RECENT POLITICAL AND ECONOMIC RELATIONS WITH ARGENTINA

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## PREFACE

The aim of this thesis is to present as clearly and comprehensively as possible the recent political and economic Relations between the United States and Argentina.

My treatment of this subject lays no claim to being exhaustive. There are gaps in this history which are not due to lack of information; but for the sake of brevity. To have treated this subject fully would have meant months of research resulting in a book of hundreds of pages.

Where factual material has been extensive, I have felt it necessary to select. Those selections included have been on the basis of the recency and verification of the data, and the exactness and thoroughness of the facts available.

Materials used in this study were obtained from the library of Oklahoma Agricultural and Mechanical College, the United States Department of State, and the Superintenden of Documents of the United States Government Printing Office in Washington.

B. J. M.

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## CHAPTER I

HISTORICAL BACKGROUND OF ARGENTINE-AMERICAN RELATIONS

Now that the Old World is engaged in a "fight to the inish," there has arisen in the United States an increasing interest in the countries of South and Central America and ...the political and economic aspects of the European War is it affects the Western Hemisphere." Pan-Americanism has suddenly become a subject of vital importance. Our natural utlet lies to the south in our sister continent, and it has ecome essential that the American way of life and democracy ontinue to exist there.

Among these Hispanic-American countries, Argentine coupies a dominant position. Second in land area only to Frazil<sup>2</sup> and first in economic advancement, she has always layed a leading role in the continental affairs of South merica. "Argentina has been called 'the United States of South America,' and it is more like the United States than ny other South American country." The climate is similar,

Reynolds, Thomas Harrison, ed., As Our Neighbors See Us; Readings in the Relations of the United States and Latin America 1820-1940 (Privately printed, 1940), p.v.

According to the <u>South American Handbook</u> (Harpers, London, 1940) the total land area of Brazil is 3,275,510, sq. mi. while that of Argentina is 1,078,278, sq. mi.

Carr, Ketherine., South American Primer, New York, 1939, p. 35.

and the population, like ours, is composed of a mixture of European immigrants. Although the two countries have much in sommon, Argentina has maintained an antagonistic attitude in ter relations with the United States. She has regarded our policy as imperialistic, and sees us as a rival in the leader ship of Pan-American affairs.

Argentina was one of the first of the Spanish provinces to rebel against the tyranny and exploitation of the mother country. On May 25, 1810, a national assembly at Buenos lires created the "Provisional Junta of the Provinces of a Plata" to supersede the vice-royalty. Out of this movement and subsequent developments that augured of an independe status there eventually came a formal declaration of independence, on the 9th of July, 1816.

The first years of the new republic were marked by internal and external struggles. While the internal issues were far from those that are usually associated with a lawful constituted state the external ones involved Argentina in what for the time being appeared quite grave. Like a new convert to a new religious dogma she at once was ready, and indeed quite willing, to lend her efforts to her less fortunate ones who were in the pursuit of freedom and independence. To the attention of his people came the notice of the province lying

Moore, David R., A History of Latin America, New York, 1938, p.191.

the eastern shore of the La Plata River, and variously own as Banda Oriental, the province of Uruguay, or the ovince of Montevideo, which had been incorporated into the rtugese kingdom of Brazil in 1820. In 1825, Argentina, kious to aid Uruguay in an effort to regain independence, ked for a statement of United States policy concering the spute over the Banda Oriental. It appears that she was raid that the Holy Alliance might intervene in behalf of azil even though the Monroe Doctrine covered the issue.

nce this Doctrine was still new and untried, the United ates on this occasion "far from taking sides in the contest wisely maintained a strict neutrality." President Monroe, wever, had encouraged La Plata by a formal recognition on r independence late in 1824, and a few weeks later the Britis vermment did likewise.

In 1828 Uruguay and Argentina forced Brazil to recognize to independence of Uruguay. Since Paraguay had withdrawn om the United Provinces in 1816, Argentina now set out on independent course. But her struggles were not yet over. vil wars, first of one variety then of another, continued rage intermittently within her borders throughout the first

Lockey, J. B., Pan-Americanism; Its Beginnings, New York, 1920, pp. 460-61.

Ibid., p. 461.

Moore, op. cit., p. 294.

the century, with only one exception-the regime of Rosas. ir roots lay in the perinniel contest between the dominant itical parties over control of the government. The "unitario resented Buenos Aires, and the "federalistas," the rest of countryside. It, therefore, was essentially a struggle ween the city and the "camp."

In 1829 Juan Manuel Rosas accepted the presidency. Upon lizing the problems that confronted him he resorted to plans h fair and foul to gain control of the government. With s accomplished he was the "autocrat" of the Southern Hemistre until his expulsion in 1851. While he was to some extent caliber of ruler that was needed ere long his name became crious throughout America and Europe for his tyrannical rule. Shough he was cruel and selfish, "he combined all the process into a new Argentinian confederacy." His opposition immigration and the investment of foreign capital hindered some extent the development of foreign trade. 10

Argentina, during the Age of Rosas, was constantly inlved in foreign complications. During his first term of fice, boats from the United States, while sailing off the ast of the Falkland Islands, were seized by the natives. 11

Carr, op. cit., p.40

Moore, A History of Latin America, p. 314.

Ibid., pp. 314-315.

Ibid., p. 315.

is the version of the affair given by the Argentinian orian, Richardo Levene:

... in December, 1831, a North-American warship committed an outrage against their (Falkland Island) authorities, because of the watch they maintained along their coasts to prevent whale fishing. The minister of foreign relations of Buenos Aires demanded from the charge d'affaires of the United States satisfactory explanations for this insult; but that diplomatic agent did not give satisfaction and left Argentina. 12

es should have applied the Monroe Doctrine policy to the ation, and prevented Britain from taking possession of islands. Until this time Argentina, with the other manic-American republics, had used the United States as del democracy. This incident, however, caused a feeling ll-will - a feeling that the Doctrine was an instrument, for hemispheric defense, but for United States benefit.

T. H. Reynolds says that this was one of the facts that pled off the Hispanic-American faith in the Monroe Doctrine part of the occupation by England of the Falkland Islands in the monroe by England of the Falkland Islands in

During the year of 1846 other incidents occurred which ed to Argentina's disillusionment. This was the blockade

Levene, Ricardo., A History of Argentina, translated and edited by William Spence Robertson, Chapel Hill, N.C., 1937, p. 423. While the dispute was still in progress, Great Britain took

possession of the islands. She claimed them on two premises discovery and Spanish admission of her ownership. Argentina based her claim on the principle of occupation.

Reynolds, Thomas Harrison., Economic Aspects of the Monroe

the Rio de la Plata by the French and British fleets. The lted States in this instance limited herself "to the mere pression of its sympathy and moral support of its oppressed ster. In the same year Paraguay issued a request for regnition, but, the President of the United States with all information required for recognition, "postponed the relution ... out of consideration to the Argentine republic." 16

Apparently the ill will was somewhat over emphasized for rategic purposes for the constitution adopted in 1853 was ofoundly influenced by the constitution of the United States ..."

Even its principal city Buenos Aires was made a ederal district and the capital of the republic like the istrict of Columbia end Washington, D. C. The Civil Wars ere speedily brought to a close and the people of the country ere given a new outlook on life. The reform program included modern agricultural policy. The ranges were fenced, and men ould not only keep and breed their own cattle, but they could lso safely cultivate fields of grain. Cattle raising became he dominant occupation, and Argentina soon became known as ne of the principal granaries of the world. During this

Reynolds, Thomas Harrison., As Our Neighbors See Us, p. 45

Ibid., pp. 45-46.

Rowe, Leo Stanton., The Federal System of the Argentine Republic, Washington, 1921, p. 33.

<sup>8</sup> Carr, South American Primer, p. 42.

ra of peace and prosperity, Argentina took a definite place n world commerce.

The consolidation of constitutional authority vested in he government, however, created from time to time a revolution ry spirit among the masses. In 1874, 1880, 1890, 1893 and 905 violent revolutions took place. 19 These struggles were etween the revolutionary spirit of the persons who did not xercise the franchise and the centralists who influenced the hoice of the chief magistrate of the nation. These dissentice ere not brought to end until the passage of the electoral easures as proposed by President Roque Saenz Pena in 1912, hich symbolized the consolidation of democracy by freedom of uffrage.

