

CORDELL HULL'S APPLICATION OF THE GOOD NEIGHBOR POLICY  
AT THE SEVENTH INTER-AMERICAN CONFERENCE

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## PREFACE

In his inaugural address of 1933, President Roosevelt said that in the field of foreign relations the United States henceforth was dedicated to the policy of the good neighbor. Although President Roosevelt's good neighbor pronouncement was addressed to all nations of the world, the policy was to play a paramount role in relations between the United States and Latin America.

An able member of Mr. Roosevelt's cabinet, Secretary of State Cordell Hull, took the lead in the United States' efforts to put into practical operation the doctrines of the good neighbor. To accomplish this, Mr. Hull set out to remove the barriers that, in the opinion of many Latin American countries, prevented genuine acceptance of the good neighbor policy by all of the republics in the Western hemisphere.

The writer has limited this discussion of the principal errors in the good neighbor policy that were corrected, and of the bona fide good neighbor accomplishments in United States-Latin American relations, to the period immediately preceding and during the sessions of the Seventh International Conference of American States held at Montevideo, Uruguay, in December of 1933.

Some biographical facts concerning the life of Mr. Hull are included in this paper.

The writer wishes to express his appreciation to the members of the Oklahoma A. & M. College department of history staff who contributed helpful advice in the preparation of this thesis.

E. L. W.

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CHAPTER I

## BARRIERS TO GOOD NEIGHBOR COOPERATION

There is no doubt that the good neighbor policy created a friendly relationship between the United States and Latin America -- a relationship that has provided a working basis for economic development that will be beneficial to all countries of the Americas. That was the reply of Dr. Alberto Arca-Parro, Peruvian statesman, to the question, "What do you think of the good neighbor policy?"<sup>1</sup>

The Peruvian's statement came 15 years after President Franklin D. Roosevelt, in his inaugural address on March 4, 1933 made the now famous pronouncement:

"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 sanctity of his agreements in and with a world of neighbors."<sup>2</sup>

Those words, carried throughout the world, set forth the Roosevelt administration foreign policy, the policy of the good neighbor, and were to hold special significance for Latin America.

Burdened as he was with the nation's economic affairs during his first term, the president had little time to direct foreign policy. He entrusted to his long-time friend, Secretary of State

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<sup>1</sup> Alberto Arca-Parro interviewed June 10, 1948 at Stillwater, Oklahoma.

<sup>2</sup> Congressional Record, Proceeding and Debates of the First Session of the Seventy-Third Congress; also Special Session of the Senate of the United States of America. Vol. LXXVII, part 1, p. 5.

Cordell Hull, the task of carrying the doctrines and policies of the good neighbor into Latin America.<sup>3</sup> In the policy of international cooperation, including Latin America, President Roosevelt and Mr. Hull agreed, and before the new secretary of state assumed office he had the president's agreement that Hull would have a full share in formulating and carrying out the foreign policy of the United States.<sup>4</sup>

"President Roosevelt dramatized the good neighbor policy in the matchless language of his first inaugural address, but Mr. Hull made it mean more than mere oratory in Latin America," Harold B. Hinton said in his biography of Hull.<sup>5</sup>

The man who was to give the United States' Latin American relations a complete overhauling was a senator from Tennessee when he accepted the portfolio of secretary of state on February 17, 1933.

"There are scores of Tennesseans who have helped mightily in the building of the United States, and Cordell Hull must be numbered among them," wrote biographer Hinton, of the statesman who was born in a log cabin in a mountain community of Tennessee on October 2, 1871.<sup>6</sup>

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<sup>3</sup> Cordell Hull, The Memoirs of Cordell Hull, I, p. 194.

<sup>4</sup> Hull, loc. cit.

<sup>5</sup> Harold B. Hinton, Cordell Hull: A Biography, p. 7.

<sup>6</sup> Ibid., p. 4.

The William Hull family was comprised of five sons. The Hulls were living on a 100-acre farm between Byrdstown and Willow Grove, Tennessee, when Cordell, the third son, was born. In addition to farming, Cordell Hull's father engaged in timber operations and trading and was successful in all three.

In early youth, Cordell and his two older brothers entered Montvale academy at Celina, Tennessee, the county seat. Here, Cordell Hull was active in the school debates and biographer Hinton records that Hull's teacher "must have sensed in Cordell Hull's make-up a latent flair for politics" in that he arranged for him to meet and associate himself with some of the leading political figures of that part of the country.<sup>7</sup>

Further schooling followed at Normal school, Bowling Green, Kentucky and National Normal university at Lebanon, Ohio. At the age of 18 Hull decided he wanted to be a lawyer and in a small office of his own at Celina, provided by his father, he started reading law. He read law in two Nashville law offices before entering the law course at Cumberland University, where he received his LL. B. degree in 1891. He was admitted to the bar in Tennessee the same year.

It was while engaged in the practice of law at Celina, at the age of 20, that Cordell Hull decided to enter the race for the Tennessee legislature. He was elected and took his seat when the state legislature convened in January 1893. Hull was then 21.

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<sup>7</sup> Ibid., p. 28.

After serving two terms in the Tennessee legislature he did not seek re-election, but returned to Celina to practice law. In the Spanish-American war he served as an infantry captain with the Fourth Tennessee Volunteers regiment and was sent to Cuba. Many years later he was to visit Cuba again, this time upon his return to the United States from the Montevideo conference of 1933.

After Hull's regiment was mustered out of service he practiced law for about five years before accepting an appointment in 1903 as a circuit judge of Tennessee's fifth judicial district. In horse and buggy, the youthful judge drove to the county seat in each of the 10 counties where he conducted court.

Hull resigned his circuit court judgeship and won the Democratic race for congress from the fourth Tennessee district. He served in the United States house of representatives from 1907 to 1921 and from 1923 to 1931. Representative Hull, who won the reputation as one of the outstanding fiscal experts in congress, was a leader in the Democratic fight to lower tariff and he wrote the Underwood tariff law --"the first constitutionally unassailable income tax the country ever had."<sup>8</sup>

The political life of Cordell Hull also included his service as chairman of the Democratic national committee from 1921-24.

In 1931 the Tennessee statesman was elected to the United States senate where he was serving when, in the course of a train trip from Richmond to Washington with President-Elect Roosevelt, he accepted membership in the president's cabinet as secretary of state.

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<sup>8</sup> Ibid., p. 140.



The man who was to head the state department during the first 12 years of the Franklin D. Roosevelt administration had kept himself reasonably well informed on important international developments since boyhood.<sup>9</sup> In writing his memoirs he recalled having followed closely Theodore Roosevelt's negotiations and actions concerning the Panama Canal; that from 1888 to 1933 he made a thorough study of tariffs and trade agreements of all major commercial nations, thus gaining knowledge of the economic and social structure of many nations. He pointed out, also, that he read widely on Latin American subjects and had some first hand experience gained from five months spent in Cuba during the Spanish-American war.

When, in 1933, Secretary of State Hull found himself in the role of pilot of the good neighbor doctrine, he realized fully that the policies this country had followed toward Latin America for many years had been responsible for numerous barriers that had blocked the path to neighborly cooperation between the United States and the other republics of the Western hemisphere.<sup>10</sup>

The president of the United States gave his conception of what he thought the relationship among the 21 republics should be when, in a Pan-American day address before the governing board of the Pan-American Union on April 12, 1933, he said:

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<sup>9</sup> Hull, op. cit., I, P. 170.

<sup>10</sup> Ibid., I, P. 308.

