out that it would not be wise to rush into untried experiments or attempt premature solution of problems that might never arise and whose nature was completely unpredictable.²

An examination of the Final Act signed by the Ministers of the American republics at the close of the Havana deliberations (July 21-July 30, 1940) reveals that the United States was successful in gaining adoption of its program

¹Cordell Hull, Address at Havana, Cuba, July 22, 1940, International Conciliation (September, 1940), no. 362 pp. 263-272.

²New York Times, (July 23, 1940), Section 1, p. 1, col. 8.

with several minor modifications. This does not mean that the United States forced through its own program, but rather it gives point to the fact that the projects favored by the United States delegation provided a middle way program. Several of the smaller nations, like Paraguay, favored a Military accord to implement political solidarity.¹ Argentina, on the other hand, was reluctant to go beyond statement of political solidarity. The chief crisis of the whole conference arose over the status and proposed treatment of European possessions in the Western Hemisphere. And it appeared for several days that no satisfactory compromise could be reached. The knotty problem was that of formulating a satisfactory characterization of authority over any colony which might be taken over by the American republics. "Joint trusteeship", "tutelage", and "mandate" were all argued without reaching a compromise. Finally, the chief delegate of Uruguay, Pedro Rios, suggested that the term "administration" be used in place of those which had proved unacceptable, particularly to D. Melo of Argentina. So, on the turn of a word, accord was reached.

On emerging from the stormy but fruitful session Dr. Melo smilingly announced that agreement had been reached after "we all made concessions".²

¹ New York Times, (July 28, 1940), p. 16, column 1.

² New York Times, (July 28, 1940), p. 13, Sec. 1, col. 4-5 .

The major statement of this provision is worth quoting:

3. The doctrine of inter-American solidarity agreed upon at the meetings at Lima and at Panama requires the adoption of a policy of vigilance and defense so that systems or regimes in conflict with their institutions shall not upset the peaceful life of the American Republics, the normal functioning of their institutions, or the rule of law and order....

4. The course of military events in Europe and the changes resulting from them may create the grave danger that European territorial possessions in America may be converted into strategic centers of aggression against nations of the American Continent;

In view of these conditions the Ministers declare:

That when islands or regions in the Americas now under the possession of non-American nations are in danger of becoming the subject of barter of territory or change of sovereignty, the American nations, taking into account the imperative need of the said islands or regions may set up a regime of provisional administration under the following conditions.

(a) That as soon as the reasons requiring this measure shall cease to exist, and in the event that it would not be prejudicial to the safety of the American Republics, such territories shall, in accordance with the principle reaffirmed by this declaration that peoples of this continent have the right freely to determine their own destinies, be organized as autonomous States if it shall appear that they are able to constitute and maintain themselves in such condition, or be restored to their previous status, whichever of these alternatives shall appear the more practicable and just;

(b) That the regions to which this declaration refers shall be placed temporarily under the provisional administration of the American Republics and this administration shall be exercised with the twofold purpose of contributing to the security and defense of the Continent, and to the economic, political, and social progress of such regions.

Provision was also made for an emergency committee

to carry out the provisions of the conventions; and to give added strength it was agreed that:

Should the need for emergency action be so urgent that action by the committee cannot be awaited, any of the American Republics, individually or jointly with others shall have the right to act in the manner which its own defense or that of the continent requires.¹

This last provision is important because it allows for individual as well as collective action and thus goes far beyond mere declaration of policy. Presumably, any American nation could use armed force, if necessary, to fulfill the provisions of the agreement. In plain language, the whole agreement for provisional administration was designed to prevent any American territory from falling into the hands of a totalitarian aggressor. Conceivably, the way would be opened for all European possessions on the American continent to become independent under the tutelage of an inter-American administrative organization.

The Havana plenipotentiaries specifically agreed that no transfer or attempted transfer of a European possession in the Western Hemisphere would be recognized or accepted by the American Republics regardless of the method employed to attain such purposes. It is further stated that by virtue of a principle of American international law, recognized by various conferences, the acquisition of terri-

¹ Havana Conference 1940, "Final Act," International Conciliation, Number 362.

tory by force cannot be permitted.

Other important agreements were reached at Havana. The activities and functions of both the Neutrality Committee and the Financial and Economic Committee were enlarged and redirected to meet American problems growing out of the war, as well as to strengthen peace and economic welfare among American nations. Specific provision was made to deal with activities directed from abroad against American ideals and institutions, democracy being assumed as the basis of American political life. To assure adequate cooperation for protection it is provided that:

....each one of the Governments of the American Republics shall adopt within its territory all necessary measures in accordance with its constitutional powers to prevent and suppress any activities directed, assisted, or abetted by foreign governments or foreign groups or individuals, which tend to subvert the domestic institutions, or to foment disorder in their internal political life, or to modify by pressure, propaganda, threats, or in any other manner, the free and sovereign right of their peoples to be governed by their existing democratic systems.

In the event that the peace of any of the American Republics is menaced by such activities, the respective Governments agree ~~that they will~~ immediately consult together, taking into account the provisions of this resolution and the special circumstances which may affect the peace or the tranquillity of the American Republics.

To further implement these objectives it was agreed that each state should undertake removal of any internal

obstacles which might jeopardize the ideal of solidarity or in any way obstruct the fullest political and economic cooperation.

Three provisions were made relating to the activities of belligerent powers near American shores. One provided that the Inter-American neutrality committee should be urged to draw up a preliminary convention dealing with the juridical effects of the maritime "security zone" and to consider means of gaining acceptance of the zone by the belligerent nations. Another provision condemned hostilities within territorial waters (three miles) as contrary to rights of sovereignty and international law. A third provision consisted of a mild attempt to sustain the "security zone" by pointing out that hostilities within the zone are prejudicial to the votes and joint resolutions of the American Republics for the preservation of peace in the Western Hemisphere.

To assure assistance and cooperation for defense in case of aggression it was agreed that any attempt against the integrity of the territory, the sovereignty, or the political independence of any single American state would be considered as an act of aggression against all twenty-one American Republics. Provision was also made whereby each state should do all in its power to prevent diplomatic

and consular officials from contravening their official capacities in such a way as to endanger the security, peace, and the democratic tradition of the Americas.

Summing up the work of the Havana Conference, it is clear that progress was made in placing solidarity on a more firm basis. The Ministers worked out a program calling for specific action; solidarity had passed beyond being just a static policy, it had become a dynamic force through which the American nations might act in a war torn world. In spite of loopholes which will become apparent as we proceed, the end of the Havana Conference in July, 1940, found the Western Hemisphere the brightest spot in the world for those who believe in peace and in international relations based on law, morality, equality, and order.

Now to complete the study of political solidarity it is desirable to consider relationships of the American nations one with another. We have already seen how inter-American conferences function, and we have seen how special meetings of the American Foreign Ministers, like those at Panama and at Havana operate; it remains to get a glimpse of the few political activities of the permanent organ of inter-American relationships, the Pan American Union.

Located in a spacious building provided by Andrew Carnegie,

the Union, with a staff of over sixty persons,¹ acts as the permanent organ of International American Conferences. According to a provision of the Sixth Conference of American States, the Union was not to engage in any political activities, but, strictly speaking, the Union does have certain functions of a political nature. For example, programs of all inter-American Conferences are prepared in advance by the Governing Board of the Union.

The Union is charged, in accordance with decisions of several inter-American Conferences, with the collection and organization of information on commercial, industrial, agricultural, and educational activities in and among American States. The Union, in drawing up agendas for both regular and special conferences, formulates preliminary drafts of conventions and provides research materials for the use of the delegates. Ratifications of agreements made at conferences are usually deposited with the Union. Complete information on the status of inter-American treaties is maintained.²

Recent conferences have given the Union important roles

¹Warren H. Kelchner, "The Development of the Pan American Union," Bulletin of the Pan American Union, Volume LXIV (April 1930), p. 344.

²William Manger, "The Pan American Union as the permanent Organ of the International American Conferences," Bulletin of the Pan American Union, Vol. LXVI (April, 1932), p. 261.

in carrying out provisions for calling special meetings and for determining the attitudes of the various American States on particular questions. For example, Article 17 of the Act of Havana (1940) provides that any American Government desiring to initiate consultation shall address the Governing Board of the Pan American Union, indicating the questions in mind and suggesting the approximate date of convocation.¹

In article 3 of the same Act it is provided that:

The Governing Board of the Pan American Union shall convoke the States which are members of the Union to an international conference at such place and date as it may determine to draft the international conventions and recommendations which it deems necessary to assure through the action of the proper authorities in each State, and through the coordination of such action with that of other States in the Continent, the most complete and effective defense against acts of an unlawful character, as well as against any other unlawful activities which may effect the institutions of American States.²

It appears that Dr. L. S. Rowe, the present Director, and his assistants, all operating under the supervision of the Governing Board, are coming to play an increasingly important part in making inter-American consultation machinery function effectively.

Looking now at internal inter-American politics, it appears that there are weak places sufficiently severe to

¹ Havana Conference, Final Act, op. cit.

² Ibid.

tone down the triumphant note of the 1940 Havana Conference.

In the first place, in spite of repeated attempts at coordination, inter-American peace machinery is somewhat inadequate in practice. A vital weakness is the failure of large numbers of nations to ratify one or more of the numerous treaties and conventions. Since 1923 at least nine separate agreements have been drawn up at inter-American Conferences, but before a nation is bound up by the provisions of any one agreement, it must be ratified by the proper authority in that state--usually by the Legislature. A large number of ratifications have been qualified by the addition of reservation. Such reservations usually exclude specific local questions and therefore have the effect of weakening the application of the treaty to that nation.

The following table shows the status of the more important agreements as of 1940.¹ (see next page).

In as much as the whole idea of hemispheric solidarity is based on mutual cooperation by twenty-one sovereign and legally equal states, there seems to be little prospect of gaining adherence to existing peace machinery. It can only be hoped that individual nations will see their way clear to cooperate in maintaining peace within the Hemisphere. Future conferences will find an important place on the agenda

¹Compiled from statistics gathered by the Pan American Union, Bulletin of the Pan American Union, (March, 1940), pp.168-172.

TABLE I

Status of Inter-American Peace Machinery-1940

Treaty	Provisions	Number of Ratifications	Ratifications with Reservations
Gondra Treaty of 1923	Provides for inquiry by commissions-report to be made within 1 yr. after voluntary submission. Parties agree not to mobilize for 6 months after report is made.	16	
General Convention of Inter-American Conciliation	Adds conciliation to inquiry or submission by parties. 1929	18	
Inter-American Arbitration Treaty 1929	Binds parties to arbitrate all disputes of a juridical nature except domestic questions and when one state is not a party to agreement.	16	
Argentine (Lammas) Anti-War Treaty of 1933	Condemnation of wars of aggression, settlement of disputes by pacific means, and nonrecognition of any territorial arrangement not made through pacific means.	9	8
Buenos Aires Peace Conference 1936	Non-intervention protocol	15	1
Buenos Aires 1936	Good offices and mediation	14	1
Buenos Aires 1936	Fulfillment of existing treaties	10	4

for consideration of measures designed to perfect inter-American peace machinery.

At the time of writing the American continent (excepting Canada) is the most peaceful part of the world. But there are rumblings of political upheaval in several parts of the Hemisphere. In South America there exist a number of unsettled boundary disputes. At present the areas involved are not considered by the nations concerned as worth fighting over, but discovery of valuable resources or a turn of politics could very easily fan these smouldering embers into bitter conflagrations. Because of strong nationalistic feeling, disputes between American states are known to be long, drawn out struggles with resultant heavy loss of life and property. For example, the War of the Pacific (involving Chile, Bolivia, and Peru) broke out with declaration of war by Chile on Bolivia and Peru in 1779 and then dragged on, despite repeated attempts at mediation, until 1883. Some questions remained unsettled until 1929.¹ Guano, silver and nitrates, supported by United States diplomatic bungling, all played a part in the long controversy.

Inadequacy of inter-American peace machinery is illustrated by the Chaco dispute between Bolivia and Paraguay. This controversy broke out with border clashes in 1928 while

¹ Graham Stuart, "The Tacna-Arica Dispute, World Peace Foundation Pamphlets, Volume X, Number I (1927)".

the International Conference of American States on Conciliation and Arbitration was at work in Washington. In this boundary dispute, after special "ad hoc" machinery put in operation by the Conference at Washington and the efforts of the League of Nations failed to gain permanent settlement, a special joint mediation move by several American nations finally succeeded in stopping hostilities on June 14, 1935. Diplomatic relations between the two countries were resumed in 1936 leaving exact definition of a boundary up to a commission. In this dispute, as in the Leticia controversy between Peru and Columbia, efforts at settlement failed partly because one or more of the nations was not a party to arbitration machinery and partly because of reluctance of the states involved to submit to settlement by other parties.

There are other weak places in political solidarity. Both Bolivia and Mexico have expropriated large holdings of foreign owned oil property in the course of internal political changes. In Bolivia \$17,000,000 in investment by the Standard Oil Company was declared forfeited in 1937. In line with the "good Neighbor" policy, the Roosevelt Administration has not pushed Bolivia for reconsideration or for payment for the confiscated property. Mexico expropriated oil property of United States concerns in 1938, but after the recent election of Manuel Comacho to the Presidency in Mexico, satisfactory settlement appears more

likely. Camacho does not display the extremes of Cardenas in carrying out revolutionary social and economic changes.¹
~~In Cuba there appear signs of extreme political unrest.~~

Early in February, 1941, only the quick action of President Fulgencio Batista prevented a "coup" by members of the army.²

No picture of political solidarity would be complete without consideration of the position of Canada. Canada has never attended a major inter-American Union, nor has she ever attended a major inter-American Conference. This is probably explained by Canada's membership in the British Commonwealth of Nations. As a member of the Commonwealth, Canada has, in the past, seen fit to cast her lot with Great Britain. When George VI declared war on Germany September 3, 1939, Canada deliberated for only a week; then of her own volition she followed the Mother country into the war. Presumably, there was nothing which would have prevented Canada from remaining at peace with Germany, if she had thought her best interests would be served by following that course. While the war lasts, the possibility of Canada becoming a participant in inter-American deliber-

¹Paul Berry, "New Outlook Across the Rio Grande", Living Age (January 1941) pp. 430-454.

²Morning Oregonian, (February 4, 1941).

ations is a dear issue, but after the war, Canada will again make a choice. Some writers believe that Canada will continue to associate herself, politically as well as economically, with Europe.¹ Others feel that Canada will gravitate into the American orbit and will thus divorce herself from the British Commonwealth.² Probably the outcome of the present war will be the deciding factor. If the strength of Great Britain is broken by defeat at the hands of Germany, it is entirely possible that Canada will seek a place among the American republics. On the other hand, if Britain wins out in the present conflict, Canada will probably find it advisable to continue as a member of the Commonwealth. One thing is certain, any move made by Canada is of concern to the other twenty-two American nations; and, conversely, any move by the American republics is of concern to Canada.

Canadians are Americans in spite of apron-string attachment to Britain and the Commonwealth. There is evidence to show that the American nations have long expected to receive Canada as a full-fledged member. A special niche with Canada's coat of arms was built into the Pan American Union building in Washington; there is a Canadian panel in

¹R. A. MacKay, "Canada Goes Abroad", Yale Review, (Autumn, 1940), pp. 121-123.

²Horace D. Crawford, "Should Canada Join Pan America", North American Review, (Winter, 1940), pp. 219-234."

bronze frieze of the room provided for the Governing Board of the Union.¹ At Montivedeo in 1933 Chile introduced the question of possible Canadian membership, but no nation appeared willing to take the initiative. The instructions of the United States Delegation to the Sixth Inter-American conference at Havana in 1928 approved support for Canadian membership, but the primacy of other issues resulted in the failure of the United States delegation to introduce the subject into the conference. Canada has never officially sought membership in the inter-American organization, but the subject has been much discussed by Canadian private citizens and by public officials. In a statement before the Canadian House of Commons March 30, 1939, Prime Minister Mackenzie King revealed his opinion on the subject of possible membership:

Public opinion in favor of some such course has undoubtedly increased in recent years. I do not, however, consider that it has yet become sufficiently widespread, or sufficiently informed or matured to warrant immediate steps in that direction.

Canadian newspapers and magazines give liberal, and, on the whole, favorable, consideration to news of inter-American deliberations. Editorial comment on the Act of

¹ Horace D. Crawford, op. cit., p. 220.

² Crawford, op. cit. p., 223.

Havana was vigorous and widespread.¹ Conversations between Franklin Roosevelt and Prime Minister Mackenzie King, reveal a growing trend toward closer cooperation between the United States and Canada. Regardless of what the future brings, Canada's thought and action will continue to be of importance in all branches of inter-American relationships.

In spite of the fact that Great Britain is a non-American nation, this great commercial and industrial country has wielded an important influence in the Western Hemisphere. It is not through Canada but rather through possession of colonies, through investments, and through the channels of trade and commerce that Great Britain has influenced the economic and political life of the American republics. British investments in Latin America are larger than most people realize; they amount to approximately \$14,878,780 or about one-third of total British foreign investments and are found in sixteen out of twenty countries. In Argentina alone, Great Britain has \$1,881,780,000 invested in railroads, packing plants, land and livestock, and in other commercial enterprises.² In Brazil over a billion British dollars are invested in government securities, in railroads, in mines, and in public utilities.³ A half-million dollars

¹Based on a survey of available Canadian publications. The Canadian Forum is a good example.

²Pan American News, March 13, 1941), p. 9.