In 1881, the United States, acting as mediator, prevails pon Argentina and Chile to settle their boundary differences n a friendly manner. The negotiation proved highly successful hen Argentina was given title to the controversial colony of atagonia, while other territorial concessions were granted hile. 20

The value of foreign commerce began to increase during his period. Prior to 1890 the balance of trade had been

Levene, op. cit., p. 525.

Chile received half of Tierra del Fuego, adjacent islands, thereto, and the shores of the Straits of Magellan. A new dispute arose, however, over these boundary lines.

enerally unfavorable, but for the period 1891 to 1914 the plume and the balance were so favorable that the period was alled "an era of economic activity." From 1910-1914 under he presidency of Dr. Saenz Pena, commercial life became to ome extent the main feature of the administration. The leading nations interested in Argentine trade were (in this order ngland, France, Germany and the United States. 22

Foreign relations with the United States, meantime, show o improvement. President T. R. Roosevelt's "Big Stick" police as bitterly resented, as were the forceful collections of rivate claims by the United States. In 1902, when Germany, reat Britain, and Italy "established a 'warlike blockade' to compel Venezuela to pay debts due their citizens," political eaders of Latin America expected the United States to apply the Doctrine and come to their aid. When nothing was done, br. Drago, Minister of Foreign Affairs in Argentina, formulated in 1902 a doctrine to supplement that of Monroe. In 1906, the hird "Pan-American Conference was informed of the new plan, and at the Second Hague Conference of the following year, it was accepted under a new name, "The Porter Doctrine", with many novel ideas as a basis of conduct. 24 Thus the Drago

Levene, Ricardo.,op. cit., p. 519.

<sup>32</sup> Ibid., pp. 505-520.

Moore, David R., A History of Letin America, p. 767.

<sup>34</sup> Ibid. p. 768.

ctrine, as it has come to be called, was a doctrine developed a South American for leaders to protect themselves against proceful collections from over anxious creditor nations.

The imperialistic policy of the United States during the rst three decades of the 20th century brought frequent iticism from Argentinian writers. Their repeated demands for clarification of the interpretation of the Monroe Doctrine do never been honored. Pueyrredon an Argentinian delegate to see Sixth Pan-American Congress said:

The ideal of Pan-Americanism dates back to the Panama Congress of 1826; but the term "Pan-Americanism" was not familiar to the people of the United States until after the Pan-American Congress which convened in Washington, D.C., in 1889. Pan-Americanism has been existing for forty years, as an institution, and I do not believe that it has yet penetrated the conscience and the soul of the peoples of America. I have not yet seen that it has given any strength nor any warmth, any powerful and spontaneous public manisfestion. 25

reference to the American interventions during the iministration of the first Roosevelt, Jose Nicolas Matienzo, Argentine publicist, wrote:

Economic and cultural expansion, however natural it may be in a powerful nation, even though this nation have the extraordinary power of the United States, cannot justify an imperialistic policy which may humiliate the sovereignty of the other states and excepts the country from the practice of respect due to the principles of international law. 26

Reynolds, Thomas Harrison., Economic Aspects of the Monroe Doctrine, p. 169.

Matienzo, Jose Nicolas., <u>La Doctrina de Monroe y la Constitución</u>, <u>Argentina</u>, <u>Buenos Aires</u>, 1929, cited in Reynolds, <u>As Our Neighbors See Us</u>, p. 98.

There have been many suggestions from Latin-American untries that the Monroe Doctrine be Americanized - that it ould apply to all American countries equally, and not only the United States. The nearest they came to achieving eir demands was when President Wilson \*proposed a Panerican pact providing for a reciprocal guarantee of independence and intergrity of territory.\*27 Due to the fact that here was Chilean opposition, the measure was never passed, and ilson turned his attention to a more ambitious project - he League of Nations.

Argentina, with most of the other Latin American nations scame a member of this great world peace organization. While he had remained neutral during the conflagration, the Allies btained from her much needed food and materials. This trade reved so profitable that a general economic stimulant was elt throughout the land with the signing of the Armistice in he fall of 1918 her people and her leaders were ready and illing to indulge once again in the subtle art of world iplomacy.

Wilson's step toward better relations was followed by is successors. "President Hoover in many ways took precaution to build up better inter-American relations." He made

Moore, David R., op. cit.,p. 768.

B8 Ibid., p. 771.

good will tour through South America, and, on his return, iblished a memorandum superceding the Roosevelt corollary the Monroe Doctrine (i.e. Hoover's) a corollary that was magnetic in words as it was vague in reality.

This gradual shift of policy during the Hoover administration ushered in the "Good Neighbor Policy" toward the atin-American nations. This effort to establish hemispheric riendship and solidarity has progressed rapidly during the dministrations of Franklin Delano Roosevelt and under the eadership of his Secretary of State, Cordell Hull.

## CLAPTER TI

#### ARGENTINA AND THE UNITED STATES AS GOOD NEIGHBORS

The United States and Argentina - alike in their eographical position, products and climate - are really ery different ethically and culturally for they have evolved rom totally different origins. Argentina still shows traces f her feudal Spanish origin, while the United States is an xample of a new political and economic system which grew ith the new nation. The United States, because of its ealth and power, assumed by virtue of its position ictatorial "big brother" to the Latin American nations. ecause of this attitude they have tended to regard the nited States as more of a threat to their territorial inegrity than they do to the armed dictators of Europe. The pplication of the principles of "Dollar Diplomacy" particular ly increased their resistence to "yanqui imperialismo" along he banks of the River Plate.

Dr. Jose Maria Cantilo insisted, however, that the principal obstacle to closer relations between the United States and Argentina was not historical, but geographical. He aintained that even an increased ease of communication etween the two countries would do little to bring about more

imate contacts. There were (and still are) too great illarity in commercial products for mutually satisfactory de and there are many ties of affinity that bind many of southern folk quite naturally with Europe. Most of her lonists are of European origin; she was originally a colony one of the greatest imperalistic nations of all time and, r best markets lie in that orbit.

There is a difference of opinion concerning the date on the Good Neighbor policy began. Herbert Hoover inaugurative current good will movement by a tour of South America evious to taking his oath of office on March 4, 1929. He de a more concrete profession of faith by ordering the th-drawal of the troops stationed in Haiti and Nicaragua. gentina, however, considers that the movement really had a inception with the World War when "The great figure of lson (our President) in the first file in the world scene, akened a major interest in Argentina."

It is, however, with the administration of Franklin plano Roosevelt that the Good Neighbor Policy, as such, was tarted. His administration has, from the beginning, pledged to that course in an effort to allay some of the

Cantilo, Jose Maria., "Interview of a Correspondent of the 'New York Post' with the Minister of Foreign Relations cited in Thomas Harrison Reynolds, As Our Neighbors See I p. 185.

O Ibid. p. 187.

spicions entertained by the Latin American nations, and refully nurtured by envious Fascist powers. The first atement concerning a new and better relationship of the ericas was made by the president in his initial inaugural dress:

of the Good Neighbor - the neighbor who resolutely respects himself and, because he does so, respects the rights of others - the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors...

pe in addition was expressed by him that the other twenty erican nations would respond to the policy and cooperate r the good of all.

The administration also was opposed to the interference any government in the sovereignity or internal affairs of the governments of any other nations - and was particular to attend that no government need fear intervention by the United ates on any pretense. In confirmation of the latter statement, the office of the Secretary of State has at all times ied to remove or to minimize inter-state controversies and make conditions so satisfactory that there would be no

Through various propaganda agencies, the Fascist countries use Latin America's fear of the United States as a weapon for their own benefit. The claim is then put forth that the Good Neighbor Policy is only a cloak for an "imperialistic expansion" in South America.

Duggan, Laurence., "The Good Neighbor Policy" (Radio Addres United States Department of State Press Releases, No. 468, Publication 1253, XXX, September 17, 1938, p. 187.

rther need for marine service - a service which ceased to notion after 1935.

This policy was born of economic and political necessity secure Latin America's willing cooperation in policies of ade and defense. It was necessary to formulate a method to mbat the threat of the totalitarian states to Latin-American rkets. For the first time the fact was stressed that "all a nations of the Western Hemisphere are equals, bound gether ... by the realities of geography (thus making) a reat to any part of this hemisphere a threat to all of it.

cordell Hull, in an address commending the Argentine
ti-War Pact, stated that the aims of this "forward-looking
licy" were the banishment of the right of conquest from these
utinents, and the rejection of that right herself.

The Montevideo Conference of June, 1933 was regarded as of the most important forward steps in Pan-American affairs dell Hull, Secretary of State, set a precedent by attending a conference as an official delegate - the first time a retary of state of this country traveled to Latin America.