"The essential qualities of a 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 hope to build up a system of which friendship and good-will are the cornerstones." <sup>11</sup>

Secretary of State Hull's realization that some of the policies that the United States had followed in past years in its relations with Latin America had resulted in the bad feeling toward North America that existed throughout Central and South America, and his determination to correct these policy errors, left the good neighbor doctrine advocate with a considerable job ahead of him.

There had been attempts at good neighborliness before the Franklin D. Roosevelt administration. Dating from Bolivar's conference of Western hemisphere republics in 1826, these efforts had extended through the various Pan-American conferences held since 1889 and included the goodwill tour that President Herbert Hoover made to some Latin American countries in which he promised the cooperation of the United States in the achievement of progress and the development of Latin America. <sup>12</sup> One Latin American statesman (Dr. Ricardo Alfaro of Panama) described the Hoover goodwill tour as coming in an era of what might be called "the Good Will Policy, a precursor of the Good Neighbor Policy." <sup>13</sup>

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<sup>11</sup> Thomas H. Reynolds, Progress of Pan-Americanism, p. 127.

<sup>12</sup> Samuel Flagg Bemis, A Diplomatic History of the United States, pp. 760-761.

<sup>13</sup> Reynolds, op. cit., pp. 129-130.

And, it will be recalled, United States marines were withdrawn from Nicaragua during the administration of President Hoover, a move which tended to create a friendlier feeling, as did the decision of Secretary of State Henry L. Stimson to reverse the policies of two former secretaries and agree to League of Nations mediation in settling a dispute between two of its member states on the American continent.

But as the subsequent pages of this paper will show, the good neighbor policy as referred to today is identified with President Franklin D. Roosevelt and Secretary of State Hull.

As Mr. Hull assumed direction of the foreign policy of the United States in 1933, what were the major barriers standing between the president's declaration of the good neighbor policy and wholehearted acceptance by Latin America?

The secretary of state cited three barriers: intervention, economic resentment and the fact that some Latin American countries were having troubles among themselves.<sup>14</sup> United States' intervention in Panama in connection with the building of the Panama Canal, intervention in Mexico, in Cuba, Haiti and in Nicaragua had not been forgotten by the neighboring countries to the south. Latin American nations also desired removal of the barriers to international commerce that would make possible more complete development of inter-American nations. Hull said that

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<sup>14</sup> Hull, op. cit., I, p. 308.

the high tariffs of preceding years, together with the 1929 panic, had left Latin America in a grave economic condition. In 1939, he said in giving comparative figures, the value of the United States' imports from Latin America was a little more than \$1,000,000,000, with exports to Latin America slightly less than that figure. In 1933 the value of the United States' imports from Latin America had dropped to \$212,000,000 and exports to \$291,000,000. Hull said that in 1932 the United States tariff was so high that some Latin American countries met to form a customs union in self defense. <sup>15</sup>

One historian wrote that differences in cultural, racial and political backgrounds made it difficult for the peoples of North America and her sister republics to think and feel alike. He said that also included among the numerous barriers that provoked outright skepticism of the good faith of the United States was the installation of protectorates in the Caribbean and Central America. <sup>16</sup>

Charges of economic exploitation and veiled political imperialism were made constantly in South America against North American "big business" and these charges have been aired in the native press, another historian, Clarence H. Haring, said. <sup>17</sup>

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<sup>15</sup> Hull, loc. cit.

<sup>16</sup> Bemis, op. cit., pp. 760-761.

<sup>17</sup> Clarence H. Haring, South America Looks at the United States, p. 89.

It was Haring's opinion that increased influence was exerted by the United States over the political destinies of countries in and about the Caribbean sea during the first 25 years of the 20th century, a role that frequently resulted in diplomatic and military intervention in the affairs of Latin American neighbors.

In reference to the good neighbor errors committed by the United States prior to the advent of the good neighbor policy, Dr. Alfaro, a former president of the Republic of Panama, said:

"Seven causes, of which six are political and one economic, may be pointed out as having disturbed in the past the harmony between the United States and the other republics of our continent. They are: 1) the practices followed regarding recognition of new governments; 2) the misinterpretations of the Monroe Doctrine; 3) the doctrine that the person and property of a citizen abroad are a part of the national domain; 4) the practice of diplomatic interposition with regard to claims in which remedies afforded by the local courts have not been exhausted; 5) the practice of intervention in the internal affairs of the nations of the Caribbean region; 6) the military occupation of the territory of certain nations in order to create or maintain, or prevent a given situation or in order to bring about determined conditions or results; and 7) the high tariffs maintained in the United States against certain products, which in the case of certain nations constitute a serious obstacle in the commercial and economic life." 18

Another Latin American source called "dollar diplomacy" another aspect of the interventionist policy of the United States against which there had been unanimous protest, "even in the United States itself." 19 An American historian wrote that the

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18 Dr. Alfaro quoted by Reynolds, op. cit., p. 130.

19 Raul De Cardenas Echarte quoted in Thomas H. Reynolds, As Our Neighbors See Us, p. 48.

United States' "dollar diplomacy" era extended from the end of the Spanish-American war to about 1917.<sup>20</sup>

Excerpt from editorial comment published in the April, 1924 issue of Cuba Contemporanea, Havana:

" . . .instead of diminishing and weakening the sentiments of hostility, distrust and caution which the Latin American peoples feel toward the continental policy of the United States--now frankly imperialistic, now of intervention in the internal affairs of the former--these sentiments are made general and more intense each day, in spite of the efforts which the chancellery at Washington makes to bring about a different result; in spite of the 'good-will' voyages made to South America by eminent statesmen; and in spite also of reiterated tranquillizing declarations which most illustrious representatives of the United States are accustomed to make in international conferences, in diplomatic notes and in speeches."<sup>21</sup>

Clarification of the Monroe Doctrine, so as to free it of the distortions and misinterpretations which had made the pronouncement an object of criticism, was important in relations between the United States and Latin America, Dr. Alfaro stated. He said the memorandum prepared by J. Reuben Clark, Jr., undersecretary of state at the time, in which he analyzed the doctrine "with scientific precision and admirable candor," was a valuable step in clarification of the pronouncement.<sup>22</sup> Declaring that the original Monroe Doctrine did not contemplate any form of tutelage over the republics of the Western hemisphere, Mr. Clark said:

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<sup>20</sup> Stuart Chase, The New Western Front, p. 87.

<sup>21</sup> Quoted in Reynolds, op. cit., p. 84.

<sup>22</sup> Reynolds, Progress of Pan-Americanism, p. 130.

"The doctrine does not concern itself with purely inter-American relations. It has nothing to do with the relationship between the United States and Latin American nations, except where the other American nations shall become involved with European governments which threaten the security of the United States; and even in such cases the doctrine runs against the European country, not the American nation, and the United States would primarily deal with the European country and not with the American nation concerned." <sup>23</sup>

The list of grievances Latin America held against the administration of President Woodrow Wilson included military and diplomatic intervention in the internal affairs of the southern republics. <sup>24</sup> President Calvin Coolidge's doctrine of protection of United States citizens abroad also met objection from other republics of the Americas. Coolidge's doctrine, which many Latin American countries believed could lead to intervention or military occupation by the United States, stated:

"The person and property of a citizen are a part of the general domain of the nation, even when abroad. On the other hand, there is a distinct and binding obligation on the part of self-respecting governments to afford protection to the persons and property of their citizens, wherever that may be. Those rights go with the citizen. Wherever he goes, those duties of our government must follow him." <sup>25</sup>

Long a sore spot in the United States' relations with one

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<sup>23</sup>Dr. Alfaro quoted in Reynolds, loc. cit.

<sup>24</sup> Thomas H. Reynolds, Progress of Pan-Americanism, pp. 128-129.