³Ibid., p. 9.

dollar investment in Mexico has been the cause of a recent diplomatic tangle between the two countries. When Mexico expropriated foreign-owned oil property, Great Britain, unlike the United States, contested Mexico's right to expropriate.¹ After a sharp exchange of notes in 1938 Britain severed diplomatic relations with Mexico.²

Some of the other Latin American nations are keenly aware of their close ties with Great Britain. For example, Bolivia, while trying to nationalize foreign investments, realizes that her economic well-being depends primarily on British tin mining and smelting interests. At present Bolivia's salvation appears to lie in the fact that Britain must have Bolivian tin. Argentina's aloofness in the solidarity movement is, in part, explained by strong British influence. In the present war Argentina faces the difficult problem of keeping on good terms with Great Britain and at the same time of keeping open, in case Britain is defeated, the possibility of trading with a German-dominated Europe.

¹The United States has not challenges Mexico's right to expropriate; instead, negotiations have been directed toward working out a plan whereby United States companies will be paid for their properties.

²W.O. Scroggs, "Mexican Anxieties," Foreign Affairs, (January, 1940).

At the same time all of the American nations feel an affinity for Great Britain's cause in the present conflict. As early as 1823, when the United States proclaimed the principles of the Monroe Doctrine, the Latin American nations were perfectly conscious of the importance of the British fleet in keeping open the channels of trade, and in spite of the gigantic defense preparation of the United States, all the American nations, including the United States itself, are still keenly aware of the advantages of British policing of the seas. This feeling helps to explain the promptness with which most Latin American nations have emulated the United States in taking over totalitarian ships in American ports.¹ On the whole the American nations appear to feel that helping Britain is the best and cheapest method of defending the Western Hemisphere.

Finally, there is the question of political unity in the Western Hemisphere. As a moral force, political solidarity is genuine. There is no doubt but that the twenty-one American nations have reached common ground in their international outlook, and it is equally apparent that

¹Argentina did not immediately follow the other American nations in taking over German and Italian ships. This is probably because, in the interest of possible future trade, she does not wish to antagonize the totalitarian nations.

inter-American cooperation is bearing fruit in the solution of internal inter-American political problems. But back of the smoke screen of phraseology in the agreements drawn up at Lima, at Buenos Aires, at Panama, and at Havana, it is apparent that as far as political ideology itself is concerned, solidarity is non-existent. A reading of the acts of the various recent inter-American conferences, without a study of actual government in the various states, might lead one to believe that the twenty-one American nations are united on the basis of common democratic ideals and institutions. This is not true unless one can say that each country is allowed to offer its own recipe for democracy. Dictatorships exist in several Latin American countries. A few examples will serve to illustrate the point.

In Peru Oscar Benavides has maintained himself in office despite the will of the electorate. In 1936, in order to stay in office, Benavides declared the election illegal when an 80 percent count of votes indicated the election of the Popular Alliance party's candidate. With the support of the army, Benavides has established a typical Latin-American dictatorship. The leaders of the Popular Alliance, A.P.R.A., are either dead, in prison, or are political refugees. Benavides moves in close harmony with the Germans, the Italians, and the Japanese, while at the same time, he makes it as hard as possible for United States business

interests. The United States tolerates Benavides because there appears to be no way to get rid of him--each American nation must now be allowed to work out its own political destiny.¹

In Bolivia "President" German Busch plays Charlie McCarthy for Gabriel Gosalvez. Gosalvez is the leader in the current campaign against foreign capital. Dictatorship in Bolivia is genuine. Thinly veiled dictatorships exist in a number of other Latin American nations. Chile and Colombia have fairly democratic governments.

Political penetration of Latin America by German and Italian propaganda between 1933 and 1939 offered a genuine threat to political solidarity. Because of the war there is less financial support coming from Europe, and it is likely that penetration of America by totalitarian ideology at the present time is not a serious threat. However, this does not mean that such activities have entirely stopped. If the Germans and Italians are making progress in Latin America during the war, it is by covert rather than overt means.

Prior to the coming of war Germany and Italy employed every possible means to gain a favorable position. Along with economic wares they brought their political ideas; and

¹Arthur P. Whitaker, America's To The South (New York: Macmillan Company, 1939).

it cannot be said that their campaign in Latin America lacked either planning or intelligence.¹ Early in the Nazi regime Institutes were established in Berlin and Hamburg for the study of Latin American affairs.² Professors visited back and forth in large numbers; many of them lectured in institutions of learning. Through scholarships and travel subsidies large numbers of students traveled from Latin America to Germany and Italy for study. This so-called scholarship "racket" produced results, for many of the Latin American students returned as converts to the new philosophy. German propaganda was spread all through Latin America through news bureaus, through newspapers, and via the radio. At one time in 1937 thirteen German newspapers were being published in Brazil.³ These various examples give some idea of the nature and scope of totalitarian penetration of Latin America.

The United States has exerted much effort at inter-American conferences and through other channels to stem

¹One probable breach in an intelligent approach by Germany has been the attempt to promote persecution of Jews in Latin America. The "Nordic" myth appears to have been used only in connection with the German population of Latin America.

²Arthur P. Whitaker, "The New Latin America," in Contemporary World Politics, eds. Brown, Hedges, and Roucek, (New York: John Wiley and Sons, 1940), pp. 80-81.

³Stephen Duggan, "Latin America" World Affairs Book, Number 15, (Boston: World Peace Foundation, 1936), p. 22.

the advance of totalitarian propaganda in Latin America. But in spite of all these efforts, until the outbreak of war, certain classes in a number of nations were looking with favor on Germany and Italy. For example, the aristocracy, which rules most Latin American nations, saw in Fascist and Nazi ideology a method of holding the masses in line.

All through Latin America democratic institutions have been damaged to some degree by totalitarian methods; individual rights suffer abuse in almost every nation; and the prospect of reviving democracy and constitutional government appears rather poor. There are, however, signs of resistance to the methods of Hitler and Mussolini. Latin American dictators are taking lessons from Europe in the use of the military to hold power within a country, but the excesses of aggression, racial persecution, and religious restrictions fill the Latin mind with fear. As an exploitation of human and natural resources "Hitlerism" does not appeal to Latins, not even to dictators like Benavides. Nationalistic feeling runs strong in all Latin-American nations and it will go a long way in maintaining the sovereignty of those nations. South American dictators flirt with the German, Japanese, and Italian agents, but they are not likely to allow these agents to gain a political foothold. If totalitarianism triumphs in Europe, then the greatest possibility of gaining a political foothold in America will be through

economic coercion. This possibility will be discussed in the next chapter.

CHAPTER III

ECONOMIC ASPECTS OF SOLIDARITY

As this paper is written, devastating wars are being waged in both Europe and Asia. Africa, too, is providing a setting for the main side-show of the conflict in the European "big tent". Not least among the many causes of these wars are economic factors. We are told that the "have" nations are fighting to keep their raw material reservoirs, their markets, and their trade lanes, while the "have not" nations are striving to gain a greater share of these factors now considered so vital to national economic prosperity. At present, the twenty-one American republics are at peace, but the same economic factors play a dominant role in the international relationships of these nations. In fact, we will soon discover that the wars being waged elsewhere are directly responsible for the economic dilemma in which several American nations find themselves today.

Looking backward, for a moment, it is important to note that the two major Latin American wars of the past were largely the product of economic factors. The war of the Pacific involving Chile, Bolivia, and Peru started over a virtually unpopulated piece of desert considered by all three parties as not worth owning until about 1840. The

discovery of rich guano deposits in the area in 1841 aroused the interest of both Chile and Bolivia; within a year a lively boundary dispute was in full swing. By 1872 the discovery of silver and nitrate in the region added fuel to the fire. In 1879 a full-fledged war broke out between Chile and Bolivia, with Peru soon to be drawn in on the side of Bolivia.¹

Over on the Eastern side of South America the Gran Chaco conflict between Bolivia and Paraguay may be traced to an economic factor, that of a trade outlet. Shut off from an outlet on the Pacific ocean through defeat in the War of the Pacific, Bolivia possessed a good claim by title but Paraguay was in possession. Following almost fifty years of fruitless negotiation hostilities developed in 1928.²

Turning now to the contemporary inter-American economic scene, it seems advisable to divide the subject into four parts. First, the general nature of inter-American trade problems will be considered; secondly, the efforts of the United States to lower tariff barriers through the trade agreements program requires some attention; third, the influence of the wars in Europe and Asia on American trade deserves notice. Special consideration will be given the

¹ Graham H. Stuart, Latin America and the United States (New York: D. Appleton-Century Company, 1938), pp. 431-435.

² *Ibid.* p. 410.

subject of totalitarian trade. The last part of the chapter will be devoted to study of inter-American economic and financial cooperation through conferences, committees, and other organs.

Inter-American economic relations, and the trade relations of all the American republics with the rest of the world constitute an important item in the solidarity movement. In order to gain a good understanding of the economic factors involved in the solidarity movement, it is necessary to know something of the development of American trade including its nature, its direction, and its extent.

Considering the geographical isolation of the Western Hemisphere, one might be led to think that early American trade consisted largely in commerce between and among the incubating American states. But this is not true; in fact, just the opposite is true. Until the twentieth century there was very little trade between Latin-American states.¹ Until the latter part of the nineteenth century, when the United States developed an industrial economy to go with what had been a raw material and agrarian economy, trade relations between the United States and Latin America were not extensive. Both the United States and the Latin American nations exported raw materials and foodstuffs to in-

¹James S. Carson, "Latin American Foreign Trade Characteristics," Annals, (September, 1940).

dustrialized Europe in exchange for capital goods and finished manufactured products.

Beginning about 1880 the United States started development of extensive trade with the Latin American nations. The growth of this trade is illustrated in the following table:

TABLE II

United States Trade with Latin America

<u>Year</u>	<u>U.S. Exports to L.A.</u> as % of total U. S. exports.	<u>Year</u>	<u>U.S. Imports from</u> L.A. as % of total U.S. imports.
1900	9.3%	1900	21.6%
1914	14.0%	1914	25.7%
1929	18.6%		
1939	20.0%	1939	23.7%
1940	25.0%*	1940	24.0%*
*estimated		*estimated	

Exports from the United States to Latin America are largely comprised of machinery, equipment for exploiting natural resources, and a great variety of manufactured goods, while imports from Latin America are made up of tropical foodstuffs, raw materials, non-ferrous metals (ores), and meat products. Latin American cacao, chicle, sisal, henequin, and non-ferrous metals must compete with supplies from other parts of the world in the United States market.

A few figures on United States trade with other parts of the world will provide some idea of relative importance of United States-Latin American trade. United States exports to Europe, in 1939, averaged about four times as much as exports to Latin America, while United States imports

from Europe were approximately double those from Latin America. Imports to the United States from Asia in 1939 were somewhat more than twice those coming from Latin America, but United States exports to Asia amounted to less than double United States exports to Latin America. United States exports to Latin America plus United States exports to Canada fell just short of equaling United States exports to Europe, but total United States imports from Latin America and Canada reached a figure considerably larger than total United States imports from Europe. Total United States import and export trade with Canada and Latin America is more than total import and export trade with any other continent.¹

One of the most difficult problems in inter-American trade relations is based on the surplus of United States exports to Latin America over imports from those nations. In 1938 total United States exports to Latin America amounted to \$494,870,000; United States imports for the same year reached \$453,645,000 leaving an export balance of \$41,225,000.² In other words United States exports to

¹These comparisons refer to the value of goods exchanged and do not include intangibles (ie. stocks, bonds, etc.). Calculations for comparison are based on trade statistics compiled by the United States Department of Commerce and by the United States Chamber of Commerce. Trade statistics for 1939 were used in drawing these comparisons.

²H.W.D. Mayers, "United States Trade With Latin America, 1938," Quarterly Journal of Inter-American Relations, (April, 1939), pp.31-36. Figures quoted include re-exports.

Latin America tend to run considerably above imports from those nations. Two more examples will make the point even clearer. In November of 1939, United States exports to Latin America totaled \$68,496,000, while imports from Latin America reached only \$52,219,000. During November, 1940 United States exports to Latin America amounted to \$70,541,000 or \$2,045,000 more than for the corresponding period in 1939. United States imports from Latin America for November, 1940, approximated \$48,267,000, indicating a decrease of \$3,952,000 from the corresponding period in 1939.¹ However, for the entire year, 1939, the volume of United States trade with Latin America showed an increase over 1938. United States imports from Latin America during 1939 totaled \$517,674,000, while exports to Latin America reached \$549,235,000. This leaves an export balance of \$31,561,000 for 1939 as against a balance of \$48,267,000 for 1938.² Brazil, Cuba, and Uruguay were the only Latin American nations of any size to maintain export balances with the United States in 1939.

In the past, Latin America has offset this United States export balance in a number of ways. Until 1931 large amounts of United States capital flowed into Latin American countries

¹Survey of Current Business, (United States Department of Commerce, Washington D.C.), (January, 1941), p.37.

²Figures compiled from United States Department of Commerce Reports.

in the form of loans and in private business investments. Since that time the flow of capital has been greatly reduced, and to fill the gap, Latin American countries have had to transfer favorable balance credits maintained with European countries or reduce their imports from the United States. Sales to the United States of gold and silver from Latin American mines have also helped to compensate for trade disadvantage.

There is another important characteristic of United States trade with Latin America. For the countries of Central America and the Caribbean area, with their complementary tropical products, the United States provides an excellent market, but as one works southward, the extent of United States trade varies inversely with the distance from the United States. Countries like Argentina and Uruguay, situated in a temperate climate comparable to that of the United States, produce agricultural commodities competitive with those of the United States. Chief among these are corn, cotton, wheat, and livestock products. As a result, the United States has experienced difficulty in expanding trade with these countries. The following table reveals the extent of trade of Southern Latin American nations with the United States.¹

¹ Statistics taken from: Alvin H. Hansen, "Hemisphere Solidarity," Foreign Affairs, (October, 1940), pp. 124-21.

TABLE III

Latin American Trade With The United States

Trade of representative Latin American nations with the United States expressed as percentages of total exports and imports for each country.

1939	Imports %	Exports %
Chile	29	22
Brazil ¹	23	36
Argentina	16	13
Uruguay	14	14
Paraguay	8	8

Unlike the United States, Latin America has not developed an industrial economy. Instead, Latin America has continued to produce foodstuffs and raw materials for manufactured goods. Since Europe became industrialized ahead of the United States, and since European nations require large importations of foodstuffs, it is only natural that Latin America should have developed an important trade with those nations. And in spite of repeated effort on the part of the United States to stimulate trade, many Latin American nations continue to look to Europe for the majority of their trade.

Out of a total trade that amounted to \$3,300,000,000 in 1938, Latin America² as a whole depended on Europe as an

¹ Brazil extends into the temperate zone far enough to grow staples like cotton, a commodity which competes in the foreign markets with United States export cotton.

² Latin America refers to all nations below the Rio Grande River.

outlet for 55% of all exports. Europe provided 45% of Latin America's imports in the same year.¹ In normal times from 70% to 75% of exports from Argentina and Uruguay find markets in Europe.

Lack of economic diversification in many Latin American states constitutes a fourth American trade problem. A large number of these nations rely largely on one or two principal export commodities.² For example, Cuba's economic well-being depends on exportation of sugar, Mexico depends largely on oil and silver, Bolivia's chief export is tin, Venezuela's specialty is oil; Uruguay exports meats and wool while Paraguay produces quebracho extract. Brazil, with an area larger than that of the United States and with a population of nearly fifty million people,³ shows increasing diversification. The chief export products include coffee, cotton, sugar, fruits, manganese, and tree products. Argentina, likewise, has several important export products. These include wheat, corn, linseed oil, meat, meat products, wool, and quebracho.⁴ With the exception of these two countries,

¹Fortune Magazine, (September, 1940), p.76.

²Frank E. Williams, "Economic Diversification in Latin America," Annals, (September, 1940).

³Stephen Duggan, "Latin America," World Affairs Book, (No. 15, World Peace Foundation, New York, 1936), p. 63.

⁴Quebracho is a tanning extract.

all Latin American countries rely for foreign trade on one, or at the most, a very few products. This means that the foreign trade of these countries is constantly in a precarious situation. The sudden closure or disappearance of a market for the chief export of a nation means almost immediate economic difficulty within the nation. Chile has only recently shown signs of recovery from the decline which has taken place in the use of nitrates. Peru has undergone a similar experience with guano. In Bolivia prosperity or depression can be measured almost completely by the price of tin in the world market.

The economic condition of the masses of the people in Latin America provides the basis for another inter-American trade problem. In the chapter on political solidarity it was pointed out that the aristocracy rules in most countries. This same layer of old aristocratic families own and controls most of the land in Latin America. Consequently, since Latin America is largely agricultural, the masses exist on a very low standard of living. Low plantation wages on the old estates, and on most of the large scale foreign-owned agricultural projects, leave the majority of Latins with purchasing power so low that they can not enjoy the benefits of imported products. Furthermore, foreign capital, largely from Great Britain and the United States, has guided the exploitation of mineral resources throughout Latin America. These developments have afforded a source of revenue and fer-

sign exchange to Latin American governments, but they have not provided economic amelioration to the masses.¹ In Mexico and Chile movements looking toward a breakup of vested interests have made progress, and it appears that a genuine middle-class is appearing in Argentina. Mexico and Bolivia have placed in operation programs designed to nationalize foreign owned capital investments particularly in the field of mineral exploitation. However, lack of capital and skilled workers will undoubtedly hamper the spread of such programs.

The problems just discussed constitute the traditional problems of inter-American trade relationships. Each one is a challenge and, in a way, an obstacle to the solidarity movement. Perhaps more important in the recent trend toward solidarity on an economic basis are several other factors.

The first of these is the trade agreements program of the United States. This program, placed in operation by passage of the Trade Agreements Act, June 12, 1934, opened the way for a lowering of tariff barriers and therefore represented an attempt on the part of the United States to resuscitate a greatly reduced foreign trade by breaking down world-wide trade restrictions built up during the post-war period 1920-1930.² According to the Act, the President is

¹ Stephen Duggan, "Latin America," World Affairs Book, (No. 15, World Peace Foundation, New York, 1936), pp. 30-35.