That capacity. Because of its outstanding success in the

Carr, South American Primer, p. 167.

Hull, Cordell., "Address regarding Feace Proposal, before Committee I, 'Organization of Peace', December 15, 1933", Address and Statements by the Honorable Cordell Hull, Publication No. 694, (Jashington, D. C., 1935), pp. 34-35.

Ibid., p. vii.

relopment of better relations, the trip was of especial gnificance. The aim of the American delegation had been present a cooperative spirit in order to lay groundwork r future achievements. A special effort was to be made in ler to convince the more skeptical nations that we wished be one of them, and not the "big boss."

In committee Dr. Seavedra Lamas, Minister of Foreign fairs of Argentina, made a resolution - subsequently entired the Argentine Anti-War Pact - that was heartily endorsed the American delegation. Mr. Hull sanctioned the pact plicly in a speech before the "Organization of Peace" mmittee, and rejoiced privately at its content since such proposition was a necessary preliminary to his aim of mispheric defense.

In a gesture of friendship to Argentina - for she was nittedly one of the most important nations of Hispanic erica-President Roosevelt himself attended the Buenos Aires of 1936. Several steps, meanwhile, had been taken tard the improvement of relations with Argentina and Latin erica. All occupational missions had been withdrawn and

Hull, cordell, "Address regarding peace proposal, before Committee I, 'Organization of Peace', December 15, 1933".

Address and Statements by the Honorable Cordell Hull,
Publication No. 694. pp. 30-38.

rantees given against further occupations; the tariff
riers had been lowered; peace machinery had been set into
ration; trade agreements were being initiated; an Exportort Bank established; and, a Division of Cultural Relations,
set forth specific plans for concrete expressions of aid,
established by the Department of State.

The change in attitude was startling; this was illustrated the crowds that gathered to see President Roosevelt whenever wherever he appeared. The governmental officials along itinerary accorded him a magnificent reception. Everywhere received a tumultous selcome. Laurance Duggan, of the artment of State, emphasizes the fact that these gestures resented not only a welcome to the President, but also e testimonials of millions to the good-neighbor policy.

During this first meeting of the Inter-American Confere for Consolidation of Peace, the delegation from the
ted States had several differences of opinion with the
entine delegation. There was the fear that we were again
uming a too dictatorial attitude. These differences
Cantilo ascribes to the ancient misunderstandings and
dequacies of the Monroe Doctrine. The differences, however

Dusgan, Laurence., "The Good Neighbor Policy" (Radio Address). United States Department of State Press Releases, No. 468, publication 1235, XIX, September 17, 1938, p.188.

Cantilo, Jose Maria., op. cit., in Thomas Harrison Reynolds, As Our Neighbors See Us. p. 188.

re settled in a spirit of "mutual understanding." In cordance with this understanding, Argentina and Chile later reed to settle their boundary dispute concerning the Beagle land Channel by asking for the arbitration through the torney General of the United States - the Honorable Homer mmings.

Conceived in peacetime, the Roosevelt policy of living gether as "good neighbors" seems to work even while a structive war is in progress. While Europe is being ravaged war, the American republics are living together in a spirof cooperation in industrial, economic, cultural, political d spiritual unity. The spirit of "good neighbor" has been re definitely planted in Argentia, and other Pan-American publics, by a number of friendly overtures on the part of the United States, through the various agencies of the Panerican Union.

The Historical Conference which met in Buenos Aires in 137, was the result of the efforts of Dr. Ricardo Levene, the University of La Plata, and Dr. Emilio Ravignani, of the University of Buenos Aires. All of the Republics of

Cantilo, Jose Maria., As Our Neighbors See Us. p. 187.

Duggen, Table Co., op. cit., "The Good Neighbor Policy",

erica were represented and participated directly or inrectly. The value of this meeting as a medium of carrying
od will and neighborliness from the United States to Argentin
evidenced by the distribution of writers who submitted their
rk to be read before the Conference. The United States was
presented by 21 books while Argentina had 126 books or tracts
subjects pertinent to both nations.

The first Inter-American Technical Aviation Conference sheld in Lime, Peru, in September, 1937. At this conference tended by representatives of the 21 American republics, the ited States and Argentina were found working side by side for common cause - American aviation. The conference discussed i adopted 32 resolutions. One outstanding achievement of is conference was the resolution providing for the erection monuments to the honor of Wilbur and Orville Wright. This nument was to be erected at La Paz, the highest aviation eld in the world.

There was held in Habana, Cuba, the First Inter-American lio Conference, in December, 1937. The purpose of the sting was to draw the Americas together in the solution of oblems related to radio communications. It was another step

Martin, Percy Alvin., "The Buenos Aires Historical Conference". Pan American Union No. 1, Washington D.C., Vol. LXII, 1938, pp. 9-II.

ard continental brotherhood and universal good will.

A further act of friendliness and neighborliness was spicuous in the reception given to an amateur basketball m from the United States to Argentine, in January, 1938. team was welcomed both in Buenos Aires and Rosario by usands of sport fans and well wishers. At Rosario, the m was met at the depot by 30 different civic organizations ch vied with each other in paying homage to the boys from United States. The United States Amateur Athletic Union, by encouraging inter-American competition, aided in sating a strong feeling of friendliness for our country ong sport lovers in other American nations. These things we definitely produced a closer feeling of friendship ween the people of the two great countries.

The center of Argentine-American friendship is found a tall narrow house in the central part of Buenos Aires. s is the Argentine-American Cultural Center, where boys girls, men and women are taught to read the books which he from the United States. The chief purpose of the Instine is to teach an appreciation of the highest habits, oughts, problems, and the daily life of the people of the

Hermandez, Francisco J., "The First Inter-American Radio Conference", Ibid, pp. 350-352.

Shaw, Harry., "A United States Basketball Team Tours South America", Bulletins of the Pan American Union, No. 10, Washington, D. C., LXII, 1938, pp. 519-557.

merican books of history, literature, science, government nd newspapers and magazines. The Institute is supported y both Argentians and Americans to the extent of 100,000 esos annually. When ever a distinguished American visits wenos Aires he is usually asked to lecture in the Institute r arrangements are made for him to speak in an other part of he city.

The State Department of the United States arranged the uenos Aires Convention, in 1939, for the promotion of cultural elations. Argentina and the United States were among the atin American countries which adopted a convention to provide or the exchange of professors and graduate students from one ountry to the other. Exchanges are made available in eight ields of learning.

The inter-American Tourist Congress is another agency hich is bringing the nations of the United States of America nd Argentina closer together. Denied facilities to travel n Europe, Americans are encouraged to travel in Latin merican countries. One of the many advantages of traveling n Argentina would be the similarity of climate, hence a aving in clothing.

Brown, Elsie., "A Center of Argentine-American Friendship" Pan-American Union, No. 1, Washington, D. C., LXXIII, 1939, pp. 27-30.

Oklahoma City Times, April 3, 1941, p.23.

In addition to other services rendered to her neighbor ations, the United States is lending scientists, in the field agriculture to aid these nations in solving their problems crop production; combating insects and fungi diseases; rowing of new crops; and ameliorating other farm issues of ational importance. In such ways the United States is buildi: enduring friendships with neighbors to the south, from vorable reactions which have been received of these neighbordeeds, it seems that the good neighbor policy of mutual experation in consultations and negotiations is likely to dure for some time irrespective of militant Europe.

Wheeler, L. A., "Western Hemisphere Trade". Foreign Agriculture, Washington, D. C., January, 1941, pp. 11-12.

#### CHAPTER III

#### TRADE RELATIONS

Argentina, the first Latin-American colony to win its idependence, was also among the foremost in economic and ocial development during the first century of its self-overnment. Fortunately its people during this period did ot suffer any long destructive wars, either civil or foreign.

In the fourteen years prior to the opening of the World or I the country made steady and satisfactory economic progrems progress in a way dates back to 1899 when it changed its one tary system from a fluctuating paper to a convertible arrency based on gold. With the collection of a gold reserve stability of currency based on a prosperity in agriculture, adustry and trade, a notable interest was manifested by the nancial leaders of Europe. As early as 1913 the Argentines and European nations the following amounts: Great Britain, .,450,000,000; France, \$400,000,000; Germany, \$300,000,000. Ithat time there was considerably more foreign money invested this South American Republic than in any other in the authern continent. Their financial obligations to the United sates at this time (1913) was about \$300,000,000. Up to this me Argentina had depended on England more than any other

ation for financial aid. 48

With the outbreak of the World War the financial trouble owever, of Argentina soon began. Those nations of Europe whi ere engaged in the war could not longer make further financial dvances. Adverse economical conditions grew to such an exter hat this country was eventually forced to turn in distress to he only nation financially able to appease the growing wants he United States of America. In January, 1915, this country inanciers made their first loan - \$15,000,000 to Argentina. our months later this sum was increased by another loan of 17,500,000. The money in each case was advanced by three or our of the largest banks in North America. Further financial ssistance was extended to the nation and the people of Argent y the United States government through the Pan-American Financial Congress, created in May, 1915, for just such a purpose.