<sup>25</sup> Quoted by Dr. Alfaro in Reynolds, loc. cit.

Central American country, Cuba, was the so-called Platt Amendment, which gave North America the right to military and financial intervention in Cuba.<sup>26</sup> Many Cubans believed that the sovereignty of their country was affected by the Platt amendment, an article included in the treaty of relations between the United States and Cuba signed in 1903. The amendment permitted the United States "to intervene for the preservation of Cuban independence, the maintenance of a government adequate for the protection of life, property, and individual liberty." Cuba also agreed to sell or lease to the United States lands necessary for coaling or naval stations.<sup>27</sup>

Dr. Thomas H. Reynolds, head of the department of history at Oklahoma A. & M. College, Stillwater, said that when the Roosevelt administration inaugurated the good neighbor policy in 1933 there were strong barriers to good neighbor cooperation from the United States' southern neighbors. Professor Reynolds, the author of three books on Latin America that reflect a historical survey of Latin American opinion, succinctly summarized Latin American grievances in three points:

First, Latin America wanted multilateral and not unilateral application of the good neighbor policy and the Monroe Doctrine.

Second, Latin America wanted the United States to stop its military, diplomatic and financial intervention in the affairs

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<sup>26</sup> Hull, op. cit., I, p. 343.

<sup>27</sup> United States Department of State, Papers Relating to the Foreign Relations of the United States, 1904, p. 245.



of the other American republics.

Third, Latin American nations desired the removal of the barriers to international commerce that would make possible more complete economic development of the South American nations.<sup>28</sup>

In applying the good neighbor doctrine to the United States-Latin American relations, Cordell Hull had a definite goal in mind. His goal was to see the united 21 nations of the Americas working harmoniously together.<sup>29</sup> At the Seventh International Conference of American States, which met in Montevideo, Uruguay on December 3-26, 1933, the American nations were to see Mr. Hull, who personally headed the United States delegation, actively support and pledge the cooperation of the United States in carrying out all multilateral agreements achieved by the Western hemisphere republics.<sup>30</sup>

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<sup>28</sup> Thomas H. Reynolds, Economic Aspects of the Monroe Doctrine, Progress of Pan-Americanism and As Our Neighbors See Us, interviewed in April, 1948.

<sup>29</sup> Hull, op. cit., I, p. 330.

<sup>30</sup> In addition to the Seventh International conference at Montevideo, Secretary of State Hull also served as chairman of the United States delegations to the Inter-American Conference For Maintenance of Peace at Buenos Aires in 1936, the Eighth International Conference of American States in Lima in 1938, and the Second Consultative Meeting of the Ministers of Foreign Republics in Havana, Cuba, in 1940.

## CHAPTER II

### PRELUDE TO THE SEVENTH INTER-AMERICAN CONFERENCE

The same month that Secretary of State Hull took office, he was invited by the League of Nations to work with the advisory committee that was handling the serious Leticia border dispute between Colombia and Peru. After consulting with President Roosevelt, Hull agreed to cooperate with the League committee to the extent of having a representative sit in with the committee, but without a vote. The United States' willingness to cooperate with the Latin American nations in the settlement of the Leticia border dispute marked the end of unilateral action by North America, Hull pointed out.<sup>1</sup>

Thereafter, Hull was to strengthen the multilateral policy of the United States in foreign relations by conferring with all other interested nations before acting. In the case of Cuba, where revolution threatened, he held frequent conferences with the ambassadors of Latin American countries. This policy, Hull said, strengthened the action the nations had in mind and it prevented and lessened Latin American resentment toward the United States' unilateral actions of the past.<sup>2</sup> President Roosevelt, following a conference with representatives of Brazil, Argentina, Chile and Mexico, said the United States desired that

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<sup>1</sup> Hull, op. cit., I, pp. 310-311.

<sup>2</sup> Ibid., p. 314.

complete information in reference to conditions in Cuba always be available to all Latin American countries. The United States, he said, had no desire to intervene in the affairs of Cuba and was seeking every means to avoid intervention.<sup>3</sup>

It was obvious that Secretary Hull did not plan to wait for the next Pan-American meeting, the Seventh International conference at Montevideo, to start building foundations for the structure of the good neighbor policy. As the ambassadors and ministers of foreign governments with which he now had to deal called upon him to pay their respects, soon after Hull assumed his duties in President Roosevelt's cabinet, biographer Hinton wrote that the United States secretary of state declined to let the occasion pass as simply one of polite formality, but he insisted on discussing the state of the world with these representatives. Secretary Hull, Hinton said, told them all the same story:

"He warned them that the world was moving toward war but predicted that the movement could be reversed if their governments would join the United States in a determined effort to stem the tide. Disarmament must be economic as well as military. The secretary conceded that his own country had led the way in the race of tariff armaments which had brought the world to the brink of economic war, but he pledged the new administration to a swift and practicable reconsideration of that attitude."<sup>4</sup>

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<sup>3</sup> Hull, loc. cit.

<sup>4</sup> Hinton, op. cit., p. 221.

Subsequently, after a conference with Secretary Hull, President Roosevelt on May 16, 1933 addressed a message to the chief of every sovereign state in the world, in which he proposed that every nation enter into a definite pact of non-aggression; that they reaffirm the obligations they had assumed to limit and reduce their armaments, and that all signatory powers individually agree not to send armed forces across their frontiers.<sup>5</sup>

At a session of the Geneva Disarmament conference on May 22, 1933, the United States' representative offered multilateral action. Of this action one historian wrote:

"The total disarmament pledge he (Secretary Hull) tried to carry out at Geneva in 1933, when he got President Roosevelt to authorize Norman H. Davis, the American ambassador at large, to promise the disarmament conference that the United States would never take action tending to defeat collective punishment of an aggressor, provided all nations disarmed and provided the United States concurred in the judgment as to the aggressor. This was the most sweeping promise of American participation in world politics that any authorized representative of the country has ever made, and Hull was prepared to live up to it had the European powers agreed on disarmament."<sup>6</sup>

The actions of the United States government in other events in 1933 were significant in that they demonstrated North America's changed attitude toward Latin America.

In recognition of Haiti's sovereignty over her own country, the United States signed an executive agreement with Haiti providing for the withdrawal of United States marines before October of 1934. Haiti had been voicing loud protests over the

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<sup>5</sup> Ibid., p. 223.

<sup>6</sup> Ibid., pp. 223-224.

presence of United States troops on the island, where they had been since 1915, and of the financial supervision North America was exercising over the Haitian government.<sup>7</sup>

And, as the United States continued to watch with concern the Cuban situation in 1933, President Roosevelt and Secretary of State Hull frequently reiterated that they were opposed to intervention. The two North American leaders believed that such intervention on the part of the United States in the affairs of other countries of the Americas was partly responsible for the bad feeling that existed.<sup>8</sup> As the Cuban revolution quickly moved toward a climax, President Roosevelt and Secretary Hull vetoed a recommendation that United States armed forces be landed at Havana and other of the important points in the republic. Hull said they felt that such action by the United States would have been considered as a breach of neutrality and would be viewed by Latin America and the entire world as an attempt to set up a government that was the creation of the United States. Roosevelt and Hull also refused to accede to "the pressure for intervention (that) came from Americans who had business interests in Cuba and especially from those Americans who lived there."<sup>9</sup> However, for the protection of United States citizens,

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<sup>7</sup> Hull, op. cit., p. 170.

<sup>8</sup> Ibid., p. 313.

<sup>9</sup> Hinton, op. cit., p. 261.