² Sumner Welles, "The New Era in Pan American Relations," Foreign Affairs, (April, 1937), pp. 443-455.

authorized to make trade agreements with foreign nations on a reciprocity basis. Senate approval of such treaties is not required; reductions of fifty percent in United States tariff rates are allowed on specific items, equivalent concessions are expected from nations with whom agreements are concluded.

Under the trade agreements program twenty-one separate pacts have been negotiated. Eleven of these are with Latin American nations, while a twelfth brings Canada into closer economic relationships with the United States. Latin American nations included are Cuba, Haiti, Brazil, Honduras, Colombia, Guatemala, Nicaragua (ineffective since March, 1938), Costa Rica, El Salvador, Ecuador, and Venezuela.¹ During 1939 these trade agreements covered fifty-one percent of United States exports to Latin America and sixty-one percent of United States imports from Latin America.² It will be noticed that, with the exception of Brazil, all agreements thus far negotiated are with Caribbean nations.

In the fall of 1939 the State Department opened negotiations looking toward trade agreements with Argentina and Uruguay, but after several weeks of fruitless endeavor, hope for immediate agreement was abandoned. Explanation of the failure of the United States to secure agreement with these

¹Arthur Feller, "The Trade Agreements Act," The American Scholar, (Volume XIX, Spring, 1940).

²Howard J. Trueblood, "Progress of Pan American Cooperation," Foreign Policy Reports, (Feb. 15, 1940), p. 297.

countries is not difficult. It must be remembered that Argentina and Uruguay specialize in the production of wheat, corn, and livestock, commodities which are produced in great quantities in the United States. The trade agreements program was extended for three more years in June, 1940, but the strength of pressure interests in opposing the granting of concessions on Latin American agricultural products was sufficient to cause the State Department to drop the negotiations with Argentina and Uruguay.

Furthermore, at the time of the negotiations, Germany and Great Britain both provided profitable outlets for Argentine meat and wheat. In fact, it appears that Great Britain was particularly anxious to see that Argentina did not conclude a pact which might prove detrimental to the commercial treaty between Great Britain and Argentina.¹ Also, Argentina has been cool toward the United States in trade matters since 1930, when the Smoot-Hawley tariff not only placed extremely high duties on Argentine products but also installed what Argentina has considered obnoxious and unwarranted quarantine restrictions on the entire livestock industry of that country.² A sanitary convention

¹ Stephen Duggan, "The New Orientation of the Western Hemisphere," The Annals, (July, 1940), pp. 127-132.

² Graham Stuart, Latin America and the United States, (New York: D. Appleton-Century Company, 1938), pp. 415-416.

drawn up by the Franklin Roosevelt Administration, designed to remedy the situation by lifting the quarantine and installing a system of mutual rights on freedom for inspection, has failed to receive approval by Congress. Approval of such a convention combined with some reductions in United States tariff barriers on meat would go far in improving trade relations with these countries.

A study of available trade statistics covering the period since 1934, when the trade agreements program went into operation, does not reveal any evidence which would justify offering the program as a cure-all for the economic ills of the Western Hemisphere. Trade has increased between the United States and most of the nations with whom trade agreements have been concluded, but the general improvement of world trade conditions during the same period makes it difficult to assign specific benefits. In the case of Cuba, which enjoys preferential treatment, and in case of Canada, there can be little doubt but that the trade agreements have resulted in benefits for all parties concerned.

Aside from mere volume, however, definite benefits along other lines can be indicated. The United States is the strongest of the American republics in the economic field, and reciprocal trade agreements promote hemispheric solidarity in that they make possible, not only expansion of trade, but also closer economic contact between the

signatory nations. Secondly, the trade agreements are so designed that revision can be made to meet changing conditions. Renewal and extension of the trade agreement with Canada in 1938 offers a good example. In the third place, the trade agreements program promotes trade on a multilateral basis and thus opens the way to tariff reductions for other nations. Finally, it appears that the trade agreements program helped to counteract the economic penetration of Latin America by the totalitarian "bloc" between 1934 and 1940. A study of available statistical evidence indicates that, if there had been no trade agreements program, the success of the totalitarian countries might have been even greater.

Economic penetration of Latin America by the dictatorship countries offers both positive and negative support for the growth of solidarity in the Western Hemisphere. That is, in one way, the attempt of Germany, Italy, and Japan to gain economic concessions in the Western Hemisphere undermined actual financial and economic solidarity. But, in another way, economic aggression by the totalitarian countries resulted in the greatest impetus economic solidarity has ever had in the Western Hemisphere. In other words, the ominous shadow of Hitlerism is bringing together peoples who have never before engaged in close economic cooperation.

An examination of the facts involved in totalitarian trade expansion will make this rather unusual situation clear. Germany, of course, was the leader in this movement

with Italy, Japan, and Russia tagging along to pick up the crumbs. Using controlled exchange as a basis for unilateral barter trade, Germany set out, at about the same time the United States went to work with the trade agreements program, to build up a closely supervised trade with Latin America. To complete the picture, we must remember that Great Britain has traditionally enjoyed a position in Latin American trade second only to that of the United States. Between 1934 and 1939, then, the United States tried to expand Latin American trade through multilateral, unconditional most-favored-nation agreements; Great Britain was struggling along trying to maintain her strong trade position; and Germany, as leader of the totalitarian "bloc" with very little to lose and everything to gain, was making a determined bid for access to Latin American markets and raw material through the barter system.

Statistics are now available which allows evaluation of the results of this struggle for Latin American trade. The spearhead of the German trade drive centered first in Argentina, Brazil, Chile, and Uruguay but later spread all over Latin America. By 1936 Germany had displaced Great Britain as a net exporter to Latin America.¹

¹Lew B. Clark, "Competing For Latin American Markets," The Annals, (September, 1940), p. 160.

During 1938 the United States coasted along by supplying 33.9% of Latin American imports and by absorbing 30.2% of Latin American exports.¹ The following table shows the relative importance of Latin American trade from representative countries with the United States, Great Britain, Germany, and Italy during 1939.² (See next page for table.)

Looking at Latin America as a whole, it is possible to conclude that the net effect of the German trade drive was to displace Great Britain as the chief competitor of the United States. This is more serious than it sounds, for the totalitarian states have the habit of bringing their political doctrines along with their economic wares. And in this respect totalitarian inroads in Latin American trade constituted a real menace to solidarity in the Western Hemisphere.

But even that is not the whole story. Considering Latin America as a unit, it is safe to say that totalitarian economic penetration did not produce results comparable to the effort expended. But in particular Latin American countries totalitarian success appears to have been very successful. German trade increased spectacularly in those nations which agreed to trade on a barter bases. In Colombia,

¹William S. Culbertson, "Economic Defense of the Americas," The Annals, (September, 1940), p.188.

²Congressional Digest, (December, 1940). Statistics from a table prepared by the United States Department of Commerce, p. 306.

TABLE IV

Import Statistics for six representative Latin American nations from the United States, Germany, the United Kingdom, and Italy. Values in thousands of dollars and percentages of total import trade. Totals are for twenty Latin American nations. 1939.

From	United States		Germany		United Kingdom		Italy	
Argentina	\$58,096	17.2%	\$31,075	9.2%	\$67,216	19.9%	\$9,120	2.7%
Brazil	87,016	33.3	50,760	19.4	24,230	9.3	4,791	1.8
Chile	26,366	31.1	19,243	22.7	6,985	8.3	3,282	3.8
Colombia	58,170	55.6	13,361	12.8	10,977	10.5	2,264	2.2
Mexico	80,261	66.0	15,496	12.7	3,201	2.6	2,732	2.2
Uruguay	1,716	5.2	5,347	16.4	8,991	18.3	2,105	6.4
Twenty Latin Amer. Repub.	538,852	40.3	172,604	12.9	139,904	10.5	31,014	2.3
Export Statistics on same basis.								
Argentina	\$51,073	12.0%	\$24,367	5.7%	\$152,749	35.9%	\$8,979	2.1%
Brazil	110,248	36.1	36,883	12.1	29,359	9.6	7,235	2.4
Chile	42,207	30.5	11,636	8.4	17,003	12.2	5,166	3.7
Colombia	68,602	68.0	7,401	7.3	1,407	1.4	1,328	1.3
Mexico	131,021	74.2	9,869	5.6	10,210	5.8	3,087	1.7
Uruguay	7,027	13.8	6,150	12.1	9,365	18.5	3,044	6.0
Twenty Republics	651,195	34.9	118,215	6.3	306,038	16.4	32,522	1.7

Guatemala, Peru, Chile and El Salvador, German trade boomed. Brazil's trade with Germany trebled in 1938; Venezuela doubled her German purchases in the same year.¹ Germany's share of Brazil's total exports increased between 1928-1938 from 10.6% to 24.4%. This increase is doubly emphasized by the decrease of Brazil's imports from the United States between 1928-1938 from 28% to 24%, thus leaving Germany in first place in Brazil's import trade. This change took place despite Brazil's United States export balance of \$38,000,000 in 1938, and in the face of traditionally large and close economic ties with the United States.² This

This fabulous increase in German trade, made possible through the barter system, resulted in the building up of a large German debit account with Latin America. Consequently, a number of countries found their foreign exchange precariously tied up to nothing but German good faith.³ In addition, Germany, by buying in excess of domestic needs for certain commodities, resold part of her purchases in other European markets for cash. In effect, this meant that Germany was creating foreign exchange for herself in world markets while leaving the Latin American victim tied up with blocked German marks. As a result of this situation, in 1939 a reaction set

¹Lew B. Clark, op. cit. p. 168.

²Eugene P. Thomas, "Inter-American Trade Problems," Annals, (July, 1939).

³This "good faith" by 1938 was becoming "suspect" by many Latin American nations in view of German aggression in Europe.

in Latin America. German and Italian barter proposals met resistance because it was realized that to continue would be to place the economic destiny of the Latin American nations concerned at the mercy of Hitler's financial wizards. United States credits also entered the picture, particularly in Brazil.

Part of this Latin American reaction was reflected in a growing willingness on the part of Latin American states to work with the United States in support of trade based on a liberal, multilateral basis. In this way, the totalitarian economic invasion of Latin America via the barter, exchange control method acted as a vitalizing force for closer inter-American economic solidarity.

German trade, however, continued on a large scale with many Latin American states until the outbreak of war in September, 1939. The coming of war temporarily ended the advance of the dictators in the economic field in Latin America, but, if the end of the present conflict results in a substitution of the name, Hitler, for the geographic term, Europe, it seems entirely probable that the United States would find it extremely difficult to keep large sections of South America from being sucked into the totalitarian economic orbit. At present the United States appears to be bending every sinew to prevent such an eventuality. Strange as it may seem, the future of economic solidarity in the Americas depends pretty largely on the outcome of the war in Europe.

The consequences of the war itself have had an accelerating effect on inter-American economic cooperation. This has been expressed both through increased trade and through building up international machinery to deal with inter-American economic problems.

In the present war market losses for Latin America are considerably greater than they were at any time during World War I, 1914-1918. In the latter period the German market was largely lost as a result of the British blockade, but Latin America did a rushing business with the rest of Europe. In the present war the situation is different in that Latin America, because of German occupation and Italian participation on the side of Germany, has lost almost all her trade with continental Europe.¹ Great Britain has continued to import large quantities of meat products, but she has been unable to maintain delivery of capital goods and finished manufactures to Latin America.

As a result of these dislocations of trade, agricultural surpluses are reported piling up in Latin America. Argentina has large supplies of corn, wheat and, meat; Uruguay has large stocks of wool and meat; and Brazil is faced with

¹H. J. Trueblood "The War and the Americas," Survey Graphic, (August, 1940), p. 424.

surplus coffee, cotton, and fruit.¹ Loss of the German market alone gives some idea of the total loss of Latin America in markets for foodstuffs and raw materials.

Below is a table showing percentages of Latin American exports absorbed by Germany in 1937.²

TABLE V

German Imports from Latin America--1937

<u>Product</u>	<u>Percentage of Latin American Exports.</u>
Cocoa	14.8
Cattle hides	34.8
Coffee	14.4
Corn	16.6
Cotton	34.8
Wheat	13.5
Wool	33.3

For a short time after the beginning of hostilities in Europe, Japan absorbed large quantities of Brazilian cotton, but recently, because of the growing expense of waging war in China, the Japanese have had to reduce their purchases.³

Latin American trade with the United States has skyrocketed as a result of the war. During the first twelve months of war, the value of United States exports to Latin America reached \$733,135,000 as compared to \$490,064,000 for

¹John W. White, "South America Caught in Dilemma," New York Times, (July 14, 1940), Section E., p. 6.

²Statistics compiled from Howard J. Trueblood, "War and Latin America-United States Trade," Foreign Policy Reports, (December 1, 1939), p. 220.

³James S. Carson, "Latin American Foreign Trade Characteristics," Annals, (September 1940).

the year ending August 31, 1939 and \$544,254,000 for the year ending August 31, 1938. During the first twelve months of the war, textile exports to Latin America increased by 46.7%, wood and paper products were up 79.2%, and machinery and vehicles increased 21.8%. The amount of increases varied for different Latin American countries. For example, Uruguay's purchases jumped 205%, Chile pushed her imports up 21.9%, while Brazil registered an increase of 66.6%.¹

In general the United States was able to fill Latin American import needs, but the same has not been true for the ability of the United States to absorb Latin American exports. United States imports, however, did show a decided increase in the first twelve months of war by pushing up 31.3% or to \$615,915,000. This compares with \$468,999,000 for the year ending August 31, 1939, and with \$468,346,000 for the year ending August 31, 1938. Again the increases vary for different countries. Brazil, for example, came in for an increase of only 7.4%. This small increase in exports to the

¹All statistical data in this paragraph and in the subsequent paragraph is taken from: Lew B. Clark, "War Time Trade of the Americas," Congressional Digest, (December, 1940), pp. 303-305. Mr. Clark is an official of the United States Department of Commerce. Statistics are from compilations by the Division of Regional Information, Bureau of Foreign and Domestic Commerce, of the United States Department of Commerce.

United States, as compared to the 66.6% increase in imports from that country, caused Brazil to develop an adverse trade balance of \$3,000,000 for the year ending August 31, 1940.¹

No official figures are available but it appears that increased imports by the United States have been largely strategic raw materials for the national defense program. Considering the sizeable exportable surpluses of agricultural commodities, like grain, in the United States, and in Canada, it is not likely that any immediate solution to the problem of surplus Latin American agricultural products can be found.

In an attempt to make economic solidarity an actuality, the American republics have cooperated in the establishment of extensive machinery to deal with inter-American trade problems and to meet economic problems growing out of the war. Important gestures in the direction of closer economic cooperation were made when resolutions were passed at the Montevideo, Buenos Aires, and Lima Conferences calling for reduction of trade barriers.² And at Panama, under pressure of the war, definite action was started through the establishment of the Inter-American Financial and Economic Advisory

¹Brazil usually maintains a sizeable export balance in trade with the United States.

²Josephine Schain, "A Peace Audit of the Americas," Annals, (July, 1940), pp.133-138.

Committee to study hemispheric economic problems and to devise means for more effective economic cooperation. Since November, 1939, this Committee, made up of representatives from each of the twenty-one American Republics, has met in the Pan American Union Building at Washington each Thursday afternoon. Meetings last for approximately an hour; Sumner Welles, of the United States Department of State, acts as Chairman for the group.¹

The Panama Conference in 1939 also provided for the establishment of an Inter-American Development Commission to plan for, and promote, the development of new production facilities in all American states.² Framework was also outlined for establishment of an Inter-American Bank.³

At Havana in July, 1940, the Foreign Ministers of the American republics approved expansion of the activities of the Financial and Economic Committee. The Committee was instructed to cooperate with each country of the Western Hemisphere in the study of possible measures to expedite domestic consumption of exportable surpluses, to devise methods for increasing inter-American trade, and to recommend methods for improving the standards of living of the Americas in-

¹Fortune Magazine, (September, 1940).

²Press Releases, (Washington D. C.: United States Department of State, Government Printing Office), No. 353.

³Ibid. The bank has not been established thus far.

cluding public health and nutrition measures.¹ Cordell Hull in speaking at Havana Conference declared that:

.... "the American nations must and should do everything in their power to strengthen their own economic position, to improve further the trade and other economic relations between and among themselves.....the nations of the Western Hemisphere should undertake the fullest measure of economic cooperation, so designed and so conducted as to serve the best interests of each nation and to bring injury to none."²

The United States has been particularly aggressive in promoting economic cooperation. Shortly before the opening of the Havana Conference there was considerable agitation for the establishment of an inter-American export association through which all American exports would be financed and marketed co-operatively.³ This proposed cartel has not been adopted, but if Great Britain is unsuccessful in the present war, the organization of such an orderly marketing system might be a way of preventing most of Latin America from falling prey to the totalitarian trading methods. Financing would

¹Havana Conference, "Final Act," International Conciliation, (September, 1940).

²Havana Conference, "Address of Cordell Hull," International Conciliation, (op. cit.), p. 266.

³It is interesting to note that, judging from reports in The New York Times, the proposal of a cartel or inter-American trading corporation caused more critical comment in Nazi newspapers than did any other proposal discussed at the Havana Conference.

rest largely on the United States, and the greatest problem would be disposal of surplus agricultural products, the natural market for which is in Europe. With the purse-strings in the hands of the United States, it is also questionable as to how far Latin American nations would go in delivering their economic welfare into the hands of the United States. On the whole, it is difficult to see how centralized marketing could function effectively without a parallel program to govern and redirect hemispheric production.