Prior to this period, our interests in the commerce of rgentina was comparatively small. The chief nations to export cods to Argentina were Great Britain, 31 per cent; Germany 7 per cent; and the United States, 15 per cent. Of Argentina xports, Great Britain took 25 per cent; Germany 12 per cent; and the United States five per cent.

During the World War period for many and varied reasons as United States and Argentina were none too cordial. Argent

Moore, op. cit., pp. 483-484.

It that the United States had been tardy in advancing loans, I had among other things, set up tariff rates which were scrimatory for example the tariff Act of 1922 practically cluded Argentina's exports from the markets of the United Ites. Then, too, Argentina did not accept any of the publication let alone the private ones to take an active part the war against The Central Powers. In fact, after two of ships had been sunk by the Germans off the French coast in 17, she declared in favor of a continued policy of neutrality

The attitude of her people toward the policy of Panricanism as sponsored by her big brother to the north might
summarized in statements made by the Argentine ambassador,
on. The gist of these remarks, would imply that the United
tes, being the strongest and largest American nation, if
ren even the resemblance of an opportunity, would dominate
economic and political lives of the peoples of the twenty
in American republics.

Following the world war economic conditions were in teral very bad in Argentina. The post war depression, tother with a church controversy, tended to cause a feeling of

Holladay, John Latane, The United States and Latin America, New York, 1922, pp. 312-313.

Ibid., pp. 331-334.

uneasiness and uncertainty in financial and political eavors. The issue, however, came to a climax, on September 1930, when a student uprising in Buenos Aires began a movet that culminated in the overthrow of President Irigoven; acceptance, by popular acclamation, of his lieutenant in ice as his successor and the creation of a new government duced a feeling of democracy that had heretofore been nonestent.

Even during the period of depression, which followed the ld war, the economic interests of the United States in entina were not entirely neglected. We continue from time time to advance capital for the improvement and development public utilities, manufacturing, and marketing. The largest estments were in manufacturing, especially meat packing. er industrial concerns receiving aid were those that produced omobiles, building stone, fire clay, glassware, agriculture industrial machinery, chemicals, and mining, smelting, and roleum products.

The table, on page 27, discloses distribution of our ect capital investments in Argentina industries as of tember, 1930.

TABLE I

ifacturing		Selling Dis		stributing A		ll Others		
	Value	Number	Value	Number	Value	Number	Value	
	\$82,008,000.	37	\$5 <b>2,</b> 908,000.	8	\$ <b>29,</b> 811,000.	7	\$ <b>147,836,</b> 00	

Mi	scellaneous	Total				
Number	Value		Number	Value		
20	\$19,256,000.		99	\$331,819,000.		

As the title indicates these amounts of money do not include loans made to the government of Argentina. At the close of the fourth decade of the present century we advanced more financial aid to Argentina than to any other Republic in South America at that time. The total amount of Argentina bonds held by citizens of the United States amounted to

\$322,000,000 twice as large a sum as owed by any other Latin
52
American nation.

To understand fully the reason for this investment of capital in a nation's industries which had never been in full sympathy with our Pan-American policy or had not whole heartedly accepted the Monroe Doctrine we should study the figures relating to the exports and imports to and from these countri. The figures given (below) show the quantity and value of our exports to Argentina from 1910 to 1930.

TABLE II

modit	v		QUANTI:	ľΥ			VALUE		
	·	LO <b>-1</b> 914	1928	1929	1930	1910-1914	1928	1929	193
ple Bo	xes	* 33	5 <b>1</b> 0	947	<b>6</b> 84	48	1,063	2,132	2,
tomobi:	les		<b>2</b> 23	293	244		2,564	2,874	2,
sin-Tu	rpent	tine				996	1,571	1,815	1,
tton C	lo th	Yds.568	<sup>3</sup> 22,299	22,675	16,275	4,167	3,747	3,747	2,
11 Ton	8	78	32	43	84	245	140	197	,
Boline	Bbls	s. 286	1,783	2,291	1,48	3 1,890	9,323	11,189	7,
pewrite	ers	7	17.8	20.2	15.	2 357	1,021	1,157	

Cooper, William L., "American Direct Investments in Foreign Countries", Trade Information Bulletin No. 731, Washington, D 1930, pp. 16-19.

Thousands omitted.

	QU	ANTITY	·		VALUI	C	4,50			
DITY	1910-1914	1928	1929	1930	1910-1914	1928	1929	193		
or	.188	8.6	8.7	4.5	418	4,543	8,431	4,50		
Trucks	.035	15.8	19.9	6.6	78	12,257	13,648	5,9		
Parts					5,501	8,199	17,190	1,2		

One of the most interesting facts noted in the above ta was a decided decrease in our exports to Argentina in all the commodities listed during 1930 except that of fresh applies a coal. The main reason for these reductions in quantity and value can be adduced from the fact that Argentina had turned other sources for these commodities; especially Great Britian and Germany, and to some small extent to the lesser nations o Europe. To make a comparison of the quantity and value of exports and imports between the two Republics the following table is presented:

TABLE III

DITY		1AUQ	TITY		VALUE				
•	1910-1914	1928	1929	1930	1910-1914	1928	1929	1930	
ides	*	2462	2756	1717	12782	32381	23198	1230	
-Lemp kins	*	3835	4038	3310	610	3402	3468	205	
& Kid kins	*	2133	2810	2961	1360	1693	2061	196	
eed.	1938	14941	23120	11275	3578	26046	44196	2397	
t, Wool	<b>39</b> 35	9177	24110	22244	502	2345	6370	423	
ing woo	22407	2066	1816	2052	4662	762	614	50	
ng Wool	933	11,622	14458	7189	176	4217	5043	164	

ooper, William L., "Foreign Trade in the United States in the y 930" Trade Information Bulletin, No. 749, Washington, D.C.; 19 p. 48=32.
dminster, Lynn R. Address, "Agriculture and The Trade Agreement rogram, Department of State Papers, released June 18, 1936, ashington, D. C. pp. 2-3.

bid., pp. 53-56.

ata not shown for earlier years.

There was a decided slump in the quantity and value cods shipped from Argentina to the United States in 1930. totals show a drastic decline from those for the years of -1929.

One of the chief reasons why we did not buy as much Argentina in 1930 as we had in the two previous years the passage of the Hawley-Smoot tariff. This tariff tended eep foreign goods out of the United States by prohibitive es for the protection of native industries. This Act increased import duties on goods brought in that were produced either by American manufacturer or agriculturist. Likewise was it pass-s a party political weapon more than as one to raise governal revenue or to protect American industry. The scale was raised on a few articles which had real economic value in lives of the average American labor and farmer, viz., hides wool. But since we then had a surplus of each item the ff revision proved more irritating then financially beneficial.

The unfavorable trade balance of Argentina in 1930 with all ons, amounted to more than 125,000,000 gold pesos.\* This was, ed, quite a contrast with that of the previous year when the try enjoyed a favorable trade balance of nearly 92,000,000 gold

Fetter, Frank W., "The New Deal and Tariff Policy", <u>Publicity Policy Document</u>, <u>No. 7</u>, Chicago, Illinois, 1933, pp. 4-5.

The gold pesos, dropped in value from \$.93 in December, 1929 to \$0.7555 in December, 1930.

Host of this decrease was the result of a substantial scline so serious in its ramifications and so disastrous overnmentally that the political structure witnessed one of nose periodic upheavals that prompted the formation of a sw government founded, on a platform favoring general economy a means of protecting her national credit.