American warships were kept stationed outside the limits of Cuban territorial waters.

President Roosevelt's conversations with some of the Latin American countries in reference to the Cuban situation had resulted in widespread approval of the United States' policy of non-intervention in Latin American affairs. Hull said any policy to the contrary would have nullified the good that the good neighbor policy had accomplished to that date.<sup>10</sup>

Preceding the inter-American conference at Montevideo, not all of the Roosevelt-Hull efforts directed toward applying the good neighbor doctrine in the United States' foreign relations met with the success hoped for by the president and his secretary of state.

For one thing, Secretary Hull sought congressional authority for tariff bargaining with foreign nations. The decision, however, was to delay action on the matter for another year, the arguments being that the time was not ripe and that congress should not attempt to enact any kind of tariff legislation until other trading nations made known their intentions at the London Monetary and Economic conference.<sup>11</sup>

In the Pan-American world, specifically, several problems stood as barriers in the path of the all-out good neighbor

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<sup>10</sup> Hull, op. cit., I, pp. 314-316.

<sup>11</sup> Minton, op. cit., p. 226.

cooperation that Secretary Hull hoped to achieve at Montevideo.

Of these problems, one writer commented:

"Preparations for the Montevideo conference had gone forward in an atmosphere of increasing pessimism. Opinion in many quarters favored its postponement, despite the fact that its original date--December 1932--had already been set over one year. The failure of the World Economic conference and the Geneva Disarmament negotiations had cast the whole international conference system into disrepute. Various inter-American problems, moreover, had reached an acute stage. The costly Chaco "war" between Bolivia and Paraguay, the Leticia dispute between Colombia and Peru, and the revolution in Cuba had strained political relations. Debt defaults and trade restrictions, including high tariffs, exchange controls, quotas and licensing systems, had seriously injured economic relations. It was feared that the conference would aggravate rather than alleviate many of these difficulties." 12

However, the somewhat gloomy state of affairs that existed in the Americas on the eve of the inter-American conference of 1933, did not discourage Hull, who was to personally head the United States delegation to Montevideo, Uruguay. To him, the Western hemisphere's problems were a challenge. He was confident all of these problems could be solved by intelligent cooperation among the countries of the Americas. 13

As Mr. Hull sailed for Montevideo on November 11, 1933, he and President Roosevelt were in complete agreement on foreign policy with Latin America. The foreign policy of the United States pledged absolute adherence to the principles of non-intervention and also cooperation with the entire Western

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12 Charles A. Thomson, "The Seventh Pan-American Conference: Montevideo," Foreign Policy Reports, 4, No. 7 (June 6, 1934), 87.

13 Hinton, op. cit., p. 240.

hemisphere to maintain the spirit of the Monroe Doctrine. Cordell Hull was determined to give full meaning to the policy of the good neighbor.<sup>14</sup>

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<sup>14</sup> Hull, op. cit., 1, p. 310.



CHAPTER III

## CORDELL HULL'S GOOD NEIGHBOR ACCOMPLISHMENTS AT MONTEVIDEO

Cordell Hull was determined that there should be no attempt on the part of the United States to dominate the Seventh International Conference of American States. As for himself, he wanted to stay in the background.<sup>1</sup> He especially desired to convince the other American nations that the good neighbor doctrine meant a new, sincere North American approach to Pan-American problems. He hoped to "conduct his mission in such a manner that the United States would appear to be only one of twenty-one members of the club."<sup>2</sup>

With the exception of Costa Rica, all 21 of the American republics had representatives at the seventh inter-American conference. There were 94 official delegates present. The delegations from Argentina, Brazil, Chile, Guatemala, Mexico, Nicaragua, Panama, Paraguay, Uruguay and the United States were headed by their respective foreign ministers. The United States delegation, with Mr. Hull as chairman, was comprised of Alexander W. Weddell, who was ambassador to Argentina; J. Reuben Clark, former undersecretary of state and former ambassador to Mexico; Dr. Sophonisba Breckinridge of the University of Chicago, a woman delegate; J. Butler Wright, minister to Uruguay, and Spruille Braden of New York. Dr. Ernest Gruening served as general adviser to the delegation.

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<sup>1</sup> Hull, op. cit., I, p. 330.

<sup>2</sup> Hinton, op. cit., p. 250

One historical writer said that in addition to the capable United States delegation that accompanied Hull to the conference, the secretary of state also had the benefit of the valuable advice of Sumner Welles, assistant secretary of state, and others in the state department who had a wide knowledge of Latin America.<sup>3</sup>

Cordell Hull's attendance at the Montevideo conference marked the first time that a United States secretary of state had attended one of the international conferences of American states as an official delegate.<sup>4</sup>

In the interim between the London Monetary and Economic conference, which he had attended and served as chairman of the United States delegation, and the Pan-American conference at Montevideo, Hull had become convinced that a "new set of economic, political, and cultural relations between the United States and its hemisphere neighbors was essential for the welfare of the New World and of the whole world."<sup>5</sup> His experience at the London meeting, where more than 60 nations were represented, had convinced Hull that the new doctrines

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<sup>3</sup> Hinton, op. cit., p. 244.

<sup>4</sup> United States Department of State, Addresses and Statements by the Honorable Cordell Hull, Secretary of State of the United States of America, In Connection With His Trip to South America 1933-34 to Attend the Seventh International Conference of American States, Montevideo, Uruguay, foreword. (Hereafter cited as Statements of Cordell Hull Regarding Seventh Inter-American Conference.)

<sup>5</sup> Hinton, op. cit., p. 241.

that he believed were needed must be worked out at such regional conferences as the one scheduled by the Pan-American world at Montevideo.

Preceding the Montevideo conference, the Latin American press devoted considerable space to discussion of economic questions. In fact, so much emphasis was placed on economic questions that the coming Pan-American conference often was referred to as an economic congress. This reaction was understandable 1) in view of Mr. Hull's widely known advocacy of reciprocal trade agreements that would be beneficial to all the Western hemisphere republics; 2) considering the fact that Latin Americans were intensely interested in improving their economic status, and were hopeful that the good neighbor policy would aid their republics in achieving industrial and economic stability; and 3) because of the negotiations for reciprocal trade agreements that the United States had opened with Brazil, Argentina and Colombia.<sup>6</sup>

Just before the United States delegates sailed for Uruguay, the White House issued a statement declaring that temporary policies made it advisable for the United States delegation "to forego immediate discussion of such matters as currency stabilization, uniform import prohibitions, permanent custom duties, and the like."<sup>7</sup> The statement also urged that the conference

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<sup>6</sup> Thomson, op. cit., X, No. 7, p. 89.

<sup>7</sup> Thomson, loc. cit.

devote its discussions to intellectual cooperation, the development of a Pan-American highway and to the improvement of communications; Cordell Hull, however, did not feel that the United States delegation should limit its discussions at the conference. His objectives included the elimination of harmful trade barriers and the reduction of tariffs. Due to his efforts, the White House ban on tariff discussion by the United States delegates was lifted.<sup>8</sup>

As the conference program developed, the major questions that were to come before the Pan-American meeting related to intervention, inter-American economic cooperation, the Chaco jungle conflict, a Western hemisphere peace organization and the subject of the rights and duties of states.<sup>9</sup>

Historians recall that the United States and Argentina had found themselves rivals at some of the Pan-American conferences. At the Montevideo meeting, however, the report of the United States delegation stated that this country and Argentina worked in complete cooperation. Dr. Saavedra Lamas, Argentine foreign minister, and Cordell Hull worked together in obtaining approval of important proposals, the report said.<sup>10</sup>

Soon after the United States delegation arrived at Montevideo, Hull, accompanied by James Dunn, his interpreter and the

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<sup>8</sup> Thomson, loc. cit.