Early in 1940 the United States took the lead in promoting establishment of an Inter-American Bank. Thus far, eight states have ratified the convention for such a bank.¹ At present some of the functions of an Inter-American bank are being fulfilled by the United States Export--Import Bank at Washington. This bank, created in 1934 to encourage anticipated Russian trade, following recognition of the Russian Government by the United States, and later redirected to help Cuban and inter-American trade, has extended credits to the central banks of Argentina, Brazil, Columbia, Nicaragua, Paraguay, and Peru.² The purpose of these credits has been the stabilization of the currencies of the foreign Governments

¹ J. I. B. McCulloch, "Latin America and the Hemisphere Front," Yale Review, (Winter, 1940), pp. 303-305.

² Sweden has also received financial aid through credits.

between export seasons. Extension of dollar exchange allows Latin American nations to maintain imports of needed United States goods, and at the same time, it allows more orderly marketing of Latin American exports.

In at least two cases, extension of credits by the Export-Import Bank has made it possible for Latin American nations to free their foreign exchange from restrictions imposed by trade with Germany and Great Britain. Following the Lima Conference of 1938, Dr. Oswaldo Aranha, Brazilian Minister of Foreign Affairs, came to Washington D. C. and secured \$19,200,000 in credits from the Export-Import Bank to aid Brazil in freeing herself from frozen exchange built up as a consequence of barter trade with Germany.¹ In June, 1940, Argentina borrowed \$20,000,000 from the Export-Import Bank as a result of British insistence that pounds sterling built up by huge purchases of meat and meat products be blocked off and "ear-marked" for use in Great Britain.² Loans have also been made by the Export-Import Bank to private United States contractors to cover costs of construction in Latin American Haiti and Paraguay. Such loans are

¹Richard F. Beherndt, "Foreign Influences in Latin America," Annals, (July, 1939), p. 14. Also: Press Releases (November 11, 1939).

²W. T. Moran, "Our Latin American Trade Faces Financial Difficulties," Annals, (September, 1940), pp.173-175.

used to finance purchases of machinery and equipment in the United States.¹ In September, 1940, an additional \$500,000,000 was made available for the Export-Import Bank to facilitate orderly marketing of surplus Latin American commodities.²

During November, 1939, cooperative action looking toward ironing out inter-American financial problems was revealed in a conference of treasury officials from the various American republics. Assembling at Guatemala City the officials worked on plans for establishment of an inter-American Bank, for developing uniform customs regulations, and for handling inter-American foreign exchange problems.³

To aid Latin American nations in developing production of commodities imported in large quantities by the United States, the United States Department of Agriculture has extended the services of its technical personnel. In answer to requests from several Latin American nations, agricultural experts have been sent to make surveys and reports on possible agricultural developments.⁴

¹Warren Lee Pierson, "Export-Import Bank Operations," Annals, (September, 1940). Mr. Pierson is President of the Export-Import Bank.

²Congressional Digest. (Washington, D.C., A.G. and FTN Robinson, December 1940).

³New York Times, (November 16, 18, 1939).

⁴Henry A. Wallace, "Inter-American Agricultural Cooperation," Bulletin of the Pan American Union, (April, 1940), pp. 277-290.

Through the Reconstruction Finance Corporation the United States has been active in buying up supplies of tin ore, copper and quinine. Action has also been taken toward facilitation of rubber production for export to the United States.

Between and among Latin American nations there has been considerable cooperation on economic problems. Argentina, Brazil, Chile, Peru, and Uruguay have sizeable trade relations with other Latin American nations. At present the principal currents of inter-South American trade are between Argentina and Brazil on the Atlantic side and between Chile and Peru on the Pacific side.¹ In October, 1940, Argentina and Brazil signed a commercial agreement providing for possible exchanges of surplus commodities.² The Tropical regions of Latin America maintain rather extensive trade relations with the Dominion of Canada.

¹George Wythe, "Fifty Years of Inter-American Trade," Bulletin of the Pan American Union (April, 1940), pp.277-290

²J.I.B. McCulloch, "Latin America and the Hemisphere Front," World Review, (Winter, 1940), p.306.

In summarizing economic aspects of recent inter-American relations, it is impossible to escape the conclusion that economic solidarity can come, if at all, only through a long-term program of close and effective cooperation. Loans by the United States may prove a temporary palliative for Latin American foreign exchange shortages, but in the long run such loans must ultimately lead to default and cancellation or to more satisfactory solution along different lines. Permanent solution for this problem rests on acceptance by the United States of the idea that a nation must be willing to purchase just as much as it desires to sell. The United States needs to develop greater markets for imports from Latin America, and Latin America needs to develop greater production of commodities complementary to United States production. Lifting the standard of living of the masses in Latin America can come only with radical social and economic reform combined with a long-run program for education, sanitation, and housing. Without drastic production adjustments in both North and South America it appears that market outlets for competitive agricultural products must be sought in the future, as in the past, in non-American nations.

However, the work of recent conferences shows that the American nations are cognizant of these various economic problems and that machinery is rapidly being established for closer cooperation in the economic field. Economic solidarity is not a fact, but it is a possibility.

CHAPTER IV

COOPERATION FOR DEFENSE

The speed, the precision, and the awful destructiveness of modern war, as demonstrated in the current conflicts being waged on three continents, have not been watched without repercussion in the Western Hemisphere. Addition to war vocabularies of words and phrases like "blitzkrieg," "quisling," "fifth column," "parachute troops," "panzer division," "blackout," and "air raid shelter," combined with an abnormal totalitarian interest in certain sections of the Western Hemisphere, has caused the peoples of the twenty-one American republics to become concerned about the problem of hemispheric defense.

Thus far, no formal defensive alliance has been formed, but definite steps have been taken collectively and individually looking toward a cooperative program for preserving the sovereignty of all the American republics. In describing this phase of the solidarity movement, it seems desirable to look first at the defense measures adopted by the Panama and Havana conferences. Consideration will also be given to the influence of co-

operation for development of strategic resources available in the Western Hemisphere. Secondly, attention will be given to development of naval bases, air bases, and military equipment. In a third section some special problems will be considered including the joint defense agreement of the United States and Canada. Finally, consideration will be given to inter-American communication problems as they are related to hemisphere defense, to the aid-for-Britain program being pushed by the United States, and to the problem of European possessions in the Western Hemisphere.

The main problems and policies worked out by the Foreign Ministers of the American republics at the Panama and Havana conferences have already been covered in detail in the two preceding chapters. It remains, therefore, to emphasize here the results of those conferences with reference to hemisphere defense.

At Panama the "security zone" was promulgated with the intention of keeping the war out of waters adjacent to the Western Hemisphere. And with reference to defense, the most important part of the "Declaration of Panama," appears to be provision for individual and/or collective patrol of the specified maritime area by the American

nations.¹ The United States has taken the initiative by maintaining both naval and air patrols along the Atlantic seaboard and throughout the Caribbean region. The other American states have cooperated within the narrow limitations of their defense facilities.² In this way constant watch is maintained to see that inter-American commerce is allowed to flow freely. Through patrol accurate information is kept concerning belligerent shipping in waters adjacent to the Western Hemisphere. Since most of the European owned possessions in the Americas are located in the Caribbean area, patrol makes possible a check on activities in and around these colonial possessions.

Since the "Graf Spee" incident, there has been no serious attempt to enforce the "Declaration of Panama," but in the protest of the American nations at that time, it was suggested that failure of the belligerents to recognize the "zone" might result in adoption of rules by which belligerent vessels would be prevented from supplying themselves and repairing damages in American ports.³ However,

¹Panama Conference, "Final Act," International Conciliation, (January, 1940).

²Based on reports in the New York Times.

³Bulletin of the Pan American Union, May, 1940), p.403.

the replies of the belligerent nations, particularly those of Great Britain and Germany, were quite firm in their refusal to recognize the action of the American nations. They were content to stand on a strict interpretation of belligerent rights. In their replies to the notes of the American nations the belligerent nations stayed within the rights supported under international law; on the other hand any decision of the American nations to deny belligerent vessels the right of repairing damages (for twenty-four hours) and of taking on supplies sufficient to get them home would be outside the rights of neutral nations under international law. Thus far, no such action has been taken. Recent action of the United States in providing for extensive repair facilities for British ships amounts to a forfeit of any claim the United States might make under "rights of a neutral" in international law.

There was another provision drawn up at Panama which is of particular interest in view of recent United States actions in helping Great Britain. In drawing up general standards of neutrality for observance by all the American republics the Ministers agreed that each nation:

....shall prevent on their respective territories the setting on foot of any military, naval, or aerial expedition in the interests of the belligerents; the fitting out, arming or augmenting of the forces or armament of any ship

or vessel to be employed in the service of the belligerents....."¹

To supplement general standards of neutrality, the Ministers at Panama provided for the creation of a seven member Inter-American Neutrality Advisory Committee to handle problems growing out of the war. This committee is functioning in Rio de Janeiro; reports of consultations are made to the various American states.

At the Havana conference in July, 1940, the important relation between non-American possessions and hemisphere defense was realized when the ministers recognized that:

The course of military events in Europe and the changes resulting from them may create the grave danger that European territorial possessions in America may be converted into strategic centers of aggression against nations of the American continent.²

In an effort to meet such a contingency the Ministers convened at Havana provided for a program of provisional administration³ to be administered by an emergency committee. In substance, it was agreed that, if any European possession in the Western Hemisphere were in danger of being attacked or of becoming, in any way, a menace to the peace and se-

¹Panama Conference, op. cit., p. 18.

²Havana Conference, op. cit.

³For description of the convention see Chapter II.

curity of the Hemisphere, then the committee through the cooperation of the American states would take all steps necessary to cope with the situation. In the event of an emergency before the convention comes into force, (ie. before it is ratified by two-thirds of the American republics,) the committee, comprised of one representative from each state is authorized to proceed just as though the convention had been in operation. If the emergency is urgent, then any American nation may act "in the manner which its own defense or that of the continent requires."¹

In the event of threatened aggression against any American state by a non-American state, it was agreed at Havana that the nations "will consult among themselves in order to agree upon the measure it may be advisable to take."² Provision was also made for negotiation of a complementary agreement to organize cooperation for defense and for assistance in event of aggression.

The Governing Board of the Pan American Union was given authorization, by the Foreign Ministers meeting at Havana, to call an international conference to draft

¹Havana Conference, "Final Act," International Conciliation, (September, 1940), p. 295.

²op. cit.

conventions necessary to assure coordination of actions to give "most complete and effective defense against acts of an unlawful character." The Ministers recommended that the Governing Board set up a five-member commission to work for immediate settlement in case a dispute should arise between American States.

In agreeing on a convention calling for each American state to adopt measures necessary to check foreign activities directed against domestic institutions, the Ministers, in effect went on record as being unanimously opposed to any foreign attempt to modify by pressure, propaganda, threat, or revolt the independence of any or all American states.

Finally, in an attempt to promote solidarity for defense, the Ministers declared that:

"The sentiment of solidarity between the American Republics constitutes a genuine force for continental defense, to which all of them should lend unreservedly their maximum cooperation."¹

No definite or permanent defense pact was signed at Havana, but it is evident that the American nations are determined to seek cooperation on all matters pertaining to hemisphere defense. And it is equally clear that, if

¹Havana Conference, op. cit., p. 288.

any American nation should be attacked by a foreign power, the way is cleared and the machinery exists for immediate cooperation in giving mutual assistance.

The nearest situation approaching a test of this machinery arose in Uruguay in 1940. In that country a committee of investigation from the Uruguayan Congress reported a well organized plot (by Germans, according to the report) to seize control of the Government. After considerable discussion Uruguay decided not to ask for aid through the consultation machinery then available. It is significant, however, that a United States cruiser, the Quincey, was sent to the scene of the reported threat.¹

In the economic field, hemisphere defense is conditioned to a large extent by the availability of strategic raw materials. Most important of the so-called strategic raw materials are the following: antimony, chromium, coconut shell char, ferro-grade manganese, manila fiber, mercury, mica, nickel, quartz crystal, quinine, rubber, silk, tin, tungsten, bauxite and iron ore.² The Western Hemis-

¹Joseph Gainard, "The Key To The Americas," The Commonwealth, (August 23, 1940).

²Howard J. Trueblood, "Economic Defense of the Americas," Foreign Policy Reports, (August 1, 1940), pp. 126-127.

phere is well supplied with generous deposits of many of these vital materials.

In 1937 Latin America supplied 42% of the world supply of antimony. Chief sources of supply are Mexico, Bolivia, and Peru. Surinam (Dutch Guiana) and British Guiana have large supplies of bauxite.¹ Undeveloped reserves exist in large quantities in the Guianas and in Brazil. Cuba and Brazil furnished 37% of United States imports of manganese during 1937. It is estimated that, if the necessity existed, output could be greatly expanded.² In Peru, United States interests control the supply of vanadium; chromium is produced in Cuba and vast undeveloped supplies are known to exist in Brazil; and Mexico produces small quantities of mercury. The Western Hemisphere is assured adequate supplies of nickel since Canada enjoys what is virtually a monopoly on the world's supply of this vital material. Petroleum is now produced in large quantities in Mexico, Venezuela, and Columbia. Bolivia and Argentina produce small quantities of tungsten. It is probable that produc-

¹Bauxite is the ore from which aluminum is made. Major producing units are controlled by United States interests.

²Howard J. Trueblood, "Raw Material Resources of Latin America," Foreign Policy Reports, (August 1, 1939), p. 123.

tion could be expanded. Platinum is available in Colombia,¹ and Chile produces copper. Other valuable strategic materials produced in Latin America include mica, coconut shell, sisal, quartz crystal,² iron ore, wool, and industrial diamonds. All these supplies, supplemented by production of several items in Alaska and Canada, together with vast mineral resources in the United States indicate that potentially, at least, the Western Hemisphere is quite well equipped with strategic materials necessary for defense.

However, in spite of large potentialities, there are several items of strategic importance where present production is inadequate. For defense needs there is inadequate production of antimony, chromite, manganese, manila fiber, mercury, potash, quinine, rubber, tin, tungsten, and vegetable oils.³ Of these, deficiency in rubber and tin offer the most dangerous problems.

¹Frank E. Williams, "Economic Diversification in Latin America," Annals, (September, 1940).

²Quartz crystal is indispensable for making gun sights and fine photographic lenses.

³Percy Bidwell and Arthur Upgren, "A Trade Policy For National Defense," Foreign Affairs, (January, 1940), pp. 282-297.

Despite labor problems, production difficulties, and poor transportation facilities, Bolivia produces large quantities of tin ore, but at the present time no facilities of importance exist anywhere in the Western Hemisphere for refining the ore. In the past Bolivian tin ore has been exported to Great Britain for the refining process. The seriousness of this situation has been recognized by the United States, and, as a result, the commodities division of the Reconstruction Finance Corporation has purchased a considerable quantity of Bolivian tin ore,¹ and plans are under way to finance the establishment of a tin smelting plant in the United States.

For supplies of rubber United States manufacturers are largely dependent on the British and Dutch production in the Malay States and the East Indies. Ford and Goodyear interests have small acreages in production in the Amazon region of Latin America, but this production is negligible in comparison to total requirements.

In 1940 the United States required 700,000 tons of crude rubber, an amount which constituted 57.5% of the total world consumption. Conditions in the Orient which

¹Thus far, purchases have been confined to inferior ore rejected by the British tin smelting interests. When refining facilities have been developed in the United States, it is quite likely that higher grade ores can be obtained.

might result in a sudden shutting off of rubber supplies for the United States indicate that it is imperative that substitutes be developed and that production in Latin America be expanded as rapidly as possible. It is estimated that six or seven years will be required before large quantities of rubber can be produced in tropical America. In May, 1940, the United States Department of Agriculture asked Congress for an appropriation to conduct rubber research work. \$500,000 was appropriated "to enable the Secretary of Agriculture to conduct investigations directed toward development of rubber production in the Western Hemisphere." As a result, four parties of experts have been sent to the field and ten nurseries have been established in cooperation with Latin American nations. In addition to large quantities of capital, development of rubber production requires the combined talents of the rubber specialist, the soil scientist, the botanist, and the horticulturalist. The Rubber Reserve Company, under the Reconstruction Finance Corporation, has been set up to purchase reserve supplies of rubber to supplement the stocks maintained by manufacturers.¹

¹E. N. Bressman, "Rubber Production in the Western Hemisphere," Inter-American Quarterly, (January, 1941).

Perhaps the most difficult of all inter-American problems relating to strategic raw materials grows out of the fact that capital to develop potential supplies of these vital resources must be expected to come from the United States. And judging from the past experiences of U. S. capital investments in Latin America, it appears that new capital investments by private United States concerns will of necessity be accompanied by guarantees, not of protection but for reimbursement in case of loss, on the part of the United States Government. Direct loans to Latin American nations by the United States Government loaning agencies are likely to have important influence in the development of natural resources considered essential for hemisphere defense. These economic factors in defense cannot be over-emphasized, for strategic materials loom large in the causal factors of the present war in Europe. Adequate defense of both the United States and the Hemisphere requires that economic cooperation in this field be extended to the fullest possible extent.

Having considered defense from the viewpoint of raw materials and strategic minerals, it is now advisable to pay attention to actual defense preparations of the American nations. Since the Havana Conference there have been many indications of growing sentiment for closer defense cooperation.

Of all the problems involved in Hemisphere protection none is more striking than the lack of adequate defense equipment throughout Latin America. The twenty nations south of the Rio Grande possess only five battleships-- the newest of which is reported to be twenty-six years old,¹ fourteen cruisers, thirty-six destroyers, and twenty submarines. Most of these naval crafts are over-age and out-of-date. Only Argentina, Brazil, Chile, and Peru have air forces of any military significance. Argentina has approximately four-hundred-seventy planes in her air force. Latin-American armies are traditionally small, poorly trained, and ill-equipped.² Practically all defense materials must be brought into these nations from Canada, the United States, or from Europe.³ Most Latin American harbors and river entrances are totally lacking in proper equipment. That is, few harbors and river estuaries have modern batteries of guns capable of meeting a challenge from hostile vessels. Nor is there a sufficient outlay of anti-aircraft batteries to afford protection to the cities adjacent to harbor and

¹Hanson W. Baldwin, "Wanted: A Plan For Defense," Harpers, (August, 1940), p. 231.

