

THE CHACO INCIDENT

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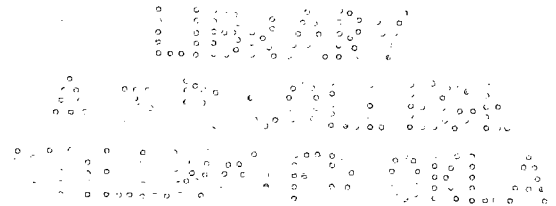
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DEDICATION

To my children, whose loving sympathy
and interest is a constant source of
inspiration.

Preface

It is not the purpose of this thesis to give a solution of the Chaco conflict or to place the blame; it is merely a survey of the conditions as they existed and of the various attempts at settlement.

The dominion of Spain in America, the revolutionary movement that brought it to a close, and the history of the Spanish-American nations since their beginning, are fields of study long neglected. Not a treatise exists in any language which adequately describes the origin and development of the Spanish type of civilization in the new world. Much material on the Chaco conflict is available which has been published by both Paraguay and Bolivia to establish their respective claims, but no documentary evidence is used.

The subject matter of this treatise divides itself into three major divisions; first, the early history which gave a background for the boundary disputes; second, the conflicts between the two countries, in their attempts to occupy the territory; third, the resultant war and the various attempts at settlement.

Material for the study was found in the Oklahoma Agricultural and Mechanical College Library at Stillwater; the Oklahoma University Library in Norman, and the Congressional and Pan-American libraries in Washington, D.C.

It is a pleasure for the writer to extend her sincere

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CONTENTS

Chapter I	El Gran Chaco.	Page 1
1.	Introduction.	
2.	El Gran Chaco.	
a.	Location.	
b.	Divisions.	
c.	Productions.	
d.	Inhabitants.	
e.	Settlements.	
3.	Rival Claims.	
a.	Portugal.	
b.	Spain.	
4.	Early Government.	
5.	Independence.	
6.	Paraguay.	
7.	Tripartite Treaty.	
8.	Paraguay's Claim to Chaco.	
9.	Hayes Award.	
Chapter II	Conflicting Claims.	Page 13
1.	Friction over boundaries and early attempts at settlement.	
2.	Border Warfare.	
3.	Good-offices of Argentina--Diaz-Leon Protocol.	
4.	December Clash.	
5.	League Council--Messages to warring nations.	
6.	International Conference of Conciliation and Arbitration.	
a.	Plans for settlement.	
b.	Draft convention on arbitration.	

7. Neutral Commission--Non-aggression pact.
8. A. B. C. P. Powers--Mendoza formula.
9. Pan-American Union--Non-recognition.
10. League Committee of Three.
 - a. Chaco Commission.
 - b. Arms Embargo Recommended.
11. Declaration of War.
12. Chaco Quarrel Becomes League Problem.

Chapter III The Chaco War. Page 33

1. Chaco Commission--Under A. B. C. P. direction in Montevideo.
2. Seventh Pan-American Conference.
3. Arms Embargo.
 - a. United States.
 - b. Committee of Three of League.
4. Conciliation Sub-Committee of League Organized.
5. League Recommendation of Lifting Embargo on Bolivia and Lightening it on Paraguay.
6. League Turns Over Chaco Affair to Argentina and Chile.
7. American Peace Commission.
8. Draft Protocol.
9. Pact Signed.
10. Continued Operation of Peace Commission.
11. Conclusions.

MAPS

Number		Page
1	South America Showing Location of Disputed Territory and Boundaries Claimed by Bolivia and Paraguay.....	54
2	The Chaco Showing Boundaries Established by Treaties of 1879, 1887, and 1894.....	55
3	Chaco Commission Map Showing Boundary Lines Established by Treaties.....	56
4	Chaco Commission Map of Boundaries as Advised by that Commission.....	57

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CHAPTER I

El Gran Chaco

Quarrels over poorly established boundary lines are fruitful sources of wars, past and present, as is witnessed in the middle European conflicts. In the same measure that the Saar basin has been a prize, long coveted by both France and Germany, so has the Chaco in South America been the area whose ownership has been contested by both Paraguay and Bolivia, for over a century. This Chaco conflict is well worth careful study as it presents a unique problem in American diplomacy and apparently defies settlement. For any understanding of the subject under discussion it is necessary to take a cursory glance at the land, its products and its people, as well as to make a careful study of its history.