<sup>9</sup> Thomson, op. cit., X, No. 7, p. 86.

<sup>10</sup> United States Department of State, Report of the Delegates of the United States of America to the Seventh International Conference of American States, Conference Series No. 19, p. 8. (Hereafter cited as Report of U. S. Delegates at Montevideo Conference.)

secretary-general of the delegation, spent two days making personal calls on the foreign ministers from Latin American republics. "The fact that it had never been done before recommended itself to him."<sup>11</sup> It was a friendly gesture on the part of Mr. Hull, and was indicative of the good neighbor cooperation that the Pan-American world could expect from North America.

In an informal talk with Dr. Saavedra Lamas regarding the scope of the conference, which was to convene the following day, Secretary of State Hull assured the Argentine foreign minister that the United States wanted nothing for itself except to see the good neighbor policy put into practice in the Western hemisphere. The good neighbor policy, Mr. Hull pointed out, embraced the doctrine of political and territorial integrity of each nation; the absolute freedom and sovereignty; and the promotion of peace and the economic welfare.<sup>12</sup> The North American statesman emphasized that the conference must give its unanimous approval to a program for the preservation of peace in the Western hemisphere and also in the entire world. He explained that although the United States delegation heartily endorsed such a peace convention, his country preferred to remain in the background.<sup>13</sup> Hull then asked Saavedra Lamas, who in 1932 had drafted an anti-war pact that was signed by several Latin

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<sup>11</sup> Hinton, op. cit., pp. 245-246.

<sup>12</sup> Hull, op. cit., I, pp. 327-328.

<sup>13</sup> Hinton, op. cit., p. 247.

American nations, to take the lead in urging a peace program at the seventh inter-American conference. The Argentine statesman agreed to do so.

The Chaco conflict between Paraguay and Bolivia, which had been going on since 1928, had reached a climax as the Montevideo conference opened. Although not actually included on the agenda of the conference, this Western hemisphere war "hung as a cloud over the conference."<sup>14</sup> Unsuccessful attempts to end the long conflict had been made by three agencies-- a commission of neutrals which included the United States, a group of neighboring countries and the League of Nations. Some delegates at the conference pointed to the failure of previous peace efforts in arguing that the conference should avoid discussion of the Chaco conflict. To ignore the war, others maintained, would be "to confess complete futility."<sup>15</sup>

A report of the seventh Pan-American meeting published in Foreign Policy Reports had this to say about the Chaco question:

"The conference, far from ignoring the problem, early displayed its concern to achieve a satisfactory solution. Even before the formal sessions began, Secretary Hull in his visits to the other delegations had expressed his profound desire that the conflict be ended... In attacking the question, the conference had to decide whether it would cooperate with the League commission already in the field or independently seek a settlement of the dispute. Various suggestions were presented, but opinion finally inclined to the former course, and a subcommission was named to study the matter. Meanwhile President Terra, in a great part at Mr. Hull's suggestion, had initiated direct conversations with representatives in Montevideo of Bolivia

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<sup>14</sup> Hull, op. cit., I, p. 336.

<sup>15</sup> Thomson, op. cit., X, No. 7, p. 91.

and Paraguay. On December 12 the conference sub-commission joined forces with him, and three days later a conference motion pledged the American states 'to cooperate with the League of Nations in the application of the Covenant' " 16

Although not a member of the subcommission, Secretary Hull was invited to its meetings and he participated in the collective action to end the Chaco conflict. On December 19 an 18-day truce between the combatants was achieved. Fighting was soon resumed, however, and continued for many months. <sup>17</sup> Before the conference adjourned it placed the responsibility for the Chaco negotiations in the hands of the League of Nations commission. At the closing sessions of the conference Secretary Hull presented a motion which urged both nations that were engaged in the Chaco conflict, in view of their membership in the League of Nations, "to accept juridical processes for the settlement of their differences." <sup>18</sup>

Cordell Hull also played a major role in the conference's endeavors to strengthen inter-American peace machinery. Foreign Policy Reports, in summarizing the steps taken toward the establishment of the peace machinery, stated:

"... A two-hour conference between Mr. Hull and Dr. Saavedra Lamas apparently resulted in an agreement by which the United States pledged its support to the Argentine anti-war pact, in return for which Argentina agreed to sign four other peace treaties

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<sup>16</sup> Thomson, loc. cit.

<sup>17</sup> Hull, op. cit., I, p. 336.

<sup>18</sup> Thomson, op. cit., X, No. 7, p. 92.

and to back the Hull tariff proposal... This step was followed by a joint declaration of the Argentine and Chilean delegations, presented on December 15, which called upon the American states to sign and ratify such of five peace and arbitration treaties as they had hitherto not accepted. These treaties were: (1) the Treaty to Avoid or Prevent Conflicts, commonly known as the Gondra Conciliation Treaty of 1923; (2) the Inter-American Convention on Conciliation of 1929; (3) the Inter-American Arbitration Treaty of the same year; (4) the Briand-Kellogg Pact; and (5) the Argentine Anti-war Treaty of 1933. Dr. Saavedra Lamas declared that Argentina would sign the Gondra Treaty, the two 1929 treaties and the Anti-War Pact. Secretary Hull announced the adherence of the United States to the Argentine anti-war declaration. During a space of three hours, country after country added its pledges to the mounting structure of goodwill. The unanimous adoption of the proposal aligned all the American states behind these five peace instruments, a step which was hailed as promising effectively to strengthen and coordinate American peace machinery... Existing peace machinery was also strengthened by the approval of an Additional Protocol to the 1929 Pan-American Conciliation Treaty. This Protocol gave a permanent character to the ad hoc commissions of investigation and conciliation provided in the 1929 convention. In an effort to expedite the ratification of treaties signed at Pan-American conferences, the Pan-American Union is authorized to dispatch special representatives to the various countries. The Union is also to ascertain from the individual republics the objections which are preventing ratification, and to report these to the next Pan-American conference." 19

After endorsing the Argentine anti-war pact and assuring the conference that the United States would sign it, Cordell Hull then spoke of the North American foreign policy in regards to Latin America.

"In its own forward-looking policy, the administration at Washington has pledged itself, as I have said, to the policy of the good neighbor....

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19 Ibid., pp. 92-93.



I am safe in the statement that each of the American nations whole-heartedly supports this doctrine--that every nation alike earnestly favors the absolute independence, the unimpaired sovereignty, the perfect equality and the political integrity of each nation, large or small, as they similarly oppose aggression in every sense of the word." <sup>20</sup>

The five peace instruments unanimously adopted at the seventh Pan-American conference bound its signatories to settle their disputes only through pacific means. Territorial changes that resulted from acts of force would not be recognized; disputes were to be submitted to a commission of investigation and conciliation. Should any signatory nation violate the peace instruments, the other nations of the Americas--as neutrals--were to "adopt a common and solidary attitude" in dealing with the violator; "but in no case shall they resort to intervention, either diplomatic or armed." <sup>21</sup> That Mr. Hull held hope that the multilateral agreements embodied in the Western hemisphere's new peace machinery would add strength to the good neighbor doctrine was evident from his statement, made following the Montevideo conference, that "It is to the interest of everyone that there be an end of treaties broken by arbitrary unilateral action." <sup>22</sup>

Closely related to the work of formulating the American

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<sup>20</sup> U. S. State Department, Statements of Cordell Hull Regarding Seventh Inter-American Conference, cited, pp. 33-34.

<sup>21</sup> Ibid., p. 92.