It was not until 1933 that Argentina reversed her attiade toward the United States. The friendly and cooperative fforts of our president, Franklin D. Roosevelt, together ith the aid of Secretary Hull, brought to the Letin American epublics the intentions of the United States to foster, rotect and neighbor with the independent nations of the estern Hemisphere on a basis of National equality. urther this idea, the Pan-American conference was held in ontevideo, December 1933, a place well located for such a eeting at this particular time. The suspicion and distrust f some, if not many of the "doubting Thomases", of the Latin merican States, were dispelled by the friendliness of our elegates and the support of the presses of a majority of he South American Nations. At this conference the Argentine inister of Foreign Affairs, Senor Carlos Saavedra Lamas, as instrumental in bringing his country in line with the

Feiker, Frederick M., "Financial Development in Latin America During 1930", Trade Information Bulletin 775, Washington, D. C., 1931, pp. 2-5.

Kelchner, Dr. Warren., "Remarks on the Lima Conference," Department of State Press Release, Washington, D. C., 1938, pp. 1-2.

perican ideas and policies. This conference did more bring about a closer understanding and relationships can any former meeting held in the New World. The good elings and cordial felicitations were clinched by nonentervention and peace treaties. 59

Following the mutual agreements the economic and inancial conditions in Argentina became more stable.

nerican capital was again invested and by the end of the ear 1935 there was a total of \$348,268,000 of our money nvested in 106 enterprises, divided as follows: 39 manufactuming plants with \$84,245,000; distribution 36 with \$28,357,000 ransportation 12 with \$155,496,000 and agriculture and minnag 19 with an investment of \$80,179,000. The notable difference in types and kinds of investments indicated the attitude of northern financiers towards the economic possibilities of argentina. 60

The year 1937 was highly prosperous for Argentina. A good crop yield and a surplus of beef animal with prices which seturned a fair margin of profit to the producers, made money plentiful among all classes. The country's meat exports rose nore than 10% while the wool exports declined eight per cent

Kelchner, Dr. Warren., "Remarks on the Lima Conference", Department of State, Press Release, Washington, D. C., 1933, p. 3.

Dickens, Paul D. "American Direct Investments in Foreign Countries", Economic Bulletin, Series 1, Washington, D. C 1936, pp. 12-14.



volume, but increased 12½ per cent in value. The greatt variety of exports went to the United States but Great itian's exceeded her in the specific items of meat and At this time the percentage share of the United States total Argentina imports increased from 14.6 per cent n 1936) to 16.4 per cent, while at the same time the value these imports increased 46 per cent. Simultaneously the gentine exports to the United States increased more than 45 r cent, which was the greatest gain of exports to any other These exports consisted mainly of corn, wool, hides d canned beef. 61 The balance of trade between the United stes and Argentina in 1936 and 1937 was in the favor of gentina, by 31 million pesos in the former year and seventyur million pesos for the latter year. This year marked the gh point in Argentina's economic recovery. 62

A study of the imports and exports of Argentina for 38 revealed the necessity of a revision of American commeral policies and explains the willingness of Secretary of ate, Cordell Hull, of the United States to offer reciprocal itariff reductions at the Lima Conference. These concessances were certainly apropos for during 1938 we imported goods om Argentina valued at 80,750,000 pesos - an amount less than lf as much as we imported in either 1936 or 1937. At that

Dye, Alexander V., "Argentina", Reconcine Review of Foreign Countries, Washington, D. C., 1937, pp.: 157-163.

Ibid., p. 157.

ne our imports constituted only about seven per cent of gentina's exports in contrast with those of Great Britian at amounted to 31 per cent. Due to these apparent conditions a delegates from the United States presented a resolution, ich was adopted, containing the following terms:

(1). Reduction of all types of restrictions on intertional trade: (2) Formulate trade agreements which embodies e principle of fair and equal treatment: (3) Set up reasonle tariff measures instead of other forms of restrictions:

) Trade agreements created on the theory of non-discrimination. 64

of the many speeches delivered at and about the Lima nference Secretary Cordell Hull voiced the real sentiment the meeting in an address made in New York City, January 1939. His comments on that occasion may be summarized as: e twenty-one Latin American Republics and the United States affirmed their judgement that a policy of commercial relations must be one without restrictions and of an equality basis. policy in which trade was to be allowed to move along lines economic adventage in harmony with as sound economic policy

New York Times., December 13, 1938, p. 16.

Hull, Cordell., "Statement made at New York City, January 9, 1939", Conference Series, 43, Washington, D. C., 1940, pp. 84-85.

reach of the interested nations. He inferred that a peral policy was the only proper one for a peaceful trading all to pursue, rather than one of competing and underhanded liances. By promulgating such a policy with determination

New World republics will not only suit their own economic vantages but will safeguard their equality. 65

Our imports from Argentina, in spite of all these har
igers of good will and increased trade actually declined in

8. This was due to abundant crops in the United States,

gether with an economic recession, which lessoned the demand

large purchases of Argentina's primary products. Lower

ces for hides and wool contributed to the decrease in import

ues. Our imports consisted of ( named in order of value ):

xseed, raw wool, hides and skins, canned beef, quebracho

ract, corn and feeds.

At the same time the imported goods of the Argentine sublic from the United States amounted to only eight per it less in 1938, notwithstanding the adverse economic ditions. The depressing effects of the developments in 8 on economic activity were mollified to a large extent, the ample supplies of foreign exchange obtained from the

Hull, Cordell., "Statement Made at New York City, January 9, 1939". Conference Series 43, Washington, D. C., 1940, pp. 84-85.

rge sales of products to other markets than the United ates. The investment of these surpluses in new machinery: hicles and specialties brought the value of goods imported om the United States to more than \$86,000,000. Among the ny commodities imported from the United States the category machinery and vehicles accounted for \$59,000,000 while le aircraft industry alone absorbed approximately 40 per cent 'the total. The value of American automobiles and parts ; the same time decreased about three quarters of a million llars. The other items of Argentina imports remained approxi tely the same, except potatoes which dropped to a low level 1938, due to the return to normal production at home. 66 e net results of trade between the two republics during the ear were the favorable gains made in imports to the United ates. Simultaneously the United Kingdom and other European ountries imported less of her products and accordingly weilded ss influence. The total volume of commerce, in 1938, amounte \$127,500,000.67

The total annual agricultural exports from the United ates to Argentina for the period 1931 to 1939 inclusive is lown in table IV.

Witherow, Grace A., "Foreign Trade of the United States, 1938", Part II, United States Department of Commerce, Bulletin 198, Washington, D. C., 1940, pp. 29-30.

Op. cit., pp. 30-31.

TABLE IV

		Yea	r beginn:	ing July	1		
DITY 1931-32		1933-34	1934-35	1935-36	1936-37	<b>1957-3</b> 8	1938-3
3(bu.) **167	91	80	61	75	41	62	
(lbs.) 1478	1432	1160	781	713	413	337	50
11(1bs.)1229	975	799	586	671	923	498	
[bs.) 8110	12264	438	28		1637	13879	)
i Seed L (lbs.) 3	22			22	22		
0(lbs.)2190	1045	717	265	299	359	175	5 4
pes(bu.)			<del></del>	1	56	385	5 3
					<del></del>		F

The following table, Number V shows the volume of United States Agricultural imports from Argentina, for the same period.

TABLE V

DITY 1931-32	Year beginning July 1							
	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-8	
Canned* 7847	12834	17726	27544	35788	39070	41215	31720	
Carpet*		25883	26995	32905	46376	16173	4088	
dutieble*		2882	1847	5631	6515	1182	2803	
Free*	<del>"  _                                    </del>	1848	684	2269	2488	170	106	
other*	<del></del>	3425	2856	8927	13416	4530	1082	
Clothing*		259	19	1096	1821	952	739	
Fine*		3319	1094	4175	11677	2973	327	
Pounds					<u></u>			

ecker, Joseph A. "Exports from the United States to Argentina, 931-1939", Agriculture Statistics, Washington, DtoG,, D1940, ppp. 59: housands omitted.

Wool

DITY		,	Year beginning July 1						
	1931-32	1932-33	1933-34	1934-35	1935-36	1936-37	1937-38	1938-3	
ge ng *	3 <b>373</b>	3 <b>64</b> 8	4975	4311	<b>3</b> 88 <b>8</b>	4680	3991	4041	
s /	319	212	281	245	326	328	295	319	
**************************************	142	113	99	12075	26916	69402	30380	67	
				13424	30	8			
<del></del>		, , , , , , , , , , , , , , , , , , ,	1438	834	586	103			
Sho	rts		<del></del>		<del> </del>		<u> </u>	<del></del>	
ons)	2652	558	14470	29992	18239	31628	3317	16255	
:seed*	166	<b>24</b> 5	1648	15622	2323	3369	<b>31</b> 3	148]	
ed" Po	1334 unds	2 5495	12736	12146	13657	24177	17312	1751]	

<sup>\*</sup> Bushels

The fluctuation of volumes in the various items listed above were caused to some extent by local conditions such as droughts, abundant yields, treaty regulations, or by the outbrand spread of the second World War. For the years 1935-1936 -1937 our imports from Argentina were greater than our exports to her, but in 1938 we exported to Argentina 46.1 per cent more goods than we imported from her.\*\*

<sup>/</sup> Cubic Feet

Becker, Joseph A., "Exports from the United States to Argentina, 1931-1939", Agriculture Statistics, 1940, Washington, D. C. pp. 515-529.