El Gran Chaco, as it is called, is situated just south and east of the heart of the continent of South America and consists in its entirety of three parts. The southern or Chaco Austral lies south of the Bermejo River and has belonged to Argentina since her colonial days. Central Chaco lies north of the Bermejo and south of the Pilcomayo and belongs to Argentina. The Chaco Boreal or northern Chaco is bounded on the east by the Paraguay River, while its western boundary is the Pilcomayo River which flows south

and east.¹ These two rivers unite at the southern end of the Chaco to form the Plata which is an outlet to the sea, and the disputed territory lies between the two rivers.

This region forms an immense triangle with its northern boundary Bolivia. The location of this boundary line is generally conceded to be about the nineteenth parallel. The territory divides itself naturally into three sections of a plateau, the highest part of which never rises over one thousand feet above sea level. This plateau slopes gently towards the rivers that bound it. The highest part, the northern, is covered with forests, Gran Selva it is called, and produces an abundance of hardwoods, among which the quebracho, which yields our commercial tannin, is the most valuable. The central section is a rolling, grassy plain, broken at intervals by straggling clumps of palm and shrubs. Here, under proper development of drainage system and pure water supply, agriculture and stock-raising would be very profitable. Even under the present adverse conditions, those are the leading occupations. In the third district, the river zones are low and marshy and present a difficult problem. Little is known of the possibilities of mineral development, but it is thought that oil may be found in some quantities. The Standard Oil Company is continuing operations in the Chaco district, development being retarded

¹Henry G. Doyle, "War Clouds in South America", Current History, XXXVI (1932), 726.

by lack of transportation.²

From its Indian inhabitants came the name Chaco, meaning hunting ground. At least seven different Indian tribes, possibly more, are identified with the Chaco, each tribe differing from the others in language. They number approximately 50,000. They resemble somewhat our North American Indian but are shorter in stature and seem slightly Mongolian. They work little, being mainly hunters and fishermen; the man takes upon himself the providing of food and leaves all else to the woman. She makes a primitive kind of pottery from strips of clay, which she molds into a circular form; and weaves blankets and bags, whose patterns closely resemble those of the Keehnas and Aymaros of the Peruvian and Bolivian highlands.³

Indian villages are established and a primitive government maintained, but the dwellings are only shelters and are often moved. There is no permanency of location. In religion they are still distinctly pagan in spite of the activities of the Catholic church in the region. Besides the native population, are found a few scattered whites. Eighteen miles north of Asuncion is situated Villa Hayes, a Paraguayan settlement, the center of an agricultural region of approximately 10,000 population. Foreign capitalists have obtained concessions from Paraguay and promoted the ex-

²Business Weekly, November 9, 1929.

³Literary Digest, February 2, 1929.

traction of tannin from the quebracho trees. This, together with stock-raising and agriculture, forms the commercial value of the region.

Other settlements also established are Puerto Cooper, British owned, Puerto Pinasco, managed by United States capital, and Puerto Casado, owned and operated by an Argentine family, all under concessions given by the Paraguayan government. A number of settlements have been made by Argentina though under Paraguayan concessions, namely, Puerto Guarani and Puerto Mihanovich. To the far north Paraguay has extended with Fuerte Olimpo and Bahía Negra, both agricultural and stock-raising centers. In the interior are to be found settlements started in 1927, by the Mennonites. These settlements are one hundred and twenty-five miles west of Puerto Casado and have increased in population from three hundred at the beginning, to 6,000, in 1930. They engage in agriculture, producing, besides wheat, cotton, tobacco, mandioca, and various vegetables and fruits. In 1930, the total population of the Chaco, exclusive of the native Indians, was 50,000 and the annual production of tannin alone reached the sum of \$2,538,000.⁴

Both Spain and Portugal by early discoveries and explorations laid claim to the eastern part of South America. By papal authority, on May 3, 1493, a division was made restrict-

⁴Ronald Stuart Kain, "Behind the Chaco War", Current History, XLII (1935), 470.