<sup>22</sup> United States Department of State, Press Releases, XV, July-December 1936, p. 441.

peace treaties, and a burning issue at the seventh Pan-American conference, was the question of intervention. At the Sixth International Conference of American States held in 1928 at Havana, representatives of 13 nations had endorsed strong declarations condemning the practice of intervention, but because of the objections from the United States delegation, action was postponed until the seventh Pan-American meeting.<sup>23</sup> However, several months before the Montevideo conference convened, the United States had made some progress in its efforts to convince the other American nations that they were to receive a new deal in foreign relations. As related previously in this paper, Mr. Roosevelt and Mr. Hull, despite mounting pressure, had refused to intervene in the Cuban revolution. Much had been accomplished by the United States toward liquidating two interventions of long standing, in Haiti and in Nicaragua.

Nevertheless, the specter of intervention on the part of North America still remained a barrier to good neighbor harmony between the United States and Latin America as the intervention issue was brought before the conference for debate in connection with a convention on the rights and duties of states. The current of feeling regarding the issue was strong among the Latin American delegations. State after state took the floor to denounce intervention. When Hull arose all eyes turned toward the United States secretary of state. Mr. Hull said:

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<sup>23</sup> Thomson, op. cit., X, No. 7, p. 94.

"The policy and attitude of the United States government toward every important phase of international relationships in this hemisphere could scarcely be made more clear and definite than they have been made by both word and action especially since March 4. I have no disposition therefore to indulge in any repetition or rehearsal of these acts and utterances and shall not do so. Every observing person must by this time thoroughly understand that under the Roosevelt administration the United States government is as much opposed as any other government to interference with the freedom, the sovereignty, or other internal affairs or processes of the governments of other nations.

"In addition to numerous acts and utterances in connection with the carrying out of these doctrines and policies, President Roosevelt, during recent weeks, gave out a public statement expressing his disposition to open negotiations with the Cuban government for the purpose of dealing with the treaty which has existed since 1903. I feel safe in undertaking to say that under our support to the general principle of non-intervention as has been suggested, no government need fear any intervention on the part of the United States under the Roosevelt administration. I think it unfortunate that during the brief period of this conference there is apparently not time within which to prepare interpretations and definitions of these fundamental terms that are embraced in the report. Such definitions and interpretations would enable every government to proceed in a uniform way without any difference of opinion or of interpretations. I hope that at the earliest possible date such very important work will be done. In the meantime in case of differences of interpretations and also until they (the proposed doctrines and principles) can be worked out and codified for the common use of every government I desire to say that the United States government in all of its international associations and relationships and conduct will follow scrupulously the doctrines and policies which it has pursued since March 4 which are embodied in the different addresses of President Roosevelt since that time and in the recent peace address of myself... and in the laws of nations as generally recognized and accepted." 24

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<sup>24</sup> U. S. State Department, Report of U. S. Delegates at Montevideo Conference, cited, p. 20.

Thus, Secretary of State Hull gave his pledge against intervention on the part of the United States. In doing so he approved, with the reservation noted, the convention on the rights and duties of states, which included these three significant articles:

"ARTICLE 8. No state has the right to intervene in the internal or external affairs of another.

"ARTICLE 10. The primary interests of states is the conservation of peace. Differences of any claims which arise between them should be settled by recognized pacific methods.

"ARTICLE 11. The contracting states definitely establish as the rule of their conduct the precise obligation not to recognize territorial acquisitions or special advantages which have been obtained by force whether this consist in the employment of arms, in threatening diplomatic representations, or in any other effective coercive measure. The territory of a state is inviolable and may not be the object of military occupation nor of other measures of force imposed by another state directly or indirectly or for any motive whatever even temporarily." 25

Two days after adjournment of the conference which had unanimously approved the convention on the rights and duties of states, President Roosevelt, in speaking to the Woodrow Wilson Foundation in Washington, said the policy of the United States from then on would be one opposed to armed intervention. 26

Previous mention has been made of the import placed on economic problems by the Latin American governments, the reluctance of the White House to discuss these matters at the seventh Pan-American meeting and Cordell Hull's appeals to

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25 Ibid., p. 94.

26 Hull, op. cit., I, pp. 339-340.

Washington which resulted in permission for the United States delegation to discuss the Western hemisphere's economic difficulties at Montevideo.

Hull's recommendations to the hemisphere in fulfillment of the good neighbor doctrine included action by the conference to bring about "mutually advantageous economic intercourse based on the rule of equal treatment."<sup>27</sup> Other economic proposals were discussed from the floor of the conference, but Hull's tariff resolution was the only major economic measure to gain conference-wide support.<sup>28</sup>

One of Mr. Hull's principal objectives was to see the seventh inter-American conference act to remove the artificial trade barriers and high protective tariffs that he believed were barriers to international trade.<sup>29</sup> Hull, after explaining that the proposal he was about to make was based on the conviction that "full, stable, and durable business recovery can only be effected by the restoration of international trade and finance to an extent mutually profitable," on December 12, 1933 introduced his economic views in a speech before the committee on economic matters. He said, in part:

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<sup>27</sup> United States Department of State, Addresses and Statements by the Honorable Cordell Hull, Secretary of State of the United States of America, in Connection With His Trip to South America to Attend the Inter-American Conference For the Maintenance of Peace Held at Buenos Aires, Argentina, December 1-23, 1936, Conference Series No. 31, p. 89. (hereafter cited as Statements of Cordell Hull Regarding Buenos Aires Conference.)

<sup>28</sup> Thomson, op. cit., X, No. 7, p. 89.

<sup>29</sup> Bemis, op. cit., p. 301.

"It is therefore proposed that a general understanding among all important countries should, at the earliest possible date, be brought about in concert for the elimination of the more useless and hurtful trade barriers and for the reduction of tariffs in accordance with a moderate policy.

"The economic proposal of the United States delegation therefore would strike at the distressing effects on business of excessive trade barriers by offering an earnest declaration in favor of their reduction from the present abnormal heights to a reasonable level. The proposal would also implement this declaration of broad policy by proposing two important methods of carrying it into effect. The first would be the immediate adoption of the policy of bilateral reciprocity commercial treaties based on mutual concessions entered into by the nations of this hemisphere among themselves and with other important nations as well, and the second, by a proposed understanding with other countries that we and they proceed simultaneously to bring down these trade barriers to a level dictated by a moderate tariff policy.

"It is proposed to keep alive this policy and this program pending operation of temporary, emergency or other extraordinary measures comprising domestic programs for national economic recovery and gradually to carry this proposal into effect at such times as may be practicable.