Dickens, Paul., "The Balance of International Payments of the U.S.", Economic Series, No. 8. Washington, D. C., 1940, pp. 38-39.

<sup>\*\*</sup> The reader should bear in mind that the above figures do not include any items other than those produced on the farm.

#### CHAPTER IV

#### POLITICAL AND ECONOMICAL SOLIDARITY

International cooperation has always been a characterisof the American Continent. In fact the very existence of
y of them as independent republics is due in a large measure
the assistance mutually given during their period of struggl
independence. 71

With the achievement of independence this policy of mutua pfulness and cooperation found expression in the practice of vening in international conferences to discuss their common blems. The first such conferences was held in Panama in 182 ferences afterwards were held at irregular periods in the ious capitol of Latin American nations until 1889. Beginning he 1889 at the Washington Conference the subject of peaceful tlement of international controversies has been a major topi until the last decade no satisfactory agreement, acceptable all American republics, could be perfected. 72

It was not until the inauguration of President Franklin Roosevelt that a rigid policy of "good neighbor" was declare

Manger, William., "The Evolution of International American Conferences", Bulletins of the Pan American Union, No. 10, Washington, D. C., LXVII, 1934, p. 769.

Alfaro, Dr. Ricardo J., "A New Era of Peace and Justice in The Americas", Current History, February, 1929, p. 824.

ne United States Government. The President, in an address an-American Day at the outset of his administration, said:

The essention quelities 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 can hope to build up a system of which confidence, friendship, and good will are the cornerstones. 73

The delegates to the Pan-American Conference in Monteo in 1933 were well informed as to the policies of the
ad States regarding problems to be discussed during the
arence. Secretary Cordell Hull had delivered several
asses, in important cities along the route from Washington
ontevideo, to convince the Latin Americans of the intentions
topes of the United States to formulate measures for a
arn Hemisphere Solidarity. The conference was marked by
ity of spirit and a definite feeling of community interest
a gave to it a prominent place when compared to former
ings. The three most important problems to be solved were:

(1) Organization of machinery to insure perce among the so of the Western Hemisphere: (2) To give Pan-Americanism

Velles, Sumner., "Two Years of Good Neighbor Policy", <u>Latin</u>
<u>American Series No. 11</u>, Washington, D. C., 1935, p. 1.

Iull, Cordell., "Statements at Rio de Janeiro, Sao Paulo and Montevideo", Conference Series No. 19, Washington, D.C., 1935, pp. 10-16.

n economic content, by removing the barriers to trade which risted and involved the reduction of tariffs, abolishing the lota systems, and making other reductions of similar nature.

3) To establish the doctrine of equality of States, upon a lrm foundation, with its ancillary declaration against the litervention of one state in the internal affairs of another.

Around questions two and three of the most important scussions centered. And with reference to them the most aportant decisions of the Conference were made. President Gabriel Terra of Uraguay, made it clear in his inaugural anference speech that the Conference had as one of its most aportant obligations to the people of the American Republics to Organization of Peace. The Secretary of State, Cordell all in his address during the Conference said:

I desire also to say ---- the Government of the United States is ready to affix its signature to the Anti-war pact and I venture at the same time to express the earnest hope that the representatives of all other governments present will aid in a great service to peace by signifying at this time their willingness to affix on behalf of their governments their signatures on the peace treaties, ---- .

Universal peace has been the chief aim of civilization. The useless shedding of blood has no place in the age in which we live. With the innumerable agencies for the peaceful settlements of disputes between nations, war is useless as well as odious, repulsive and a challenge to organized society. ----

It is in this spirit that the Government and people of the United States express their recognition of the

Rowe, L. S., "The Seventh International Conference of American States", <u>Bulletins of the Pan American Union</u>, <u>No. 3</u>, Washington, D. C., LXVIII, 1934, pp. 153-155.

common interests and common aspirations of the American nations and join with them in a renewed spirit of broad cooperation for the promotion of liberty under law, of peace, of justice and of righteousness. 76

In furthering the same motif of understanding Senor arlos Saavedra Lamas, the delegate from Argentina to the onference, asserted:

For the first time we have given economic content to Pan-Americanism; for the first time we have discussed commercial and tariff policies. This means that we have felt that there is an escapable movement toward solidarity which connects and binds us together and which forces us to march directly toward cooperation, and that represents a great outlook for the future.

The results of the Conference with regard to a policy f solidarity, were the signing of treaties between the nited States and Argentina providing for:

(1) Anti-War or Non-Aggression and conciliation between the two rpublics: (2) Extradition of persons, charged with rime, from each nation to the other upon request: (3) The lights and duties of States: (4) Trade agreements - relative tariff policies.

In addition to the four above resolutions were adopted scepting the obligation appertaining there to and by the

Loc. cit., Conference Series No. 19, pp. 36-49.

<sup>&</sup>lt;u>Ibid.</u>, p. 188.

Senate Document 134, 75 Cong., 2 sess., Washington, D. C., 1938, pp. 4793-4812.

reation of new offices in the Pan American Union. These solutions were: (a) Codification of International Law;

b) Establishment of a center of Inter-American Biliographic coperation; (c) Inter-American Commissions on Aviation;

c) on monuments to Aviation Pioneers; (e) on Bills of change, Drafts and Checks, (f) on Customs Procedure, Port remalities and Consular Regulations; (g) on Housing; (h) on idian Life, (i) on Industrial property; (j) on Intellectual coperty; (k) on Powers of Attorney and Foreign Companies;

c) on Rural Life; (m) on the Organization of an Institute

Scientific Research; (n) Pan American Commercial Conference

Buenos Aires; (o) Pan American Financial Conference.

The importance of the results of the Conference may be immarized from the speech of Cordell Hull delivered at ienos Aires, December 27, 1933. He said, in part, that it is a great satisfaction to him that the United States and igentina had worked harmoniously in promoting peace and conomic order. That friendship and friendly intercourse of iese two nations in the future would be a powerful force for iese and solidarity among the republics of the Western misphere.

Argentine and the United States both signed the above

Loc. cit., Conference Series No. 19, pp. 52-53.

his Act authorized the President for a period of three years o enter into trade agreements and, for that purpose, to modifithin strictly defined limits, customs duties and other imporestrictions. One of the tangible results of this Act was a resty with Argentina which materially increased commerce between the two nations and tended to strengthen the ties of riendship and solidarity. For example there was an increase f 60% in value of imports of machinery from the United States in the very first year of its operation. Argentina in turn indicated an increase of 46% in her exports to the United States

On January 30, 1936, President Frenklin D. Roosevelt ddressed a letter to the Presidents of the Pen-American republics, asking that a Peace Conference be held in Buenos Aires ome time in that year to determine how the maintence of peace mong the American Republics might be best safeguarded - wheth through prompt ratification of all the inter-American peace nstruments already negotiated or whether through the amending of existing peace treaties in such a manner as might be necessary to advance a feeling of cooperation and solidarity among t lemispheric nations.

Edminster, Lynn., "Agriculture and the Trade Agreements Program", Department of State, Press Release, Washington, D. C., June 18, 1936, p. 6.

Davis, J. B., "Economic Progress in The Americas, 1935", Bulletins of the Pan American Union, No. 11, Washington, D. C., LXX, 1936.

Welles, Sumner., "The Way to Peace on the American Continent", Latin American Series No. 13, Washington, D. C., 1936, p. 4.