ing all Portuguese explorers to the east of a line drawn one hundred leagues west and south of Cape Verde and Azores Islands, and by a later proclamation no other Christian nation except Spain might occupy land to the west of this line.⁵ This line, according to Humboldt, was so placed that it might coincide with the meridian of magnetic no-variation as discovered by Columbus.⁶ The Portuguese king, John II, was dissatisfied with this disposition of the territory and commissioners were appointed by both Spain and Portugal, who drew up the Treaty of Tordesillas (1494). By the terms of this treaty the demarcation line was to be drawn three hundred and seventy leagues west of the Cape Verde Islands; lands to the east of this line were to be in the possession of Portugal, those west in possession of Spain. The line thus described passes through South America close to the mouth of the Amazon and strengthened Portugal's claim to lands discovered by Cabral, in 1500. So began a dispute which was to last indefinitely. Juan Díaz de Solís, in 1508, was commissioned by King Fernando V to explore the coast but was directed not to interfere with the Portuguese possessions.⁷ After several attempts he succeeded in making his

⁵William Spence Robertson, History of the Latin-American Nations, p. 66.

⁶Edward G. Bourne, "Spain and Portuguese Demarcation", American Historical Association Reports, 1891, p. 113.

⁷Robertson, op. cit., p. 80.

way southward along the eastern shore line from Panama to a point to the southwest of the region explored by Cabral and claimed for Portugal, where he discovered the broad open mouth of the river later called Río de la Plata (1515) named by him, Mar Dulce.

At this point Solís on his second voyage was killed by Indians but Pedro de Mendoza, in August, 1535, found the estuary of the Plata River and established the city of Buenos Aires. Juan de Ayalas, one of his followers, ascended the Parana River and at the confluence of the Paraguay and Pilcomayo rivers, after a skirmish with the Guarani Indians, built a fort called Asunción.

In 1541, Cabeza de Vaca with a party of Spanish colonists came to Asunción. There followed many others, among whom was D. Alonzo de Vira y Aragón, who was sent to establish a city in the Chaco in order to facilitate communication with Perú. The town thus established was named Concepción de Buena Esperanza, and was situated on the shores of the Bermejo River. Later (1537) it was abandoned because of Indian hostilities. The Spanish king placed this district under the jurisdiction of the audiencia of Charcas.

The audiencia of Charcas, as it was founded, covered a circular area of three hundred miles radius with Chuquisaca as its capital. By cédula real, issued in 1563, by Philip II, it received the Chaco Boreal and part of Chaco Central "together with whatever other lands may be settled in

those parts."⁸ Therefore, the king, in 1563, defined the southern boundary of the audiencia as the Pilcomayo River. By 1617, Philip became convinced that the seat of government was too far removed from the Plata region and he placed it, together with several other provinces, under the jurisdiction of the audiencia of Buenos Aires. The royal charter of 1743, however, indicated that the Chaco should remain under the jurisdiction of the audiencia of Charcas.

All nations or portions thereof that are between the Pilcomayo and Paraguay Rivers extending beyond the community of Santa Cruz de la Sierra do belong to Charcas.⁹

In 1776, the vice-royalty of the Río de la Plata was created. This included the provinces of Buenos Aires, Paraguay, Tucumán, Potosí, Santa Cruz de la Sierra, Charcas, and Cuyo. This vice-royalty was bounded on the west by the Andes, on the south and east by the Pacific Ocean, and on the north by the audiencia of Charcas. Its capital was located at Buenos Aires.¹⁰

Because of conflict with the ever-encroaching Portuguese, Pedro Ceballos, the first viceroy, president, captain-general, and president-general of the audiencia, was given unlimited power in his commission, with instructions to

⁸Miguel Mercado Moreira, El Chaco Boreal, p. 9.

⁹E. W. Polson Newman, "Bolivia and Paraguay", Contemporary Review, CXXXV (1929), 70.