²Newsweek, (October 14, 1940), pp. 38-41.

³Baldwin, *op. cit.*, p. 231.

river entrances. With the exception of the Panama Canal, it is doubtful if any of the Latin American nations are equipped to lay mines for defense of important landing areas. However, the larger Latin American nations have been making substantial appropriations looking toward a remedy for these defense deficiencies.¹ The final bottleneck may well be the inability of United States industry to fill orders for defense equipment.

In a number of cases steps are being taken either by the nations themselves or through cooperation with the United States to remedy Latin America's military vulnerability. Argentina is reported to be increasing her navy and her air force in addition to negotiating for purchase of tanks and guns. Brazil plans to add to her antiquated fleet. Chile is planning to obtain cruisers and Uruguay is "shopping" for secondhand warships.² Between 1933 and 1938 the armies of Argentina, Chile, Ecuador, Peru, Bolivia, and Uruguay were trained largely by military missions from Germany and Italy. The coming of war in 1939 has interrupted these activities (which in any event were not in the best interests of Hemispheric defense). Before the war, much of Latin American imports of military supplies,

¹Based on reports in the New York Times.

²Newsweek, (October 14, 1940), pp. 36-41.

particularly aviation equipment and guns, came from the totalitarian nations. The Latins were aware of the superiority of United States products, but the price factor plus effective propaganda (mass flights, bombing demonstrations, etc.) helped sell German and Italian munitions.¹ Present orders for Latin American war supplies are going to the United States. To offset the influences left by the Axis military missions, the United States has recently sent military missions to Brazil, Haiti, Guatemala, Nicaragua, Colombia, Argentina, and Chile for the purpose of giving aid in organizing and training the armies of these nations.

Closer cooperation between Latin America and the United States was indicated when, during October, 1940, high military officers from Bolivia, Colombia, Costa Rica, the Dominican Republic, Guatemala, Honduras, Panama, Peru, Uruguay and other states came to the United States to inspect United States air-fields, airplane factories, arms plants, and informally to discuss hemisphere defense problems.² Indicative, also, of closer cooperation with the United States is the announcement of Chile that a new dry-dock being constructed in Valparaiso would be large enough

¹ Arthur P. Whitaker, Americas To The South.

² These visits were at the invitation of the United States.

to handle the largest United States warships.¹

Growing cooperation between Canada and the United States on defense problems is of special significance. With the defeat of the United Kingdom a discomfoting possibility, Canada has seen fit to favor close defense cooperation with her larger neighbor to the South. Thus, if British defeat at the hands of Germany cannot be prevented through active participation in the war, Canada will be ready to help the United States and the Latin American nations defend the Western Hemisphere against any threat of aggression from abroad. Just before the Havana Conference convened in July, 1940, Canadian interest in hemisphere defense was reflected editorially in journals and newspapers. For example, the Canadian Forum declared, in part, that:

Whatever the technical difficulties, why should we not be discussing all these questions with the twenty-one republics who will soon be meeting together at Havana? Among the issues which they will be facing will be the future fate of European possessions in the Western Hemisphere in case of a complete Nazi victory in Europe; and places like Greenland are of great interest to us.²

¹Newsweek, (October 14, 1940), pp. 38-40.

²Canadian Forum, (July, 1940), Volume XX, No. 234.

In a meeting at Ogdensburg, New York, August 17, 1940, President Franklin Roosevelt and Prime Minister King cemented defense cooperation between the United States and Canada by announcing an agreement to set up a Permanent Joint Defense Board.¹ The announced purpose of the Board was that of studying the defense of the Northern half of the Western Hemisphere including sea, air, land, material, and personnel problems.²

In a Labor Day radio broadcast Prime Minister King revealed official Canadian attitude toward the agreement made at Ogdensburg when he pointed out that:

"Canada and the United States have undertaken to share the burdens of maintaining their Joint security; neither has shifted the burden to the other. We have recognized that our united strength will be something more than the strength of both acting separately.

"Reciprocity in defense involves reciprocal duties as well as reciprocal advantages. Canada gladly accepts both."³

The Joint Defense Board had met four times by the end of 1940.⁴ Canadian cooperation in defending the Western

¹Key to Contemporary Affairs, (Autumn, 1940), p. 27.

²Ibid.

³New York Times, (September 2, 1940), p. 9, col., 5-6.

⁴James F. Green, "Canadian-American Relations: Some Unfinished Business," Inter-American Quarterly, (January, 1941), pp. 20-21. The board, informally chairmanized by Fiorello La Guardia, includes military and naval experts from both nations.

Hemisphere is important in a number of respects. The Canadian navy has about one-hundred and fifty ships in patrol and convoy service,¹ and the Canadian air force is being rapidly expanded. A vast unfortified common border, combined with similar economic problems, makes it virtually impossible for the United States and Canada to operate on other than a common defense policy. Canadian production of strategic non-ferrous metals like nickel, asbestos, and gypsum, together with vast trade relations with the United States, makes defense cooperation perfectly natural and logical.²

From what has already been pointed out it is clear that the brunt of Western Hemisphere defense must fall on the shoulders of the United States. And apparently the United States is willing to assume the burden of defending the major portion of the Hemisphere. In August, 1938, President Franklin D. Roosevelt, in a speech delivered at Queens University in Ontario, Canada, pledged United States aid in defending Canada. He said in part: "the people of the United States will not stand idly by if domination of Canadian soil is threatened..."³

¹Of these, six are former United States destroyers.

²Arthur Neal, "South of the Border and North," Canadian Geographic Journal, (May, 1940), pp. 211-241.

³F.D. Roosevelt, Speech, Vital Speeches, (Sep. 1938) p. 681.

In an address celebrating Pan American Day in 1939, President Roosevelt, in effect, pledged the military support of the United States to defend all American nations when he said:

The American peace which we celebrate today has no element of weakness in it. We are prepared to maintain it, and to defend it to the fullest extent of our strength, matching force to force if any attempt is made to subvert our institutions, or to impair the independence of any one of our group.¹

In a radio address entitled, "Pan American Defense," delivered October 11, 1940, Henry Wallace, then Vice Presidential candidate, declared that:"it is safer and cheaper to defend a distant front line, made up of the Atlantic and Pacific oceans..... We must plan to hold all America free."²

Judging from these and from other statements by high United States officials, there can be little doubt but that the United States intends, in so far as is possible, to protect the independence and sovereignty of all the American republics. It is impossible to say how much this policy reflects the feeling of the United States that its own security depends in a large measure upon denying any potential enemy a foothold in the Western Hemisphere and how

¹New York Times, (April 15, 1938), p.2.

²Henry Wallace, "Pan American Defense," International Conciliation, (February, 1941), p.89.

much reflects the willingness of a strong and militant United States to extend a friendly wing over twenty weaker, unprotected neighbors. Both forces are present, but they are so intertwined as to defy separation. However, regardless of what United States motives are, a mental review of the methods and equipment with which Adolph Hitler has brought the majority of the European continent under German domination is sufficient to convince any average layman that the security of both Latin America and Canada is essential to the security of the United States.

Ultimately, defense of the Western Hemisphere depends on the maintenance of sea, air, and land forces sufficiently strong to prevent any aggressor nation or combination of nations from gaining a foothold anywhere in the two Americas.¹ This means that there must be a navy large enough, and with sufficient bases, to adequately control the sea approaches to the hemisphere in both the Atlantic and Pacific oceans. Protection of the approaches to the Panama Canal and protection of the Canal itself from any type of damage are both very important. One of the first prerequisites of

¹In considering actual defense problems it has been necessary to rely to some extent on the considered opinions of military experts like George Fielding Eliot, Rear Admiral G. H. Woodward, and Louis Johnson.

of hemisphere defense is that of keeping the Panama canal open, and of keeping it under American control.¹ Airplanes, airplane carriers, landing fields and other aviation paraphernalia are required in sufficient quantities and in locations which will be adequate to repel any air invasion, and which will in addition be able to aid naval vessels in the protection of sea approaches. Land forces, in view of long distances and large areas, should be highly trained and equipped for rapid movement. Numbers are important, but it would appear that tanks, guns, and armored vans are vital to effective use of land forces. Finally, a cooperative attitude is necessary on the part of all the American republics (and Canada), to assure both domestic tranquillity and a common front against aggression from abroad.

Apparently without any well defined program for hemisphere defense,² the United States has taken important steps looking toward fulfillment of the needs listed above.

In anticipation of completion of a huge naval building program, the United States Navy has been divided into two

¹George Fielding Eliot, "Defense of the Americas," Annals, (July, 1939), pp. 51-53.

²If plans exist they have been kept secret. In an article in Harpers Hanson Baldwin, military correspondent for the New York Times, has pointed out the need for a definite plan of defense with appropriations to meet particular objectives. Hanson Baldwin, "Wanted: A Plan For Defense," Harpers Magazine, (August, 1940).

separate fleets, one for the Pacific and one for the Atlantic. According to official reports, approximately two-hundred ships¹ are in the process of building at a cost of nearly four billion dollars. By 1946 the United States navy will be a two-ocean navy consisting of over six-hundred and fifty vessels aggregating 3,412,440 tons and a complement of some fifteen thousand aircraft. The present building program will lift the United States navy to the largest in the world.

Air defense plans are being pushed as fast as possible. The practice of dividing airplane production with embattled Britain plus a shortage of production facilities has had the effect of slowing down the American air defense plans. However, production facilities are being rapidly expanded and thousands of pilots are being trained for national, and indirectly, for hemisphere defense.

Of particular importance to hemisphere defense is the action of the United States in acquiring and expanding naval and air bases. Shortly before the opening of the

¹Included in the building program are seven super-dreadnoughts, eight aircraft carriers, twenty-seven cruisers, one-hundred-fifteen destroyers, forty-three submarines, and one repair ship. Rear Admiral C.H. Woodward, "Naval Strength," Proceedings of the Academy of Political and Social Science, (January, 1941), pp. 22-23.

Havana Conference the United States' Congress showed interest in developing facilities for defense of the Hemisphere. On July 11, 1940, the House of Representatives' subcommittee on military affairs reported in form of a recommendation that the United States acquire and fortify fleet and air bases in Nova Scotia and Bermuda to strengthen Atlantic coast defenses.¹ On July 14, 1940, The New York Times reported that:

It is expected that the United States will seek general permission to use sea and air bases on both the Atlantic and Pacific coasts of Central and South America. Under present plans such permission would not involve purchase or lease of any territory.²

Interest in acquiring additional Atlantic bases was climaxed in early September, 1940, when President Roosevelt reported to Congress that he had traded to Great Britain fifty over-age destroyers in exchange for ninety-nine-year rent-free leases on base sites in the Bahamas, Jamaica, St. Lucia, Trinidad, the Gulf of Paria, Antigua, and in British Guiana. At the same time Great Britain's offer of free base sites in Newfoundland and Bermuda was

¹ The New York Times, (July 14, 1940), p.6.

² Ibid., p.25.

accepted.¹ In reporting the transaction to Congress President Roosevelt pointed out that:

The value to the Western Hemisphere of these outposts is beyond calculation..... They are essential to the protection of the Panama Canal, Central America, the Northern part of South America, the Antilles, Canada, Mexico, and our own Eastern and Gulf seaboard.²

While President Roosevelt was criticized by some members of Congress for his methods in the transaction,³ all quarters were unanimous in recognizing the strategic importance of the new sites for defense. The New York Globe offered characteristic approval when it declared that:

To us it means that hemispherical defense has become a responsibility which we accept in full. This deal carries one step farther the declaration made by the twenty-one American Republics at Havana and the defense arrangements between the United States and Canada now being discussed at Ottawa.

As a friendly gesture to Latin American nations Secretary of State, Cordell Hull, hastened, on September 6, 1940, to send telegrams to United States diplomatic representatives instructing them to inform the respective Governments

¹Key To Contemporary Affairs, Official documents, (Autumn, 1940), pp. 30-32.

²Ibid., p.33.

³The President followed an opinion handed down by Attorney General Robert Jackson and completed the exchange without consulting the Senate and without submitting a treaty to that body.

⁴Quoted in The New York Times, (September 4, 1940), p.13.

of the other American states of the United States! desire to use the newly acquired bases for "more effective cooperation with the other republics in the common defense of this hemisphere." In reporting this action the the press, Mr. Hull pointed out that:

The resulting facilities at these bases will, of course, be made available to all American republics on the fullest cooperative basis for the common defense of the hemisphere and in entire harmony with the spirit of the pronouncements made and understandings reached at the Conferences of Lima, Panama, and Havana.¹

By early January, 1941, a joint Army-Navy board of American experts, headed by Rear-Admiral John W. Green-
slade, had completed a preliminary survey of the British possessions in collaboration with British representatives. Eight sites for bases were tentatively agreed upon pending formal signing of leases in London.² In the meantime, plans for construction were being prepared.³ In the Caribbean area Bermuda, Trinidad, and British Guiana will provide very favorable locations for naval and air bases. Newfoundland is important in command of the North Atlantic approaches to the Continent and in the presence of the

¹New York Times, (September 8, 1940), p.36.

²Morning Oregonian, (January 12, 1940).

³C.H. Woodward, "Naval Strength," Proceedings of the American Academy of Political and Social Science, (January, 1941), p.29.

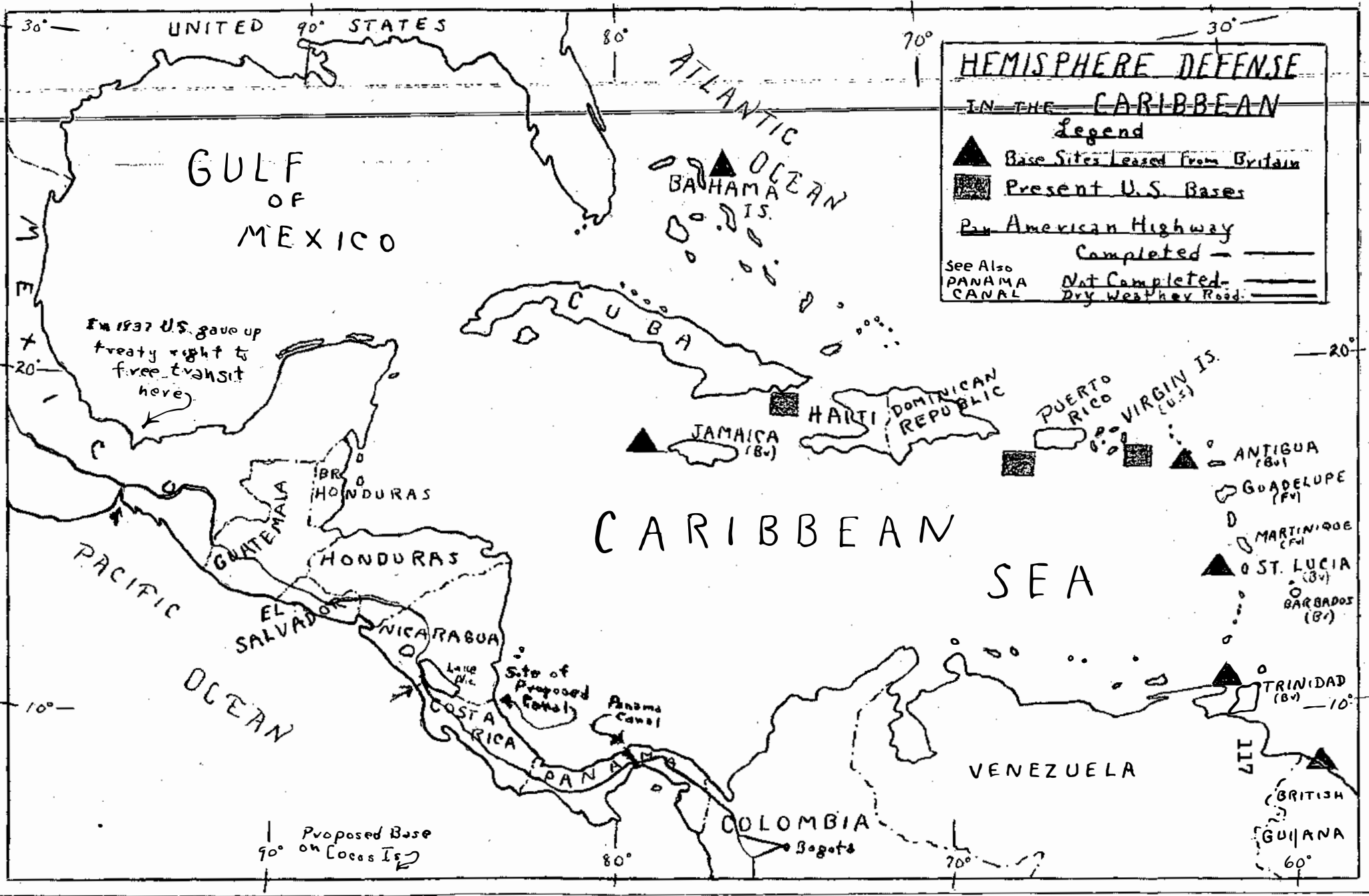
take-off spot for trans-Atlantic cables.¹

On the following page is a map which shows the Caribbean area and the relation of several of the newly acquired base sites to the defense of the Hemisphere and the Panama Canal. Other defense preparations and plans in the area are shown.