The reaction to the President's invitation to the onference was overwhelmingly favorable from each of the an-American republics. One response in particular, that of he President of Argentina, Augustin P. Justo, was most ratifying. He wrote:

Now that we find ourselves at a dark hour for the world, full of uncertainties for its stability and for the effective sway of international morality, a special inter-American Conference would be beneficial .--- Your Excellency's "Good Neighbor" policy has opened shining perspectives in the life of American relations with wast projections which the future will be able to develop. I understand that with in the universal interdependence there is no room for regional distinctions, nor for the separation of continents, but that a consolidation of peace among the nations of America will always be a very valuable contribution to the same aims which are followed in the world order, ----In my opinion, if the situation of the world in the present crisis can be benefitted by the study which we propose to carry out, Your Excellency has skillfully widened its horizons in defining it as a work of 'consolidation of peace, and hemispheric solidarity: .85

President Roosevelt, on October 31, 1936 designated he Honorable Cordell Hull, chairman of the Delegation to epresent the United States at the Buenos Aires Peace Confernce, which was to be held from December 1-23, 1936.

Before sailing from New York, on November 7, Secretary ull told the press that the delegation hoped to place the

Welles, Summer., "Accomplishments of Inter-American Conference for Peace", Conference Series, No. 26, Washington, D. C., 1937, pp. 2-3.

Report of Delegates of U. S., "Inter-American Conference for Maintenance of Peace", Conference Series, No. 33, Washington, D. C., 1937, pp. 1-2.

emispheric relations upon a firmer basis of mutual trust nd cooperation. He further added:

The depressed economic conditions which have weighed heavily upon us all are gradually being dissipated. Economic conditions are improving. Trade is increasing and business is better. But we must continue our efforts to push forward for economic progress and rehabilitation. Healthy economic conditions are essential for sound, peaceful relations between nations. The progress of each depends more and more upon the progress of others, and by mutual efforts there can be built a prosperous and contented community which is one of the best assurances for the maintence of peace. 87

The Delegation arrived at Rio de Janeiro, Brazil, on exember 19, 1936, where it was welcomed at the pier by the binet of the Brazillian Government. That evening a banquet s tendered in Secretary Hull's honor, by Dr. Jose Carlos Macedo Soares, Minister of Foreign Affairs of Brazil. ring the course of the banquet the Brazilian Minister of reign Affairs declared, that the primary aim of the conferce to be held in Buenos Aires, in December was the consolidation of peace on the Western Continent, true to the inclination if the historical growth of the states therein, whose natural adencies it is our duty to develop. There will be examined so, with a true spirit of cooperation the problems relating

Hull, Cordell., "Statement at New York Before Sailing November 7, 1936", Conference Series, No. 31, Washington, D. C., 1937, pp. 50-51.

the economic and cultural life of the American republics.

in the rmore he declared that:

We shall attain our aims without difficulty as we shall be animated by feelings of the most sincere and profound Americanism. Thus, I confidently expect that the Conference will unite us all with a perfect and mutual understanding, tending to a fuller confidence between the American peoples.88

In reply to the foregoing address, Secretary Hull told is audience that the principle of brotherly love would always ist between peoples of democracies. That no nation could ing live without peace with its neighbors and the world at rge. Then referring to the Conference soon to be held, he id, that the bringing of the American republics closer gether in matters of trade relations and peace measures to meeting would not be held in vain.

Continuing their journey, the American Delegation rived at Montevideo, Uruguay, on November 24, 1936, where was welcomed by Senor Jose Espaltu, Minister of Foreign fairs of the Republic of Uruguay. The amiable Cordell 11 in expressing his pleasure in being in the capitol of uguay told his hearers that the work soon to begin in enos Aires was an opportunity to demonstrate to the world

Loc. sit., Conference Series No. 33, pp. 101-104.

Loc. Git., Conference Series No. 31, Department of State, pp. 56-57.

hat friendly and neighborly people, imbibed with a spirit f cooperation and good will, could accomplish in a conference f equals and that the purpose of the meeting was to rededicte themselves to the cause of peace and economic progress.

The Delegation arrived in Buenos Aires on November 25, 336, at which time Secretary Hull reiterated his hopes for a seting which had for its purpose the cooperation of the Pannerican Nations in mutual confidence, sympathetic understanding and hemispheric peace.

Delegates from each of the Western Hemisphere republics are present - two hundred in number not counting the legal lvisers, technicians and others necessary to carry on the ork in hand.

The Seventh Pan-American conference convened on December 1936, at Buenos Aires, Argentina. The first meeting was dressed by President Augustin P. Justo, of Argentina, and esident Franklin D. Roosevelt of the United States of erica. Both of the addresses had for their theme the need ra "good neighbor" policy and a solidarity among the erican nations in economic and peace measures. This was

Ibid., Conference Series, No. 31, pp. 3-4.

Ibid., p. 68.

Rowe, L. S., "President Roosevlet in South America", Bulletins of the Pan American Union, No. 1, Washington, D. C., LXXII, 1937, pp. 21-25.

e second time a president of the United States had traveled road to attend the opening of an inter-American conference. e other President to leave the borders of the United States attend a similar meeting was President Calvin Coolidge, o attended the Sixth International Conference of American ates at Havana, Cuba January 16, 1928. The first plenary ssion of the Conference was held on December 4, 1936, under e presidency of Dr. Saavedra Lamas, Minister of Foreign fairs of Argentina, who had been designated by the President Argentina to act as chairman pro tempore. Dr. Lamas was en elected permanent chairman of the Conference. The session sumed on the following day at which time Secretary Hull dressed the Conference, and outlined the program, as advocated the delegation from the United States, for the maintenance peace. There were eight different divisions of the outline, z:

1. The people of each nation must be educated for peace to make themselves safe.

2. Frequent conferences between representatives of the various American nations and intercourse between these people are necessary.

3. The reaffirming of treaties signed at Monte-video in 1933 and other peace measures.

4. The agreement on a neutrality policy, in case of war on the Western Hemisphere.

arlos, Jose., Conference Series No 33, p.10.

- 5. To revise commercial treaties and conventions that each of the nations represented should enjoy the prosperity to which each is entitled.
- 6. A practical cooperation among the nations represented to restore the relationships between nations to prevent the corruption of morals and conduct.
- 7. The revitalization, reestablishment, and restoration of international law, as the substitution of armies and navies for such law is not adequate.
- 8. Observation of understanding, agreements and treaties between the nations constitutes the foundation of international order. 94

During the course of the next few weeks issues of one riety or another were discussed formally and dispassionatly, the tangible accomplishment soon became apparent.

1. \*\*The tangible accomplishment soon became apparent.\*

25 \*\*The were adopted eleven treaties and conventions and sixty
26 \*\*The Conference worked on the principle of American solidarity in all matters relative conflicts in other continents than North and South America.

The most important treaties and conventions signed by

United States and Argentina at the close of the Conference
re:

(1) Maintenance, Preservation, and Reestablishment of ace; (2) Non-Intervention Protocol; (3) Treaty on the

The speech of the Honorable Cordell Hull was read by under secretary of state Sumner Wells.

Hull, Cordell., "Opening Address to Inter-American Conference for Maintenance of Peace", Conference Series No. 25, Washington, D. C., 1936, pp. 5-12.

Welles, Summer, Conferences Series, No. 26, Washington, D.C. 1937, pp. 6-7.

vention of Controversies; (4) Treaty on Good Offices

Mediation; (5) Convention to coordinate, extend and

ure the Fulfillment of the Existing Treaties between the

ted States and Argentina; (6) Convention on Pan 
rican Highway; (7) Convention for the Promotion of Inter
rican Cultural Relations; (8) Convention Concerning

istic Exhibitions.

tall the delegates were determined that peace among the sublics of the Western Hemisphere should prevail. As the sk of the Conference progressed this solidarity of purpose unity became more of a realization. The whole Conference not one in which rival governments sought exclusive advantage for themselves. What was sought and attained was not a clomatic victory by any of the nations represented, but a uplete understanding, friendly cooperation, and far reaching nning. Second in importance to the Peace treaty, was the rement that the countries must work toward a system of a see free economic exchange of goods, so that the standards living in each country might be raised to higher levels.

United States Statutes at Large., Washington, D. C., 1938, LI, pp. 15-209.

riers of international trade, and of an exchange of goods on one nation to the other on the principle of equality of atment. 97

What beclouds international strife in most cases is ceable to the selfishness, not of an entire nation, but of all organized groups determined to gain their own selfish and having enough political power to force their will n legislators of Congress. It is to combat these groups to measures have been adopted at the Conferences held at tivedec and Buenos Aires, and that Acts have been passed the Congress of the United States which have tended to sen the feelings of economic inequality and have brought ore equitable distribution of commerce from this nation to entine and other American republics. The future success of Latin American relationships will depend largely upon the erence to a wise commercial policy both at home and abroad. 98

The Honorable Summer Wells, in an address before the demy of Political Science, New York City, On April 7, 1937, ressed the opinion that the Conference of Buenos Aires was of the outstending Conferences. At this Conference there

Hull, Cordell., "Results and Significance of Buenos Aires Conference", Conference Series, No. 27, Washington, D. C., 1937, pp. 4-9.