"The proposal merely sets forth the important declaration aforesaid and suggests what is deemed the most feasible course to carry it out. It calls for no treaties or conventions or other legal commitments by this conference." 30

Secretary of State Hull's economic resolution proposed 1) that the governments undertake to reduce high tariff barriers through the negotiation of bilateral reciprocity treaties; 2) that the governments endorse and ask other nations of the world

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<sup>30</sup> U. S. State Department, Statements of Cordell Hull Regarding Seventh Inter-American Conference, cited, p. 28.

to endorse the policy, and through simultaneous action by the principal nations, gradually reduce tariffs and remove other barriers in the path of international commerce; 3) the revival and revision of the convention of 1927, or the negotiation of a new convention, for the abolition of import and export prohibitions and restrictions were proposed; and 4) the principle of equality of treatment was to stand as the basis of an acceptable commercial policy, with all agreements to include the most-favored-nation clause in its unconditional and unrestricted form. <sup>31</sup>

The full text of Cordell Hull's economic, commercial and tariff policy presented at the inter-American conference of 1933 held at Montevideo:

"WHEREAS, the governments of the American republics, convened at the Seventh International Conference of American States,

"Are impressed with the disastrous effect of obstructions to international trade upon the full and stable business recovery of individual nations as well as upon the general world prosperity;

"Are desirous of abandoning economic conflict and of achieving some measure of economic disarmament;

"Are confident that through mutually profitable exchange of goods they themselves and the governments of the other nations of the world may reduce unemployment, increase domestic prices, and improve business conditions in their respective countries; and

"Recognize that the existing high trade barriers can be effectively reduced only through simultaneous

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<sup>31</sup> U. S. State Department, Report of the Delegates at Montevideo Conference, cited, pp. 18-19.

action by the nations of the world;

"The Seventh International Conference of American States,

RESOLVES:

"That the governments of the American republics will promptly undertake to promote trade among their respective peoples and other nations and to reduce the high trade barriers through the negotiation of comprehensive bilateral reciprocity treaties based upon mutual concessions; and

"That the governments of the American republics do each subscribe, and call upon other governments of the world to subscribe, to the policy and undertaking, through simultaneous action of the principal nations, of gradually reducing tariffs and other barriers to mutually profitable movements of goods, services, and capital between nations, such policy and undertaking being in words and figures as follows:

"That at the earliest practicable date consistent with the exceptions and reservations herein, the subscribing governments, while not neglecting unilateral action, will simultaneously initiate between and among themselves negotiations for the conclusion of bilateral or multilateral agreements for the removal of prohibitions and restrictions and for the reduction of tariff rates to a moderate level. The reservations and exceptions shall apply to the entire undertaking herein and shall expressly include the operation of temporary, emergency, or other extraordinary measures comprising domestic programs, primarily for national economic recovery, now or hereafter in operation in any country party to this undertaking. The object of this undertaking is to assert and maintain the broad economic policy of gradually combining with any existing domestic program a suitable program of international economic cooperation as each nation emerges from serious panic conditions.

"The subscribing governments undertake, moreover, that their aim will be substantial reductions of basis trade barriers and liberalization of commercial policy as aforesaid and not merely the removal of temporary and abnormal restrictions and increments imposed for bargaining purposes. They will endeavor in doing so to direct their greatest efforts toward the elimination of those duties and restrictions which retard most severely the normal flow of international trade; for instance,



duties or restrictions which completely or almost completely exclude international competition, such as those which restrict the importation of particular commodities to less than three to five per centum of the domestic consumption; and also protective duties or restrictions which have been in effect for a considerable period of time without having brought about domestic production equal to fifteen per centum of the total domestic consumption thereof.

"As a part of this undertaking they will revive and revise the convention of 1927, or agree upon a new convention, for the abolition of import and export prohibitions and restrictions, together with other general conventions having in view the removal of impediments to commerce, and endeavor to obtain, for all such instruments, acceptance as nearly universal as possible.

"The subscribing governments declare that the principle of equality of treatment stands and must continue to stand as the basis of all acceptable commercial policy. Accordingly, they undertake that whatever agreements they enter into shall include the most-favored-nation clause in its unconditional and unrestricted form, to be applied to all types of control of international trade, limited only by such exceptions as may be commonly recognized as legitimate, and they undertake that such agreements shall not introduce features which, while possibly providing an immediate advantage for the contracting parties, might react disadvantageously upon world trade as a whole.

"The subscribing governments declare further that the most-favored-nation principle enjoins upon states making use of the quota system or other systems for limiting imports, the application of these systems in such a way as to dislocate as little as possible the relative competitive positions naturally enjoyed by the various countries in supplying the articles affected.

"With a view to encouraging the development of unified and comprehensive multilateral treaties as a vitally important instrument of trade liberalization, the advantage of which treaties ought not to be open to countries which refuse to confer similar advantages, the subscribing governments declare, and call upon all countries to declare they will not invoke their right to demand, under the most-favored-nation clause contained in the bilateral treaties to which they may be parties, any benefits of multilateral treaties

which have as their general purpose the liberalization of international economic relations and which are open to the accession of all countries, provided that such renunciation shall not operate in so far as the country entitled to most-favored-nation treatment in fact reciprocally accords the benefits which it seeks.

"For the purpose of carrying out the policy embraced in the foregoing undertaking, the subscribing governments favor the establishment of a permanent international agency which shall closely observe the steps taken by each of them in effecting reductions of trade barriers and which shall upon request furnish information to them regarding the progress made by each in effectuating the aforesaid program.

"In consideration of the premises, the governments of the American republics earnestly call upon the appropriate agencies of the World Monetary and Economic Conference at London, now in recess, promptly to cooperate in bringing this proposal to a favorable conclusion." 32

Most of the delegations supported the proposal relating to the lowering of custom duties. The Argentine delegation was foremost among supporters of Mr. Hull's proposal. Dr. Puig Casauranc of Mexico approved the Hull proposal as an attack on high tariffs and a forward step toward inter-American economic cooperation. He warned, however, that a tariff reduction alone would not bring economic recovery as long as credit remained inflated and the disparity between the gains of capital and those of labor still exist. Chile favored granting of special favors to neighboring states. Ecuador, in opposing the most-favored-nation clause, pointed out that it might interfere with the formation of a Latin American customs union. Haiti, El Salvador and Peru--nations which sold a considerable of their exports to Europe--objected to a Western hemisphere program of lower tariffs on the

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<sup>32</sup> U. S. State Department, Report of U. S. Delegates at Montevideo Conference, cited, pp. 196-198.

grounds that it would tend to be discriminatory toward European nations. <sup>33</sup>

Secretary of State Hull emphasized that his country, along with other nations of the Americas, was undertaking an emergency program designed to aid economic distress. He explained that certain exceptions to the general tariff policy would be necessary at the start, but that immediate temporary measures should not be permitted to interfere with the basic plan to reduce tariffs to a moderate level and remove barriers to international trade. As debate on the resolution continued, the United States delegation made it clear that approval of the economic proposal would represent not an obligatory pledge concerning future action on the most-favored-nation application, but simply general endorsement of the principles involved. <sup>34</sup>

The economic and tariff proposal of the United States was approved unanimously by the conference on December 16, 1933, with reservations by the delegations of Peru, Haiti, El Salvador and Ecuador. <sup>35</sup>

Of the more than 100 resolutions and recommendations dealing with the promotion of worthwhile projects of the Pan-American world adopted at the Seventh International Conference of American States, so far this paper has discussed somewhat in detail five

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<sup>33</sup> Ibid., pp. 56-57.

<sup>34</sup> Ibid., p. 57.

<sup>35</sup> U. S. State Department, loc. cit.

of the projects which had a major bearing on the good neighbor policy. The five are the Chaco conflict, the American peace treaties, intervention, the convention on rights and duties of states and the economic and tariff proposal.

Also noteworthy, as a subject for good neighbor treatment, was the question of the collection of debts. Preliminary to the debts discussion, it should be pointed out that a new spirit was shown at the Montevideo conference. "Not the least of its achievements was the surprising degree of genuine good feeling which characterized its sessions," Foreign Policy Reports related, in summarizing the work of the conference. The friendly, cooperative attitude of the Latin American delegations toward the United States presented a marked contrast to the hostility displayed during two previous Pan-American conferences. The exercise of free speech, permitting discussion of controversial matters and the airing of grievances, apparently was a factor in the development of the cordial feeling and confidence that permeated the Montevideo conference, the report continued. <sup>36</sup>

Mexico desired to have placed on the conference agenda consideration of a debt moratorium of from six to ten years and also such topics as bimetallism and a continental central bank. Dr. Puig Casauranc, chairman of the Mexican delegation, supported his country's proposal in a speech before the conference steering committee.