The United States has recently completed arrangements with the refugee Danish Government whereby the United States is allowed to fortify and protect Greenland. There is some question in military circles as to the strategic value of Greenland, but the United States is apparently willing to prepare for any threat which might convert Greenland into a base for aggression in the Western Hemisphere.

Significant also, is the action of Mexico and the United States in reaching an agreement for reciprocal use of aviation landing fields. Mexico is now free to use fields in the United States, and the United States is free to use fields in Mexico. This action, in addition to being characteristic of the trend in military cooperation between American states, is important in defense of the vital Pan-

¹ Construction of naval stations and air fields on the British possessions is dependent on passage by Congress of appropriations to recompense British property owners.



UNITED STATES

GULF OF MEXICO

ATLANTIC OCEAN
BAHAMA IS.

CUBA

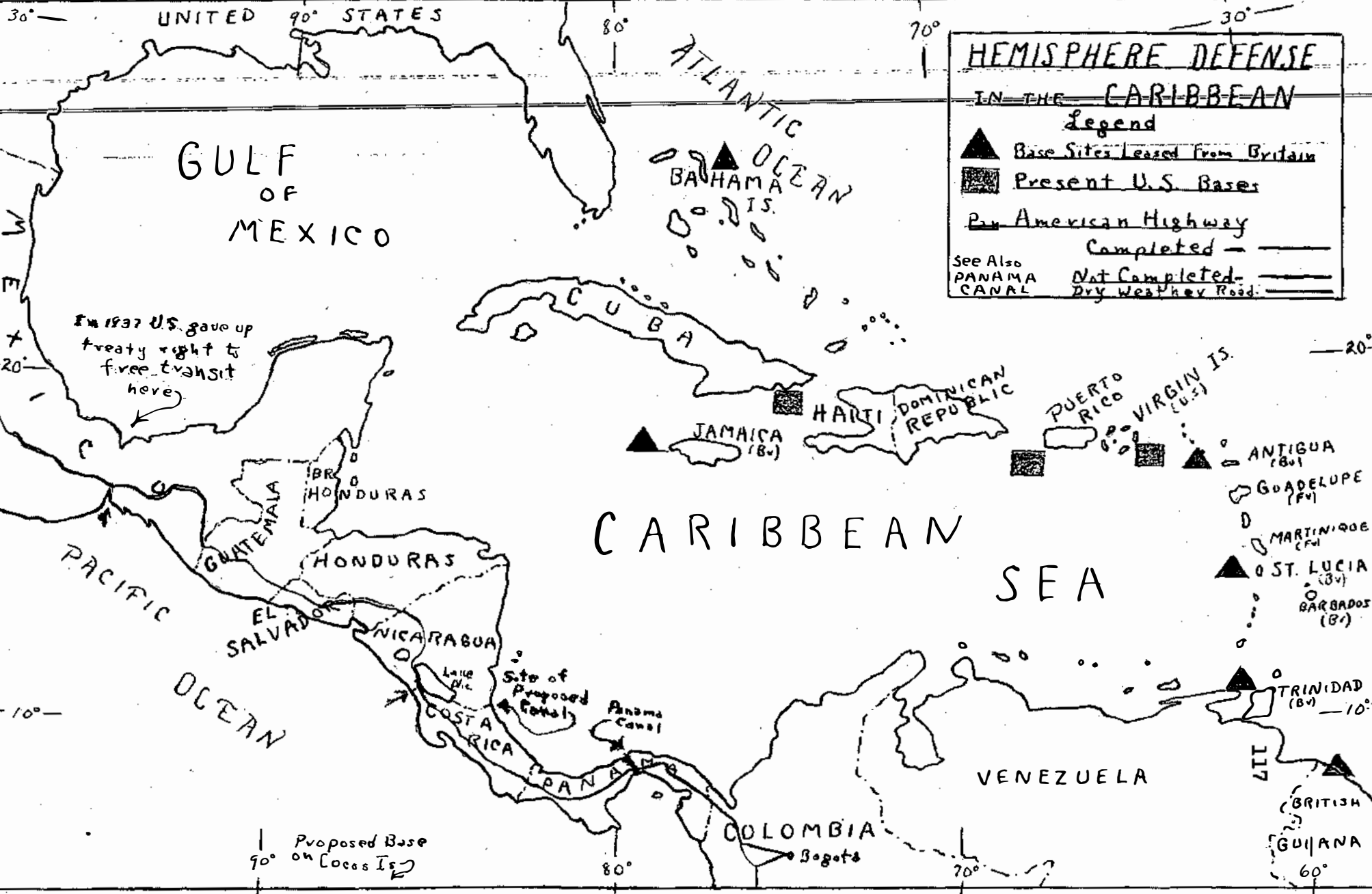
CARIBBEAN SEA

PACIFIC OCEAN

GUATEMALA
HONDURAS
EL SALVADOR
NICARAGUA

COSTA RICA
PANAMA
Site of Proposed Canal
Panama Canal

JAMAICA (Bv)
HAITI
DOMINICAN REPUBLIC
PUERTO RICO
VIRGIN IS. (U.S.)
ANTIGUA (Bv)
GOADELUPE (Fv)
MARTINIQUE (Fv)
ST. LUCIA (Bv)
BARBADOS (Bv)
TRINIDAD (Bv)
VENEZUELA
COLOMBIA
BOGOTA
BRITISH GUIANA
60°



ama Canal. Added protection of the Canal is provided through an agreement with Panama by which the United States is given the privilege of constructing defense facilities in the areas adjacent to the Canal Zone.

In the Pacific area the United States has undertaken a building program to strengthen defense of the Western side of the Hemisphere. In the Alaska region plans call for construction of a naval station at Dutch Harbor and for naval aircraft bases at Sitka and Kodiak Island to supplement army airfields located at Anchorage and Fairbanks. Additional appropriations have been made to improve naval and air base facilities in Hawaii.¹ On September 6, 1940, the New York Times reported an offer by Costa Rica to lease the Cocos Islands, four-hundred miles off the Pacific coast, to the United States for the establishment of naval and air bases to guard the Pacific approaches to the Panama Canal.² At the Canal itself the United States is preparing to construct a third set of locks as an added safety measure.³

¹John Gunther, "Our Pacific Frontier," Foreign Affairs, (July, 1940). Pearl Harbor is already developed into a Pacific "arsenal." Facilities include a submarine base, a dry-dock, a navy yard and station large enough to handle the entire United States fleet, fuel and ammunition depots, a fleet air base, a military garrison, and a food depot.

²New York Times, (September 6, 1940), p. 1.

³Gunther, op. cit.

There is also the possibility that construction of a canal through Nicaragua may be undertaken. The United States possesses treaty agreements with Nicaragua which would allow for building another trans-isthmian waterway. However, no official action has yet been taken by the United States.

The field of inter-American communication offers yet another source of hemispheric defense problems. Favorable to hemispheric defense cooperation is the development of air service by Pan American Airways. Aided by subsidies from the United States Government this airlines system has undergone rapid expansion. Maintenance of this regular service which reaches all important Central and South American centers, promotes establishment of facilities for military use in time of emergency and at the same time assures quick transportation during peace time. Pan American routes cover fifteen thousand miles of scheduled routes. Brazilian and Colombian affiliates of Pan American operate an additional eleven thousand miles of air service.¹ One major route of Pan American (Panair) service stretches from Miami across the Caribbean and down the East coast of South America to Rio de Janeiro and Buenos Aires. Service on this route has recently been stepped up from four round trips

¹Melvin Hall and Walter Peck, "Wings for the Trojan Horse," Foreign Affairs, (January, 1941), p. 347.

weekly to daily service each way (except Sunday).¹

A second route (Panagra) from Brownsville, Texas, extends through Central America and down the West Coast of South America to Santiago and then across the Andes Mountains to Buenos Aires. These air services assure rapid and regular communication between the United States and Latin American states.² Also important is the network of air service and landing fields maintained by American Export Airlines (until 1941 called TACA) in Central America. This progressive organization owns fifty-two planes, uses all United States equipment, and in 1940 carried 110% more air freight than all the airlines in the United States.³

Other aspects of inter-American communications are not so rosy as regards hemisphere defense. In South America German and Italian influence looms strong in air communication service. Prior to the outbreak of the war in Europe, airlines under German and Italian control or domination in South America comprised over twenty thousand miles of sched-

¹Newsweek, (July 8, 1940), p. 46.

²Since completion of this study, Pan American Airlines has announced new expansion of services to Latin America.

³George S. Roper, "TACA Over Central America," Inter-American Quarterly, (January, 1941), pp. 36-37. High freight volume reflects poor land transportation facilities.

uled routes. German Lufthansa and Italian Lati services were maintained from Berlin and Rome to South America until 1940.¹ Several of the so-called national airlines in South America appear to be camouflaged subsidiaries of the German Lufthansa line. Equipment contracts and personell agreements have helped to cement German control of these services.² Recognition of the possible threat of these foreign controlled air service enterprises to hemisphere security has resulted in closer supervision and in stricter regulation by the nations in which these services operate. There is also a trend toward real nationalization of the air services controlled by Germany and Italy. A number of Latin American nations have cancelled the franchises of German and Italian airlines.

Inter-American land communications lag far behind air communications, but the projected Pan American Highway is nearing a stage of completion which will make it important in hemisphere defense. It is estimated that approximately \$100,000,000 would finish uncompleted stretches between the United States and the Panama Canal.³ Completion of this portion of the Highway would be of strategic importance in

¹Rome is as close by air to Rio as is Miami. It is only 1800 miles across the South Atlantic from Africa to Brazil.

²Hall and Peck, op. cit., pp. 347-350.

defending the Panama Canal.¹ In South America a short section remains to be built in Northern Argentina and there are several stretches from the Panama Canal through Colombia where the road is nothing but a trail. Inter-American conferences have constantly encouraged completion of the Pan American Highway both in the interest of defense and for public travel. The United States has cooperated by giving free technical assistance.²

In South America the need for a railroad across the continent has long been recognized as a project connected with defense. The Ministers convened at Havana, July 1940, passed a resolution: "To recognize the importance and usefulness for continental defense of the Arica (Chile) Santos (Brazil) trans-oceanic railway...." They went on to recommend to the American nations, "especially those directly interested, the advisability of proceeding as soon as possible with the financing of the section still to be constructed." In addition to implementing hemisphere defense, the completion of such a railroad would facilitate trade between the West and East coasts of South America.

¹These unfinished portions are in Costa Rica, Nicaragua and in Southern Mexico.

²Mordecai Ezekiel, "Pan American Highway," International Conciliation, (February, 1941), pp. 135-137.

While it is evident that the American nations have developed considerable cooperation for defense, it is equally clear that there are serious holes in hemisphere defense. Much of the gigantic defense program of the United States is in the blueprint and building stage. Bases on the Atlantic and in the Caribbean have been acquired, but as yet those leased from Great Britain are undeveloped.¹ The incomplete condition of the Pan-American Highway, the lack of suitable defense equipment in Latin American nations, and the lack of any real plan for defense cooperation among the American nations are all weak spots in defense solidarity. Even among high officials in the United States there appears to be no unanimity as to what this country is able and willing to defend.

It is impossible to weigh the exact relationship between the aid-for-Britain program of the United States and the problem of hemisphere defense. However, it seems that the Franklin Roosevelt Administration feels that the best immediate method of defending America is through giving Great Britain all possible aid in her struggle against Italy and Germany. In the event that this so-called defense policy

¹Another weak place in defense is the lack of development of Pacific approaches to the Panama Canal. Both the Cocos and the Galapagos Islands are relatively close to the canal. Both are owned by American nations, but no attempt has been made to provide defense facilities.

leads the United States into full participation in the war, the nations of Latin America will face the difficult problem of deciding whether they will follow the lead of the United States or whether they will try to maintain the position of neutrals. There is little doubt but that the United States, in aiding Great Britain, has already departed from the general rules of neutrality agreed upon at the Panama Conference.

On the other side of the picture, the Havana agreement concerning European possessions in the Western Hemisphere, the close cooperation between Canada and the United States, the rapid expansion of defense programs including bases and equipment essential to hemisphere defense, and the stiffening resistance of Latin American nations to non-American influences all must be considered as genuine evidence of inter-American cooperation for defense. The present trend indicates that such cooperation is a growing rather than a declining movement.

CHAPTER V

INTER-AMERICAN CULTURAL RELATIONS

Of increasing importance in the development of inter-American solidarity is the field of cultural relations. In the past very little attention has been focused on questions relating to language, education, religion, music, art, and other aspects of culture, but with the vigorous recent movement toward intimate political and economic cooperation there appears to be a growing realization that, before much more progress can be accomplished in these fields, advances need to be made in the field of cultural exchange and understanding.

Consequently, in rounding out a study of recent developments in the solidarity movement, it is necessary to consider the more important phases of inter-American cultural relations. Since questions of race and nationality are closely intertwined with various phases of culture, separate treatment of these subjects will not be attempted; all will be considered together. In so far as is possible the material will be divided into two parts. The first part of the chapter will be devoted to discussion

of significant problems in inter-American cultural relations; and the second part will be given to examination of the progress which has already been made by international conferences, by national agencies, and by private initiative in promoting cultural exchange and understanding.

A prerequisite of understanding cultural relations between and among the American republics is the recognition of cultural diversity. In North America, Canada and the United States have evolved quite similar cultural patterns; for example democratic government, republican ideology, and ideas on individual liberty are very much the same in both nations. Agriculture, business, music, art, and industry offer other examples of fields where cultural traits are similar. However, between these English speaking peoples there are important differences. While principles of government in the two nations are similar, the relation of Canada to the British Commonwealth has conditioned the outlook and thought of the people to a considerable extent. The attitude of Canadians, who are just as free to make their own decisions as are the people of the United States, toward Great Britain and toward the other Dominions is very different from that of citizens of the United States. Also, many British customs which have

disappeared from the United States' culture pattern are perpetuated and practiced in Canada. For example, Canadian hospitality has quite a different atmosphere from that found in the United States.

The differences in culture between the English speaking and Spanish speaking sections of the Western Hemisphere are, of course, much greater than differences between Canada and the United States. While among all of the nations of the Western Hemisphere there are common interests and common problems growing out of proximity, culturally Latin America is very different from English North America. Latin America, or Hispanic America as it perhaps ought to be called in a treatment of cultural characteristics, traditionally has sought inspiration in the intellectual and cultural life of Europe. For the most part Madrid and Paris have been the chief centers of attraction, but during the period of the nineteen-thirties there was a noticeable shift in the direction of Berlin and Rome.¹

It would be a mistake, however, to bulk all Latin-American countries together as having the same cultural characteristics. There are important differences on both

¹Alvin Hansen, "Hemisphere Solidarity," Foreign Affairs, (October, 1940).

a regional and a national basis. Race, climate, nature, and interests are completely different in the Caribbean area from what they are in Southern South America. Mexico, Central America, and the nations of Northern South America provide examples of countries where a transplanted Spanish-European culture had become mixed with the native cultures. This is also true of Chile. Argentina and Uruguay offer examples of nations in which a transplanted European culture is flourishing with relatively little infiltration of indigenous culture.

Brazil, which by any standard of judgment has replaced the United States as the American "melting pot," is set apart from other Latin American nations in that her language and her culture are basically Portuguese instead of Spanish. With a population of over 45,000,000, an area larger than that of the United States,¹ and with climate and natural resources conducive to diverse economic development, Brazil appears well on the way toward developing a new, vigorous national culture. Instead of solving racial problems on the bases of segregation and "accommodation,"² as has been the method used in the

¹Congressional Digest (December, 1940) from The Americas At A Glance published by Pan American Union in 1939.

²"Accommodation" is a sociological term meaning "giving of place."

United States, Brazil has encouraged racial and cultural mixture. The process of mixing is by no means complete, but the trend is in that direction. All through Latin America racial crossing is much more common than in either Canada or the United States.

But this does not mean that social classes are lacking; on the contrary, in most Latin American countries a feudal system of land ownership has maintained the vast gap between the aristocracy and the mass of workers. Only in the cities of Argentina and Brazil has there been development of a real middle class. Radical reform in Bolivia, Mexico, and Chile, in the direction of nationalizing land and resources, heralds the breakdown of the feudal system and the rise of the lower classes. Progress in this movement is naturally slow, but it may be expected to continue. The methods used thus far have raised difficult questions over expropriation of foreign-owned property, but, while inter-American solidarity is temporarily disturbed by these actions, in the long run the ultimate amelioration of the masses of the people in Latin America, made possible by breaking down the feudal land system, augurs well for the future of solidarity. For it is through the rise of a large Latin American middle-class with a correspondingly increased purchasing power that extension of inter-Ameri-

can trade can be accomplished. In this respect the social changes taking place in Latin America are worthy of emphasis in a discussion of cultural problems.

Nor does the trend toward inter-marriage and intermingling of races in Latin America mean that all of the immigrant groups have been assimilated into the population. The existence of large colonies of unassimilated immigrants from European and Asiatic countries in many Latin American nations constitutes a genuine problem in cultural relations. Indirectly these groups have had a definite effect on the solidarity movement.