Sayre, Francis B., "Our Relations with Latin America", Inter-American Series, No. 14, Washington, D. C., 1937, pp. 9-10.

achieved the principles of American solidarity and peration between the Americans republics. He said:

That Pan Americanism, as a principle of American International Law, by which is understood a moral union of all the American republics in defense of their common interests based upon the most perfect equality and reciprocal respect for their rights of autonomy, independence and free development, requires the proclamation of principles of American International Law--That it is necessary to consecrate the principle of American solidarity in all non-continental conflicts. 99

On August 2, 1938, the Secretary of the State of Peru t a letter or invitation to all American republics to delegates to the Eighth International Conference to be d in Lima, Peru, in December, 1938. In the invitation, tion was made of a need on the part of the American publics, to strengthen their traditional ties and endeavor create new bonds of solidarity to protect themselves from danger of inter-American wars and to guard from any threat extension to American soil of non-continental disputes. 100 reply to the invitation to attend the Lima Conference, retary of State, of the United States, Cordell Hull declared the American nations had agreed at inter-American conferes in the past decade as to mutual improvement of their

Welles, Summer., "Practical Accomplishments of Buenos Aires Conferences", Conference Series No. 29, Washington, D. C., 1937, pp. 9-10.

Coucha, Carlos., "Invitation of Peru", Pan American Union, No. 11, Washington, D. C., LXXII, 1938, p. 617.

tical, commercial, social and cultural life. The rican nations had made important contributions to the se of world peace by the expansion of the inter-American iety based upon respect for the independence, sovereignty political equality of American nations.

The keynote of the opening address was that of Continental idarity. This was the central theme of all deliberations of conference, and reached its climax on December 24, with the ption of the Declaration of the Principles of the Solidarity America, and the declaration of American Principles. These declarations represented the outstanding achievements of Conference. 102

Secretary of State, Cordell Hull, in an address before the ference on December 24, 1938, told the delegates that the sling of cooperation and solidarity which permeated all prest would present a common defense against any threat or sivities from outside the Western Hemisphere which were desired to disrupt the peace, security, or territorial integate of any nation or to undermine the democratic governments tablished in this hemisphere. The Argentina Minister of

Coucha, Carlos., "Invitation of Peru", Pan American Union, No. 11, Washington, D. C., LXII, 1938, p. 619.

Julic Gordell Conference Series, No. 27, United States Jovernment Printing Office; Washington; D. C., 1939; A. ...

Foreign Affairs, Jose Maria Cantilo, told also of a need in American solidarity which would unite all men with a therly love and a cooperation which would serve the good ill the people of America. The New York Times commented the Lima Conference in these words:

Twenty-one nations gathered and debated, and there was no hint anywhere of that ancient bogy, the "yankee peril". There was not present there, as there had been at so many other Pan American Conferences, any division of North and South in which the scales were weighted on one side by the American "Colossus"; there was no hint of coercion; there was, in fact, no sign of any greater inter-American division than would appear in difference of opinion. The perception of ultimate solidarity was general and found its expression. 104

The sum of the work of the Conference was the adoption signing of 110 resolutions and recommendations, not inling the Declaration of the Principles of the Solidarity America, and the Declaration of American Principles. 105 s was another link which bound the United States and entina closer together in mutual bonds of political, econcal, social and defense ties.

Following the Pan American Conferences held at Buenos es, 1936, and Lima, 1938, there was a meeting held at ama, from September 23 to October 3, 1939, composed of

Hull, Cordell., "Address to the Conference, December 24, 19 Department of State, <u>Publication</u> No. 1416, Washington, D.C. 1939, pp. 58-70.

New York Times., December 29, 1938, p. 6.

Loc. Cit., Conference Series, No. 27, Washington, D. C., 1937, pp. 47-94.

foreign ministers, or their substitutes, from each of the epublics of America. The meeting was called because of the e situation in Europe due to the crisis resulting from the reak of the second world war. While the American republics far removed from the scene of actual warfare, it became rent that their interests were seriously endangered by the break of the war. Normal exports markets were ended; sources supplies were cut off; shipping was either interrupted or oped; prices were either abnormally or sub-normally changed in ight; currencies of many nations were changed in value; stions of neutral rights arose; former obligations could not continued; and, travel on the high seas was hazardous.

These combined conditions undoubtedly constituted a rece to the peace and general welfare of the peoples of the rican republics. This meeting of diplomatic representations was a true Pan-American conference, at which several rimportant declarations and resolutions essentially rican in principle were adopted. These declarations were marily concerned with such questions as: economic cooperation; reaffirming of the principle of solidarity of the ricas; American neutrality; the humanization of wer; contrations; protection of American ideals against subversive activitimaintenance of international relations in accordance with

Report of Delegates of U.S., "Meeting of Foreign Ministers of American Republics Held at Panama, September 3-October 3, 1939", Conference Series, No. 44, Washington, D. C., 1940, pp. 1-2.

stian morals. 107

The most important achievement of the Panama Conference the resolution known as the Declaration of Panama. lution concerned the establishment of a neutrality zone merican waters. This document defined a zone of from 100 00 miles in the waters adjacent to the American continent. hich naval or air machines of war belonging to any of the igerents were forbidden to commit any act of war. 108 ing also passed a resolution relative to territory located merica which was controlled by any of the belligerent ons of Europe. It was decided that such territory should change its allegience if such change endangered the peace harmony existing among the American republics. 109 ing was a practical demonstration of American solidarity it established a precedent of inter-American relations. consultation was an example of the determined will of the ple of the new world for a peace based on a renunciation force, on justice and on equality. All agreements were roved unanimously, which was due in a large measure to the osphere of friendliness, cooperation and courteous consideran which marked each and every aspect of all of the delibera-

Alvarez, Alexander., "International Life and International Law in America", Pan American Union, No. 4, Washington, D. C., 1940, pp. 252-253.

Ibid., p. 253.

Rowe, LtS., Conference Series, No. 44, Washington, D. C., 1940, pp. 13-14.

on.110

The nations of the new world, in the conflict now raging . Europe, have tried to remain neutral. But being neutral es not mean that they are indifferent to the progress and stoome of the war. The people, however, of the Americas we a duty to perform, which has for its purpose the maintence of the principle of American solidarity in peace and operation, one which serves its people morally, socially, onomically and politically.

Lbid., ... Conference Series, No. 44, Washington, D. C., 1940, pp. 43-46.

#### CHAPTER V

#### CONCLUSION

The trend of Latin American history, especially that f the United States and Argentina reflects the need of ementing ties of peaceful cooperation in economic, social nd political fields. The outbreak of World War II in urope has created difficult situations which confront all he American republics. These situations call for a more hole-hearted effort of a policy of solidarity than has et been perfected.

The principle of the "good neighbor" was not forcefully ut before the Latin American republics until President consevelt made his declaration in 1933. It was then carried hrough the Pan American conferences of Montevideo, Buenos ires, Lima, and Panama. It was in these conferences that hose principles were adopted which would protect these ations of the Western Hemisphere from a collapse of social, conomic, political and commercial enterprises. A safety one has been declared around the twenty one republics. A clan has been adopted which purported to solve the economic roblems, by interchange of scientists in agricultural pro-uction; by a lowering of trade barriers; and by making

#### w commercial treaties.

The chief executives of the United States and Argentina ast learn to work together, rather than for local interests; new must seek the same end - economic cooperation and scurity. The political foundation for cooperation and "good sighbors" has been laid. This feeling of mutual respect smands a common culture, and this culture cannot be attained at thout industrialism, which with its wealth creates means or education and for raising the standards of living for ach individual. This education is being disseminated through the medium of exchange of educators from this nation to regentine, and through schools in Argentina which offer eight ields of study taught by persons who speak the English anguage and who use textbooks printed in English.

To achieve the principles desired, a sound philosophy is seded; that is to say, we need faith and common sense. conomic peace will bring spiritual and political peace. This nd can be achieved by cooperation between these nations. oncern for the happiness of individuals should be the guide to the Argentines and Americans alike. Alliances formed will be those of an economic nature, for their minds will be those on a period of long peace and not of war. To attain these mutual outcomes through a policy of "good neighbor", we must know our neighbor so that we may love him, for individually we do not love those whom we do not know.

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