¹⁰Robertson, op. cit., p. 119.

check the Portuguese at the Plata, Parana, and Paraguay Rivers. Following various successes of his armies the treaty of San Ildefonso of 1777 was made, and there followed the settlement of the Brazilian boundaries.¹¹ To his successor, Vertiz, Ceballos emphasized the need of supporting the missions which were working in the Gran Chaco, not merely as a method of christianizing the Indians but also as a barrier against the Portuguese in that section.¹²

With the invasion of Spain by Napoleon, begins the revolt of the Spanish colonies. Juntas, or committees that acted as provisional governments, were formed, which first registered their protests against the Napoleonic authority and then put into operation their own governments. The history of the Spanish dependencies during their struggle for independence shows a common interest not previously to be observed in their history. During a period of fourteen years they carried on in all their scattered dominions their struggle for independence and recognition. In 1810, the provisional junta at Asunción repudiated the Spanish authority and organized its own government.¹³

Since the war of independence ended in 1825, the foundation or guiding principle of international relations of

¹¹Bernard Moses, Spain's Declining Power in America, p. 164.

¹²Ibid., p. 171.

¹³Robertson, op. cit., p. 172.

the new republics has been that each one of the old Spanish colonies on becoming independent should retain the frontier boundaries fixed by the crown during the three hundred years of Spanish rule. This has been designated as the uti possidetis of 1810. This seems to have been used by some statesmen, as a possible defense against claims in America or any European powers, upon the presumption that some of it was res nullius.¹⁴ This doctrine, however, did not rest on actual survey of these colonial provinces but upon royal edicts of the government seated in Madrid, and led to a large number of boundary disputes.

A most striking feature attendant upon these disputes has been the success with which Brazil advanced her claims against her Spanish neighbors. Portuguese aggression on Spanish territory began with King John's dissatisfaction with the papal demarcation. By the treaty of San Ildefonso (1777) additional rights were gained but the line was never completely surveyed, and complaints were lodged by Spanish authorities that the Portuguese were planting colonies beyond the demarcation line of 1777, and asked that a definitive treaty be framed to end all controversies.¹⁵

Fearing the growing power of Paraguay under its dictator, Lopez, Argentina, Brazil, and Uruguay formed a tri-

¹⁴Ibid., p. 534.

¹⁵Ibid., p. 150.

partite treaty in 1865 by which they established the boundaries of that nation. By this secret treaty they deprived Paraguay of about half of the territory over which she claimed jurisdiction.¹⁶ After a five-years war, a new Paraguay came into being, the first problem of which was to establish the boundaries. By the terms of the tripartite treaty all the Chaco territory from the Bermejo River, north of Bahía Negra, was conceded to Argentina, and with the close of the war was claimed by her. However, Brazil, jealous of Argentina, agreed to uphold Paraguay in her claim. On January 9, 1872, diplomats of Brazil and Paraguay signed a treaty which gave to Brazil a clear title to the territory north of the Rio Apa which she had been given in the tripartite treaty.

Paraguay, encouraged by Brazil's attitude, persisted in her opposition to the demands of Argentina, and on February 3, 1876, signed a treaty with Argentina which provided for the adjustment of boundaries. This treaty gave to Argentina the territory on the left bank of the Parana River, also the territory between the Bermejo and Pilcomayo Rivers, known as Chaco Central. Argentina relinquished her claim to the territory between Bahía Negra and the Río Verde, and the territory between the Río Verde and the Pilcomayo was to be submitted to the president of the Unit-

¹⁶Moreira, op. cit., p. 83.

ed States for arbitration.¹⁷

By the eighth article of the treaty of limits between Paraguay and Argentina (1876) the contracting parties were required to submit their statements and proofs of claims, within a year after the anticipated acceptance of the arbitrator. Accordingly, on the 25th of March, 1878, the Argentine Minister, Manuel R. García, forwarded his documents to President Hayes,¹⁸ and two days later the Paraguayan Minister, Benjamin Aceval, did likewise.¹⁹

On November 13, 1878, some eight months after the submission of documents and proofs, President Hayes made an award wherein he declared that

The said Republic of Paraguay is legally entitled to the said territory between the Pilcomayo and Verde Rivers and to the Villa Occidental, situated therein, and I, therefore do hereby award to the said Republic of Paraguay the territory on the western bank of the river of that name, between the Rio Verde and the main branch of the Pilcomayo, including Villa Occidental.²⁰

Both foreign ministers, Aceval, of Paraguay, and García, of Argentina, in acknowledging receipt of the award, expressed to the President their appreciation for the service he had rendered in examining and deciding the question.