Most important among unassimilated groups living permanently in Latin America are the Germans, the Italians, and the Japanese. With the exception of Cuba, Panama, and Mexico, there are more Germans in most Latin American countries than there are "Yankees." However, by far the majority of Germans are expatriated; for the most part they came to South America for the same reasons that hundreds of thousands of Germans came to the United States during the nineteenth century. It is estimated that, counting the first, second, and third generations, there are a million Germans living in Brazil.¹ Of the first

¹Carleton Beals, The Coming Struggle For Latin America, (Philadelphia: Lippincott, 1938), pp. 40-55.

generation, however, there are less than 350,000 Germans in Brazil.¹ Argentina and Chile each have over 100,000 first generation Germans. In Peru, Uruguay, and Mexico there are small but energetic German populations.² The Germans have become engaged in a variety of occupations including ranching, merchandising, mining, and in the various professional fields. Until quite recently the Germans have maintained schools in the major Latin American cities. In South Brazil, and in other areas as well, the German colonists have developed a high type of culture. As Robert King Hall, a well informed student of foreign populations in Latin America, has pointed out:

In the German region of the southern states, no impartial observer can fail to be impressed by the very superior culture which the colonists have brought to Brazil. Their homes are permanent brick and hewn-beam structures surrounded by neat gardens, well-tended fields, pastures, finely-bred cattle. Their villages have churches, schools, clubs, and cooperative associations for the purchase of goods and the marketing of produce. Everywhere there is substantial evidence of the tidiness, love of home and soil, that characterizes the German peasant. In villages and farms, populated by Brazilians of Portuguese ancestry, a far lower standard of living is apparent.³

¹Hubert Herring, "Making Friends With Latin America," Harpers Magazine, (September, 1939), p. 362.

²Ibid.

³Robert King Hall, "Foreign Colonies of Brazil," Inter-American Quarterly, (January, 1941), p. 9.

Argentina, with an area five times that of all France and one-third the size of the United States, has provided a destination and home for Italians as well as for Germans. Since 1860 at least a million and a half Italian colonists have settled in Argentina.¹ Approximately one-third of the Argentine population of thirteen million has Italian blood. Brazil has been made the home of about a million Italians; large colonies are present in Uruguay and Paraguay. For the most part the Italians have become farmers and merchants, but they have also worked into finance and industry.

In all Latin America there are about 350,000 Japanese. They operate farms, barber shops, restaurants, tailor shops, and clothing stores. The Japanese also have gained important fishing concessions from Mexico, Ecuador, Peru, Chile, Paraguay, and Argentina. In Colombia the Japanese have a huge tract under cultivation; and in Brazil they have developed large plantations for cotton and coffee production. Tea, rice, and silk have been introduced as new crops in Brazil. Huaral, on the coast of Peru, is a Japanese city, and Sao Paulo, Brazil, is one-fifth Japanese.²

¹Herring, Op. Cit., p. 363.

²Beal, Op. Cit., pp. 18-20.

The presence of these large groups of colonists from totalitarian nations, and attempts of Italy and Germany to gain influence in Latin America through the colonists, have given rise to a widespread feeling, particularly in the United States, that the Germans, the Italians, and the Japanese in Latin America constitute a dangerous menace to the safety and solidarity of the Western Hemisphere. On the one hand, there can be no doubt about the attempts of the German and Italian governments to influence their expatriated "citizens" in the New World. During the period, 1933-1939, the Nazi regime used diplomats, consuls, cultural counsellors, military advisers, teachers, newspapers, pre-paganda (news) agencies, and Nazi organizers in an attempt to win the Latin American minorities over to the new ideology. Italy has employed similar methods but to a lesser degree.

On the other hand there is considerable doubt as to the success of these efforts by the totalitarian states. Some of the Latin American students who spent a year or more of study in Germany on scholarships made possible by the Nazi government have come back to America converted to belief in the new German ideology.¹ In Brazil the

¹Beals, Op. Cit., pp. 52-60.

"Integralista" movement, a movement which was leftist and sympathetic to Nazism, gained in strength and numbers for several years, but in 1938 the movement was outlawed by the Vargas government. At the same time statutes were passed which provided that only Portuguese might be used in the schools. Subsidization of private schools by foreign finances was prohibited. As a result German private schools were closed.¹ Evidence has been uncovered, in connection with the closure of these schools, which indicated that in a number of cases teaching materials being used reflected Nazi ideology and doctrine.²

Most of the available evidence, however, shows that a large majority of the Germans, Italians, and Japanese in Latin America are stolid, hardworking, loyal citizens of their adopted homelands. Very few of them have any intention of returning to the country of origin or of helping Hitler or Mussolini or Matsuoka take Latin America. Culturally Latin America has little in common with the new Germany of Hitler. It is difficult to see how Nazi racial

¹Japanese schools were also closed. In most cases Brazilian state operated schools were opened to replace the closed private schools.

²Hall, Op. Cit., pp. 13-16.

and religious intolerance can meet with much sympathy in Latin America. Logically, German exploitation of subject peoples plus German hostility to Catholicism should be anathema to the South American mind. Of course, there are small groups of Fascist and Nazi sympathizers in Latin American countries just as there are similar groups in the United States.

Already the cultural diversity of the American nations has been amply demonstrated. This situation provides the key to the basic problem in inter-American cultural relations. The cultural problem is not that of seeking a common cultural foundation but rather that of developing a mutual knowledge of, understanding of, and appreciation of the culture found in the various nations of the Western Hemisphere. Actually, instead of offering weakness, cultural diversity offers potential strength to the solidarity movement. Unfortunately, at the present time a number of stumbling blocks stand in the way of the exchange and understanding which are necessary to make cultural diversity a strengthening factor in inter-American relationships.

Not the least of these stumbling blocks is lack of knowledge about other American nations. The average United States citizen, for example, knows very little about the culture of the Latin American nations. Mention of the term

"Latin America" brings to most United States citizens a mental picture of matadors, bull-fights, revolutions, bandits, jungles, a land of illiterate and backward peoples, and a place where bananas and coffee are grown. Also prevalent is the idea that Latin America is a land where spies and "fifth columnists" gather for the promotion of activities subversive to the welfare of the United States. As causes of this situation, other than simple lack of information, failure of writers to gain background preparation,¹ failure of news agencies to check the authenticity of sensational reports,² and shortcomings of the motion picture industry in creating pictures which give a true representation of life in the Latin American countries should be mentioned.³

On the whole it appears that Latin Americans hear more about the United States than the "Yankees" hear about Latin America. But, even so, the average citizen of the Latin American nations does not know a great deal about

¹Lewis Hanke, "Plain Speaking About Latin America," Harpers Magazine, (November, 1940), pp. 588-597.

²Until quite recently United States news agencies have not maintained qualified staffs in Latin America.

³Recent pictures, like "Down Argentine Way," have caused many Latin Americans to become resentful of what they feel to be "Hollywood misrepresentations" of life in Latin America.

life and cultural activities in the United States. The majority of moving pictures sent from Hollywood for showing in Latin America hardly may be said to give a fair or well-balanced portrayal of life in the United States. Catholic Latin minds are not warmed by the recurring movie themes of night life in the city, divorce, crime, money-grabbing, and the eternal triangle. According to a reputable writer of syndicate news features for Latin American daily papers, the doings of Al Capone, sensational occurrences, and the bubblings of Hollywood are well-known to Latin Americans, but they have never heard of the Smithsonian Institution and the Rockefeller Foundation.¹ Many Latin Americans have the idea that the people of the United States are rank materialists, that they live fast lives, and that they have little time for appreciation of the finer things of life. And despite the warming effect of the "Good Neighbor" policy, from time to time Latin American politicians make capital out of the old cries of "dollar diplomacy", and "Yankee imperialism". Then too, the propaganda efforts of the totalitarian states to discredit the United States in the eyes of Latin America have not gone entirely unrewarded.

¹Carlos Videla, "Are We As Bad As All This?", The Pan American, (March, 1941), p. 8.

Deficiency in facilities for inter-American travel offer another serious hindrance to the development of inter-American cultural exchange and understanding. In 1940 forty-five percent of inter-American travel was made up of businessmen.¹ Inter-American air transportation is relatively safe, fast, and regular, but it is so expensive as to be out of reach of the average tourist prospect. With the Pan American Highway uncompleted the only practicable method of tourist travel is by ship. Passenger service between South America and the United States is slow, inadequate, and expensive as compared with normal facilities for travel from either the United States or Latin America to Europe. For example, in 1938 a round-trip steamship ticket from New York to Rio de Janeiro cost \$510 while the same class ticket to Europe could be purchased for \$200. A round-trip ticket from Chile to New York costs over \$800, and even an off-season round-trip ticket from Rio de Janeiro to the United States costs \$440.

In 1940 the minimum "low season" one way ticket from Chile to New York cost \$340 on a Grace Line ship.² The

¹Albert K. Dawson, "What Can Be Done To Aid Tourists?" The Pan American, (February, 1941), p. 3.

²Hubert Herring, "On Getting Better Acquainted," Survey Graphic, (March, 1941), p. 196.

difference between inter-American fares and America-Europe fares is partially explained by the fact that the South American Atlantic cities are closer to Europe than they are to the United States. But even with allowance for differences in distance, fares between American centers are disturbingly high.

With these costs stacked up against the \$10 to \$30 monthly salary paid school teachers in Latin America it is easy to understand why travel is not greater. During the busy seasons, January, February, June, and July, inter-American passenger services are lacking in ships for adequate accommodation. In view of these facts, it is not hard to see why Latin American tourists go to Europe instead of to the United States. Likewise it is easy to understand why the tourist from the United States goes to Europe instead of to South America. Before the war, Great Britain, Germany, and Italy all offered efficient and economical passenger service to the East coast of South America.

Other important hindrances to cultural and intellectual interchange include a general lack of uniformity in copyright law and procedure, and a deficiency of exchange fellowships and professorships. Copyright laws differ in almost every country, and there is no universal system of

either protection or regulation.¹ In regard to literature, this situation has tended to hold down exchange publication of significant works, and in the field of music lack of uniform protection has been the cause of ill-feeling. For example, United States music publishers have turned out a number of editions of work by prominent Brazilian composers without payment of royalty and without obtaining permission to publish.² Such actions may contribute to appreciation of Brazilian music in the United States, but it certainly is not conducive to international amity and solidarity.

The educational problem has several important aspects. Costs of transportation have impeded exchanges of students between North and South America. Reciprocal lack of interest has contributed to the deficiency in cultural relations. Until recently curricula of universities have given small place to courses on the history of, and relations with, other American nations.³ And in the United States' grammar schools and high schools, Latin America

¹Edith E. Ware, "Copyright and Inter-American Cultural Exchange," Inter-American Quarterly, (January, 1941), p.88.

²Ibid, pp. 89-91.

³Based on a study of curricula of United States colleges and universities (catalog announcement of courses).

has been almost completely ignored. A recent survey discovered only two-hundred courses on Latin America in the twenty-seven thousand high schools of the United States. Intellectual exchange has not been greatly facilitated through exchange of teachers and professors. There is also a general lack of textbooks and teaching materials.¹ Finally, there have been inadequate attempts to get around the language barrier through translation of important literature. All of these various influences have retarded cultural exchange and understanding. The whole picture is by no means dark, however, for most of the American nations have recognized the need for improving cultural relationships. Progress has been made collectively through the Inter-American Conferences and the Pan-American Union, and individually through public and private programs in the various nations.

Neither the Havana nor the Panama Meeting of Foreign Ministers produced either conventions or resolutions looking toward betterment of cultural relations. This is probably best explained by the feeling of the Ministers that economic and political matters deserved first consideration in view of the international situation. But the process

¹Robert H. Williams, "Wanted, An American Rhodes," Inter-American Quarterly, (January, 1941), pp. 82-86.

of ratification is going forward on a "Convention for the Promotion of Inter-American Cultural Relations" which was drawn up and approved at the Buenos Aires Peace Conference of 1936. This Convention provides that each American nation shall send two graduate students or teachers to each of the other twenty republics each year. Final adoption of this agreement would mean an annual inter-American movement of eight-hundred and forty scholars and teachers. The potential value of such a program is obvious. Thus far, twelve nations have ratified the Convention; the United States has appropriated \$75,000 to finance its share of the exchange.¹ At special conferences of representatives from the American republics consideration has been given to a number of specialized problems. Among these subjects are motion pictures, housing, archeology, Indian affairs, engineering, women's affairs, copyrights, intellectual exchange, and travel. Canada sent representatives to a recent travel "congress" held at San Francisco.²

¹Williams, Op. Cit., pp. 86-87.

²Horace D. Crawford, "Should Canada Join Pan America" North American Review, (Winter, 1940), p. 228. Until the outbreak of war, tourist travel between the United States and Canada was extensive in both directions. In 1939 United States tourists spent \$262,000,000 in Canada, while Canadian tourists spent \$95,000,000 in the United States. Arthur Neal, "South of the Border and North," Canadian Geographic Journal, (May, 1940), pp. 235-241.

In addition to the progress made by American international conferences, the permanent inter-national agency of the American republics, the Pan American Union, has contributed and is contributing in a number of ways to better cultural and intellectual relationships. The Union has an excellent library and a resourceful division on intellectual matters. Colleges and citizen study organizations are helped and encouraged to give a place to study of political problems, language, and to the culture of the American nations.¹ The Division of Intellectual Cooperation of the Union has been instrumental in bringing groups of Latin American students to the United States. A Division of Travel helps students and tourists plan itineraries, gain interviews, and obtain admission to private art collections and industrial plants. The Union gathers and distributes information on all phases of activities in and among the American republics. An official journal called the Bulletin of the Pan American Union is published monthly in English, Spanish, French, and Portuguese. This magazine is a veritable storehouse of information on life and happenings in the Americas. Art, literature, education, and other cultural elements are given an important

¹Hubert Herring, "Making Friends With Latin America," Harper's Magazine, (September, 1939), p. 367.

place in the Bulletin. In addition to this monthly publication, the Union prepares and publishes handbooks of information on various American cities and states.¹

While cultural problems have been left in the rear by pressing economic and political considerations, the United States has not completely ignored the importance of the former. In July, 1938, a Division of Cultural Relations was established in the Department of State. Headed by Dr. Ben M. Cherrington, this branch of the State Department has done some creditable work despite meagre appropriations from Congress. This Division was established to encourage and strengthen cultural and intellectual cooperation between the United States and other countries. Thus far, the principal activities of this organization have related to inter-American relations.

In the fall of 1939 a series of conferences were held under the auspices of the Division of Cultural Relations. Four separate meetings were held on art, music, education and inter-American cultural relations, and on library and publication problems.² The results of these confer-

¹ Congressional Digest, "The Pan-American Union," (December, 1940), p.302.

² Lewis Hanke, "Plain Speaking About Latin America," Harper's Magazine, (November, 1940), p.591.

ences were most encouraging. For example, four-hundred experts attended the conference on education. Tangible results appeared in several fields. Permanent committees representing private organizations were formed to cooperate with the Division of Cultural Relations. The art conference has already resulted in exhibits of Latin American art in New York and Los Angeles. In the past the highly developed art of Latin America has been almost entirely ignored in the United States. A tangible result of the conference on music has been the broadcast of symphony and opera by shortwave to Latin America.¹

To facilitate the work of cooperating with the other American republics, an Inter-Departmental Committee has been established under the auspices of the United States Council of National Defense. The Departments of Commerce, State, Treasury, and Agriculture are represented on this Committee. Thus far, the Committee itself is little more than a gesture, but through the establishment of the office of "Coordinator of Commercial and Cultural Relations Between The American Republics," the way is opened for such a Committee to obtain tangible results. Mr.

¹Bulletin of the Pan-American Union, "State Department Conferences on Inter-American Cultural Relations," (February, 1940), pp.79-84.

Nelson A. Rockefeller, named to fill the office of "Coordinator," has already demonstrated interest and ability in improving relations between the United States and Latin America. For example, the motion picture industry has been persuaded to establish an advisory staff for consultation and research on all film projects relating to Latin America.

The United States has been fostering the development of better steamship service between the Americas. The Maritime Commission has handed out liberal subsidies to companies operating in inter-American service. For example, in addition to regular mail contracts, the Grace lines enjoyed a direct subsidy of over \$1,000,000 during 1940. The Maritime Commission has also effected an increase in the numbers of ships in the "Good Neighbor Fleet." The American Republics line has recently announced plans to add new steamers to its inter-American service.¹

Private organizations in the United States are showing increasing interest in inter-American affairs. Naturally enough, a part of this interest is identified with cultural questions. The Guggenheim Foundation has

¹Herring, op.cit., p.196. Reductions in rates of as much as fifty percent are now offered teachers and students by major steamship lines.

recently allocated part of its educational awards to Latin American candidates. Pan American Airways now offers six travel fellowships for transporting students from the United States to Argentina, Brazil, Chile, Mexico, Peru, and Venezuela.¹ Study clubs and local civic organizations have recently shown interest by devoting time to the study of other American nations. A number of universities, particularly in the Southern and Eastern sections of the United States, have recently conducted conferences on Latin American relations. Libraries have been receiving increasing numbers of books and periodicals dealing with Latin America.² There is also a movement toward increasing the number of courses on Latin America.

In the United States there are many other signs of increased interest in the culture and art of Latin America. Lighter South American music has already become popular, and it is logical to expect that the excellent classical music of Latin America will find increasing place in the United States. Brazilian and Argentine opera stars are now coming annually to the United States, and opera personalities are touring South America in larger numbers.

¹Williams, op.cit.,p.82.

²For example, at the University of Oregon the library reports significant increases in periodical literature coming from Latin America.

The motion picture industry is rapidly being developed as a medium of cultural exchange. In this field, however, there is a need for more attention to the use of motion pictures as an aid in developing mutual understanding and for less attention to pictures as money-making ventures. Women's clothing in the United States is beginning to reflect the influence of Latin American styling and color. Increasing popular interest in Latin America is also reflected by the increasing demand for entertainment "the South American way." Radio programs and news broadcasts also are giving room to Latin American subjects, and press services and news magazines have recently established first-class offices in the larger South American cities. The United Press now has four-hundred twenty-four full time employees in twelve South American news bureaus.¹ The editors of the Reader's Digest have recently launched a Spanish edition which sells in Chile for only eight cents a copy. Other publishers would do well to emulate this fine example.² In the field of music there are some promising trends. Orchestras and concert celebrities from

¹Herring, op. cit., p. 196.