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<sup>36</sup> Thomson, op. cit., X, No. 7, p. 87.

The United States delegation's official report of the conference included this statement regarding the Mexican proposal:

"When the question was raised at the conference, a number of the delegates took the opportunity to express disapproval of considering some of the subjects proposed by Mexico. Mr. Hull, chairman of the United States delegation, was the first to suggest that vitally important as were the subjects embraced in the Mexican proposal, especially those relating to the monetary and debt phases, and urgent as was the necessity for their consideration, it was his frank opinion that the conference then in session was not prepared to deal with the subjects of debts and monetary problems, including exchange stabilization, but that another agency should be provided and organized with full authority and facilities, at as early a date as might be feasible, to take up, consider, and act upon these pressing problems and conditions.

"Mr. Hull repeatedly expressed his opinion at the same time that all of these monetary, exchange and debt problems and conditions were so far-reaching in their effects upon citizens of each of the countries that they should receive the fullest discussion by the conference then in session at every stage of its deliberations." 37

Speaking in reference to the debt situation, Secretary of State Hull declared that his government had no authority to act as a collector of debts for financial institutions and private individuals with loans placed in the United States and abroad. He said:

"I have no interest whatever in having no discussion. On the contrary, I express the willingness that there be the broadest and frankest discussion possible on these points. But, inasmuch as some of them refer to contracts of a private character and inasmuch as my government has no authority whatsoever to treat private contracts, if I place myself

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<sup>37</sup> U. S. State Department, Report of U. S. Delegates at Montevideo Conference, cited, pp. 26-27.

in the position of having to vote affirmatively or negatively on some resolutions which imply a change, a modification or an incursion into the field of private contracts, I would be overstepping the powers I possess." 38

Referred to a subcommittee, at the suggestion of Argentina, a plan was approved referring the Mexican proposal to the Inter-American High Commission. Later, however, following a suggestion by the United States, the committee on initiatives agreed to refer the plan to a special conference. In a plenary session of the conference a resolution was approved providing that the Third Pan-American Financial Conference should be convoked to study the proposals included in the Mexican plan. 39

In concluding its report of the Seventh International Conference of American States, the United States delegates said of their accomplishments:

"The delegation went to Montevideo seeking to put into practical operation President Roosevelt's good-neighbor policy and, with this in view, to lay the groundwork for permanent achievement. It is believed that this has been done... The conference opened amidst dark omens, but closed with a unanimous and enthusiastic acclaim that it had achieved outstanding success in actual and potential accomplishments for the republics of the Western hemisphere."

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38 Ibid., p. 28.

39 Ibid., pp. 30-31.

40 Ibid., p. 59.

CHAPTER IV

## COMMENTS ON THE CONFERENCE

The following are some of the comments relating to the role that the good neighbor policy played at the Seventh International Conference of American States.

In addressing the National Press Club in Washington on February 10, 1934, Secretary of State Hull said:

"It is my unqualified opinion that the achievements of the Montevideo conference were such as to mark the beginning of a new era-- a new epoch-- in this hemisphere... The United States delegation proclaimed everywhere the policy of the good neighbor so well defined by President Roosevelt... This doctrine bids every nation alike earnestly favors the absolute independence, the unimpaired sovereignty, the perfect equality, and the political integrity of each nation large or small, as they similarly oppose aggression in every sense of the word." <sup>1</sup>

An article in The American Journal of International Law commented that President Roosevelt, in his inaugural address of 1933, declared that the United States foreign policy was to be governed by the policy of the good neighbor. A first step, it was explained, was to lay the specter of intervention which had come to symbolize all that Latin America resented in the Monroe Doctrine. This was done at Montevideo, the writer pointed out, when the conference adopted the convention on rights and duties of states, which provided that "no state has the right to intervene in the internal or external affairs of another." <sup>2</sup>

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<sup>1</sup> U. S. State Department, Statements of Cordell Hull Regarding Seventh Inter-American Conference, cited, p. 92.

<sup>2</sup> Charles G. Fenwick, "The Monroe Doctrine and the Declaration of Lima," The American Journal of International Law, XXXIII, 260.

The old feelings of suspicion and resentment vanished at the seventh inter-American conference before the sincerity of the good neighbor from North America, one writer said.<sup>3</sup>

Speaking of the accomplishments of the Montevideo conference, in Lima on January 11, 1934, Mr. Hull said:

"A great new epoch in our relations has been born. A mighty new era of permanent friendliness, understanding, economic peace and cultural cooperation, and all-American solidarity has been inaugurated. We have outlawed war and conquest and embarked upon our peaceful destiny. We are looking ahead. We are making economic plans taking into consideration all our needs. We are allied together in these endeavors under a rule of common sense."<sup>4</sup>

A statement contained in the official report of the seventh Pan-American conference submitted by the United States delegation:

"It is our sincere hope that the peoples of the 21 American republics will proceed to carry on in accordance with the inspiration and spirit of Montevideo and to give the world an example of an international system in which mutual sympathy, fair dealing, and constructive cooperation are the guiding principles of their international conduct."<sup>5</sup>

An extract from an appraisal of the conference published in Foreign Policy Reports stated:

"It is generally agreed that the Montevideo gathering went further toward creating genuine good will than any preceding Pan-American conference. For the United States, the gains in this field were particularly evident. The hostility of past gatherings was largely absent; unfriendly criticism was at a minimum."<sup>6</sup>

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<sup>3</sup> Bemis, op. cit., pp. 768-769.

<sup>4</sup> U. S. State Department, Report of U. S. Delegates at Montevideo Conference, cited, p. 60.

<sup>5</sup> U. S. State Department, loc. cit.

<sup>6</sup> Thomson, op. cit., X, No. 7, p. 96.



Excerpt from an address delivered by Dr. Ricardo Alfaro, former president of the Republic of Panama, at the Latin American institute held at Oklahoma A. & M. College in 1941:

"The Montevideo conference of 1933, the results of which must be recognized as a personal triumph of Mr. Hull, was a resounding confirmation of the policy of the good neighbor and it marked a new era of harmony, confidence and goodwill between North and South America. The suspicion, misunderstanding and animosity which had been present during all previous conferences in a greater or lesser degree, are now a thing of the past." <sup>7</sup>

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<sup>7</sup> Thomas H. Reynolds, Progress of Pan-Americanism, p. 157.

## CONCLUSION

In appraising the work of the seventh Pan-American conference at Montevideo, some of the major achievements are credited to the good neighbor doctrines so ably applied by Secretary of State Hull and his colleagues.

For years, the United States had been charged with intervention in the affairs of other republics of the Western hemisphere. At Montevideo, the United States joined the other American republics in unanimously adopting the principle of non-intervention.

In 1933, much of this hemisphere was in the throes of economic distress. International trade had suffered heavily. The conference at Montevideo adopted Hull's economic and tariff proposal, a move that soon resulted in the removal of numerous trade barriers and in the signing of beneficial reciprocal trade agreements between the United States and many of the Latin American governments.

The steps taken at the conference toward the establishment of an American peace organization, and Mr. Hull's personal efforts in working with the conference subcommittee on the Chaco dispute, were in accord with good neighbor doctrines.

The belief was prevalent, both in this country and in Latin America, that the Seventh International Conference of American States would provide the first big test of the good neighbor doctrine enunciated by President Roosevelt. The new spirit of friendship, confidence and cooperation extended to the United

States delegation by Latin American governments, provided ample proof of the value of North America's new foreign policy--- the policy of the good neighbor.

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