²Prices of most United States periodicals are very high in Latin America. For example, Life sells for eighteen cents per copy in Chile. Herring, Ibid., p. 196.

the United States are touring Latin America in increasing numbers. All these items indicate that the people of the United States are at least becoming more interested in, and more conscious of, the cultures of the twenty neighbors to the South.

In most of the Latin American nations increased interest is being shown in the cultural life of the United States. In Argentina the work of the Argentine--North American Culture Institute has attracted wide attention; and in Brazil the Brazil--United States Cultural Association has helped to create interest in the culture of North America.¹ As was suggested previously, Latin American newspapers have regularly given more space to inter-American affairs than have the papers of the United States. In almost all South American universities, some of which are older than any university in the United States, a growing emphasis is being placed on the study of English and North American history.

Up to the present time entirely too little emphasis has been placed on inter-American cultural relations. It is not too much to say that the weakest factor in the solidarity movement has been wholesale tendency to ignore

¹Bulletin of the Pan American Union, (February, 1940), p. 83.

culture. Nor is it too much to say that some of the failures of the American nations to arrive at common denominators for economic and political questions can be attributed to lack of cultural understanding. As this brief survey has shown, causal factors for this undesirable condition have been many. Cultural ties with different parts of Europe, the development of diverse cultures in various parts of the Western Hemisphere, pure lack of interest, and the barrier of inadequate facilities for travel have all contributed a fair share. But the developments of the last few years, particularly the adoption of the "good neighbor" policy by the United States and the absolute necessity of closer cooperation between the American nations in the face of chaotic world conditions, indicate that an era of vastly improved inter-American relations is dawning. And most encouraging in the picture of better relations is the growing realization, not just by one nation but by all the nations of the Western Hemisphere, that cultural and intellectual exchange comprise an essential part of a program of international cooperation.

CHAPTER VI

SUMMARY AND PROSPECT

With a survey of the more important phases of inter-American relations completed, there remain the tasks of evaluating the general movement toward solidarity and of indicating what steps could be taken in the various fields to promote better relations among the American republics.

In formulating a summary of recent developments in the solidarity movement it is apparent that since 1928 more progress has been made in inter-American cooperation than had been made prior to that time. Undoubtedly one of the most important factors leading toward solidarity has been, and is, the "Good Neighbor" policy of the United States.

When the United States renounced intervention, imperialism, and other aggressive methods of gaining national objectives, and instead adopted a policy of reciprocity, equality, and friendly cooperation, the way was opened for a vastly improved era of international relations in the Western Hemisphere.

This change in policy made it possible for the United States to offer a new type of leadership to the other

American nations, and what is just as important, it made it possible for the Latin American nations to accept United States leadership. As has already been suggested, a decade of the "Good Neighbor" policy has not completely eliminated the old bogeys of fear, distrust, and aloofness on the part of the Latin American nations; but the work of Franklin Roosevelt and Cordell Hull has gone a long way toward alleviating the traditional causes of ill-feeling. In the Caribbean area, where the United States has been a frequent offender, there now exists a general feeling of good-will. These small nations look to the United States for leadership, and they constitute an almost solid "bloc" for solidarity. In fact, Central America has favored formation of a genuine American League of Nations; it is likely that such a project will be considered at the 1943 Inter-American Conference at Bogota, Colombia.

The exigencies of world events have also given impetus to the development of solidarity. Economic and political problems growing out of the war impressed upon the American nations the necessity for harmonious action. And the successes of the Panama and Havana Conferences offer concrete evidence to show that solidarity has progressed to the place where common solutions to common problems can be reached with speed, efficiency, and unanimity.

Furthermore, machinery has been established for dealing with definite types of problems, and while in certain cases this machinery is by no means perfect, it is important that agencies have been set up and that conventions have been drawn up and approved. The treaties and conventions setting forth methods for maintaining peace inside the Hemisphere are not perfect, but they constitute real steps toward ideal international relations.

Equally important is the sincerity of the American nations in all their dealings with one another. On all points of difference there has not been perfect agreement, but every nation is frank and open in attitude, and among all the American nations there is a relatively high degree of respect for law, order, and the pledged word. There is no evidence to show that any American nation is trying to better itself at the expense of a neighbor state. On the contrary, resolutions approved at Havana suggest that each nation has assumed responsibility for helping to keep the Hemisphere a place of peace and amity.

For some time prior to the outbreak of the present war in Europe the totalitarian nations made progress in Latin America both in ideology and in trade, but at the present time the British blockade has eliminated totalitarian trade and there appears to be a growing antipathy all through

the Western Hemisphere toward Nazi ideology. Dictatorships of one type or another exist in several Latin American nations, but in no country is there any indication that the dictator would throw out the welcome sign to Hitler. Even Latin American dictators are willing to follow along in the solidarity movement. Explanation for this situation is found in the fact that dictatorship in Latin America is not the same as dictatorship in Germany or Italy.

Since economic and political problems have been considered more pressing, the movement toward solidarity has progressed furthest in these fields. Until the coming of the present war, Hemisphere defense had not been considered beyond a recognition by the United States that adequate national defense required protection of the Panama Canal. But during 1939-1940 the trend of the war spurred the American nations into giving greater attention to problems of defense.

In North America defense solidarity is almost complete. The work of the Permanent Joint Defense Board (Canada-United States) plus the agreement between the United States and Mexico for reciprocal use of air fields indicates that these nations intend to make defense an international undertaking. The sending of military missions by the United States to Latin American nations and the visits of Latin American military officers to the United States

indicate that defense collaboration throughout the Hemisphere, while by no means complete, is a growing movement.

Beyond the acquisition and development of bases, patrol of sea lanes, improvements on and near the Panama Canal, informal collaboration, and embarkation by the United States on a gigantic defense program, the most significant step in the interest of hemisphere defense is the "aid for Britain" program being pushed by the United States. Thus far, a majority of the American republics have followed United States leadership, but if "aid for Britain" leads the United States into full participation in the war, it is quite possible that at least half of the Latin American nations will choose to remain neutral. This development, however, would not necessarily disrupt the solidarity movement.

Likewise, the American nations have only recently recognized the need for development of closer cultural and intellectual relations. Already this realization has produced action looking toward exchange of students and teachers, toward exchange of art, music, literature, and toward increased study of the language and culture of other American states. In a number of cultural fields important progress has been accomplished. A good example is codification of law. Popularization of the "Good Neighbor" policy in the United States has resulted in widespread interest in other

American states. This new interest has already produced increased study of inter-American cultural relations in educational centers and in civic organizations. Moving picture corporations and newspapers are giving a more important place to themes and news from Latin America. Goodwill tours and exchanges of students and teachers between the various American nations appear to be constantly increasing. Finally, the beginnings made by the United States Department in setting up a Division of Cultural Relations and in organizing a permanent staff agency constitute a particularly encouraging phase of the movement toward closer cultural relationships.

However, beyond the progress described in the foregoing study, there are possibilities for definite improvement of solidarity in each field.

Looking first into the subject of political solidarity it is at once apparent that ratification of existing conventions for maintaining peace within the Western Hemisphere should be completed. But since the solidarity movement rests on the idea of voluntary cooperation, pledges of adherence to treaties providing for peaceful settlement of disputes must come from the legislative bodies of the recalcitrant nations. Resolutions, like the one passed at Buenos Aires, calling for ratification of existing treaties and conventions, serve as vehicles for bringing the subject

to attention, but real progress depends ultimately on interest and action within the countries concerned.

While peace machinery is of great importance, stress should also be placed on the fact that, at the present time, there exists among the republics of the Western Hemisphere a strong will for peace, and any nation which might see fit to disturb the peace of the Hemisphere would undoubtedly be made to feel the combined disapproval of the other nations. In line with this viewpoint it should be pointed out that the United States in giving extensive aid to Great Britain would be wise to seek the approval of the other American nations. Mutual consultation is a fundamental principle in the solidarity movement, and there is no available evidence to show that consultations have been held which would free the United States from her neutrality obligations. However, from the standpoint of actual attitude, most of the Latin American nations appear to favor Great Britain in the present war.

If in the future there is another attempt to build a world organization similar to the League of Nations, active membership by the United States would aid in the development of hemispheric solidarity. The Latin American nations through their active support of the League during the nineteen-twenties gravitated away from inter-American cooperation and particularly away from close collaboration with

the United States. There is good reason to believe that the solidarity movement in the Western Hemisphere has been built into a regional "bloc" of nations. Such a "bloc" could furnish valuable support to a world league; and at the same time Western Hemispheric solidarity could go far in preventing a world league from becoming a European league. The way might also be opened for the nations of the Western Hemisphere to persuade other groups of nations to adopt the political principles on which solidarity is based.

Without the benefit of an "on the ground" appraisal it is difficult to offer an accurate evaluation of foreign political influence in Latin America. However, it may be said that possible future penetration of Latin American nations constitutes a genuine menace to inter-American solidarity. Without any doubt there are "anti-solidarity" factions in a number of American nations, not excluding the United States, but for the present solidarity seems firmly established. As regards the dictatorship governments in Latin America, it is clear that these governments differ from the dictatorships of Europe, and that however undesirable they may be as dictatorships, they do not necessarily constitute a menace to solidarity. But, on the other hand, Fascist and Nazi influence in the American republics, whether inspired locally or from the European dictatorships,

does constitute a menace to the solidarity movement.

In several Latin American nations, notably Mexico, Peru, and Chile, there has been criticism on the part of liberal "left-wing" factions of the support given by the United States to the autocratic regimes now in power in those countries.¹ In the large, this criticism is probably justified, but it is hard to see how, in the past, the United States could have acted otherwise. Support was given these governments because refusal to give support probably would have resulted in complete domination by Italian, German and Japanese interests. In the future the United States should extend all possible support to movements having their aegis in elevation of the masses. This view is advanced because amelioration of the lower classes in Latin America is essential to the development of economic solidarity.

On the economic front solidarity has both its weak and strong points. The war has resulted in serious interference with the trade of all the American republics. Brazil, Argentina, and Chile find surplusses of export commodities piling up with no adequate outlet in view. The United States has been able to supply practically all Latin

¹For example, the United States has supported the Benavides government in Peru.

American import requirements, but unfortunately, import of Latin American products by the United States has not increased in proportion to increased exports. As a result Argentina, Brazil, and other nations have been forced to decrease purchases from the United States.

For the problem of competitive agricultural products there can be no immediate solution, but the United States could help by boosting importation of meats and fruits. Increased purchases of meat from Argentina and Uruguay would improve the attitude of those nations toward economic cooperation, and such purchases, in view of current high prices and probable high consumption demand, would not, as commonly believed, ruin the livestock industry of the United States.

The activities of the Export-Import Bank, the Reconstruction Finance Corporation, and other loaning agencies are desirable only as short-run palliatives. Loans by the United States to the Latin American nations will not provide a permanent solution of the trade-balance problem. A permanent solution of this problem must rest on other foundations. The United States must realize that it must buy from Latin America in larger quantities if economic solidarity is to be a success. Loans and committees and planning agencies all have a legitimate place, but the ultimate success of solidarity in the economic field depends

on a healthy inter-American trade. The fine work of Cordell Hull in scaling down tariff barriers deserves praise; but in addition there must be increased importations of Latin American products by the United States. In addition to the products mentioned above, the United States could use more Latin American sugar, cocoa, fruit, nuts, and all strategic mineral resources.

Without question the Inter-American Development Commission is already performing valuable work in investigating ways and means of developing production, in Latin America, of products imported by the United States. Capital is an important consideration in developing manufacturing and in developing natural resources in Latin America. As a nation with large surpluses of capital on hand the United States is logically the nation which may be expected to provide necessary capital. The chief difficulty is that Latin America is none too friendly toward United States capital. In view of this fact it would be advisable to create an American international investment agency which would allow all the American republics a voice in handling problems of investment. Through such an agency United States capital could find an outlet. To avoid possible recurrence of ill-feeling over "dollar diplomacy" private investments by United States organizations in Latin America should be

given no protection by the government of the United States.

For the duration of the war the question of totalitarian economic penetration of Latin America is solved by the British blockade. But if Europe is dominated by Nazi Germany, it is entirely likely that those Latin American nations traditionally enjoying close economic ties with Europe will inevitably be drawn into the economic orbit of the dictators. Faced with such an eventuality the only alternative of the American nations would be the formation of a collective trading agency to deal with the dictators. It would be wishful thinking to believe that any Latin American nation permanently drawn into the economic orbit of the dictators could long fight off political control by the same powers. Thus, economic solidarity rests, in part, on the outcome of the European war.

Cooperation for defense of the Hemisphere has not passed far beyond the preliminary stages. Since naval plans are shrouded in secrecy it is impossible to say how much of Latin America the United States' navy is planning to defend. In any event a two-ocean navy is planned, but actual construction cannot be completed until 1946. Clearly the United States must be considered the leader in defense of the Hemisphere. Beyond the development of bases already acquired it would be advisable to arrange fortifi-

oation of the Galapagos and Cocos Islands. With proper fortification these islands, owned respectively by Ecuador and Costa Rica, would help protect the Pacific approach to the Panama Canal. There is also a need for development of a well-equipped naval and air base somewhere near the bulge of Brazil. Such a project might be undertaken as a joint enterprise of all the American nations. Development of land communication should be given emphasis as having bearing on hemisphere defense. This involves completion of both the Pan-American Highway and the Chile-Brazil railway. The United States should encourage the cooperation of the Latin American nations in planning for defense. It is not too far-fetched to suggest creation of a Hemisphere Defense Board with the same general purposes and functions as the Joint Defense Board between the United States and Canada. Furthermore, the United States should continue the practice of giving technical help, when requested, for the training of Latin American armies, for planning harbor defense, and for perfecting air defense facilities.

Looking at the whole problem of hemisphere defense from a practical viewpoint it is obvious that the best immediate plan is continued aid for Great Britain. But in the meantime cooperation for defense should be organized as rapidly as possible. If the totalitarian nations win the war in Europe, the

American republics will face the problem of preparing to meet the dictators on the economic, political, and military fronts. In such a movement solidarity might easily crash on the rocks of dissent. With Great Britain gone down to defeat the nations of Southern South America would feel forced to trade with the dictators. On the other hand, if the British win the war, military preparations would unquestionably be pushed into the background and all concentration would be focused on economic reconstruction. It is the possibility of a totalitarian victory that has caused the defense "fever" in the Western Hemisphere.

Almost innumerable possibilities suggest themselves for expanding cultural cooperation among the American republics. With solidarity in the economic and political fields so well developed it is particularly desirable to cultivate reciprocal understanding of American culture. The explanation, of course, for past lack of attention to questions of culture is found in the simple fact that the United States and Canada have been culturally and racially tied to Anglo-Saxon Europe whereas the twenty Latin American nations have traditionally found cultural inspiration in Spain, Portugal, France and Italy.

Perhaps the greatest possibility for developing cultural exchange and understanding in the Americas is in the field of education. The convention for student and teacher

exchange adopted by the Buenos Aires Conference offers a most desirable method of diffusing American culture. In order that contemplated exchanges might take place immediately it would be advisable for the American nations to agree that each nation having already ratified the Convention should proceed to exchange graduate students or teachers with all other ratifying nations. Through such a provision unnecessary delay would be avoided.

It has been suggested that an American "Rhodes" is needed to provide an institution where students and teachers from all the nations of the Western Hemisphere can study together.¹ While establishment of such an institution is interest on the part of all American nations. Until recently interest has not been sufficient to achieve success in small undertakings for cultural exchange. In the chapter above, however, it was pointed out that since the adoption of the "Good Neighbor" policy by the United States, interest in inter-American affairs has been increasing.

Establishment of a Division of Cultural Relations in the State Department² of the United States together with

¹Robert Williams, "Wanted, An American Rhodes," Inter-American Quarterly, (January, 1941), pp. 82-88.

²Since completion of the chapter on cultural relations announcement has been made of a good-will tour of Latin America under sponsorship of the Division of Cultural Rel-

the activities being undertaken through the Office of Coordinator for inter-American Cultural and Commercial relations, and the development of Institutes in important South American cities for study of North America, offer excellent examples of ways to stimulate cultural exchange. However, it could turn out a mistake for the United States to lump cultural problems in with commercial questions. Questions relating to culture are surely significant enough to merit independent attention.

A most desirable way of increasing cultural intercourse between North and South America would be the development of more adequate means of communication. Introduction of faster steamship service (at lower rates) and completion of the Pan-American Highway are both important steps in this direction. The completion of the Highway through Mexico has already resulted in increased tourist travel between the United States and Mexico. There is reason to believe that, ultimately, inter-American tourist travel, particularly from Canada and the United States to Latin America, might become an important source of foreign exchange for Latin America. Because of the low standards of living throughout Latin America (excepting small parts

ations. The cinema star, Douglas Fairbanks Jr., is among those who will make the trip.

of Brazil and Argentina) it is probable the increased travel from Latin America to the United States will, for some time to come, be confined largely to teachers, students, and business representatives.

Cultural appreciation could also be stimulated through increased use of radio, newspapers, and the motion picture. All of these agencies have educational value. The governments of the respective nations should encourage private associations to take an active part in developing study of the other American nations. For all educational activities save actual travel itself there is a need for study materials. Textbooks and other teaching aids should be developed as rapidly as possible.

The growing practice of holding conferences on special phases of culture should receive all possible encouragement. Travel congresses, art conferences, educational conferences, and meetings on social problems offer a desirable way of furthering cultural understanding.

Considering, finally, the whole field of cultural relationships, it should be pointed out that here is a field with great potentialities. It is hard to see how permanent political and economic solidarity can be reached without development of real cultural understanding. It is true that the American nations have very diverse cultures, but through exchange and understanding this diversity

can be made into a rich source of friendship and mutual respect. By the spread of culture through travel, education, and study, solidarity in the Western Hemisphere can be made even more complete.

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