¹⁷Robertson, op. cit., p. 280.

¹⁸Foreign Relations, 1878, p. 17, (House Executive Documents, Number 15).

¹⁹Foreign Relations, 1878, p. 709, (House Executive Documents, Number 405).

²⁰John Bassett Moore, History and Digest of International Arbitrations, II, 1943.

The Paraguayan congress in 1879, voted to give to Villa Occidental the name Villa Hayes in recognition of the president who had made the award.²¹

²¹Ibid., p. 1946.

CHAPTER II

Conflicting Claims

Between Paraguay and Bolivia there has been constant friction over the boundary since 1879. Following the Hayes award, Bolivia, not feeling bound by an award which did not take her rights into consideration, refused to relinquish her claim to the Chaco territory, which Brazilian diplomacy had aided Paraguay to rescue from Argentina, and sought settlement from Paraguay. Paraguay based her claim on the uti possidetis of 1810 which, according to the Paraguayan government is de facto, or one of actual occupation, while the Bolivian government fixed her boundaries as they were under the audiencia of Charcas, a uti possidetis de jure.¹

There followed many futile attempts at settlement. The Decoud-Quijarra Treaty of 1879, by which Paraguay agreed to concede to Bolivia a strip of territory on the Paraguay River between Bahía Negra and the Río Apa, was negotiated but not ratified.² Subsequent attempts at boundary settlements followed the encroaching Portuguese settlements in the territory, the Aceval-Tamayo Treaty of 1887 and the Benites-Ichazo Treaty of 1894, were likewise unsuccessful. These treaties provided that Bolivia should abandon most of

¹John W. White, "Warfare in the Chaco Jungle", Current History, XXXVIII (1933), 41.

²League of Nations, Report of Chaco Commission, (Document C154M.64, 1934), VII, 20.

her territorial claims to the Chaco, in return for a port on the Paraguay River between Ft. Olimpo and Puerto Sastre. By the Finella-Soler Protocol of 1907 at Buenos Aires, the two countries agreed not to extend their possessions, and in the meantime to undertake to arbitrate their claims to the Chaco.³ This first attempt to establish the status quo of the two countries placed the boundary at parallel 20°30' south and about meridian 61°30', beyond which neither country was to extend.⁴ By the Ayala-Mujía Protocol of 1913 both countries agreed to reopen the question in direct negotiation and to arbitrate it if that failed.⁵ These negotiations continued through the period 1915-1918 with no positive results.

Finally in 1927 there occurred along the border several military clashes and the good offices of Argentina were accepted in an effort to mediate.⁶ A commission of plenipotentiaries from both countries together with a representative from Argentina was formed in Buenos Aires, which resulted in the Díaz-León protocol of 1927. Differences arose over the interpretation of the protocol, and eventually they caused

³John C. DeWilde, "South American Conflicts", Foreign Policy Association Reports, IX (No. 6), 59.

⁴Report of Chaco Commission, op. cit., p. 20.

⁵Herbert Adams Gibbons, The New Map of South America, p. 97.

⁶Andrew N. Cleven, "Dispute between Bolivia and Paraguay", Current History, XXIX (1929), 62.

adjournment. No adjustment seemed possible as Bolivia insisted on her principle of uti possidetis juris. In April this commission resumed its deliberations and continued active intermittently until the outbreak of war which occurred in December of 1928.

This clash was brought about by a conflict of related but distinct economic interests of these two countries-- Paraguay's right to exploit the natural resources of the Chaco territory, and Bolivia's need for an outlet to the sea for her varied products.⁷ Excited by the rumor of the discovery of oil in the Chaco by a French engineer, followed by the activities of the Standard Oil Company in the Bolivian Chaco,⁸ the investments of foreign capital, and the colonizing concessions granted to American and British corporations and individuals, by the governments of both Bolivia and Paraguay, the race for occupation was on.⁹

At the outbreak of the war the Chaco provided about one-third of Paraguay's public revenue, pastured over one-third of her live-stock and possessed nearly half her railway lines and all of her most important industries. By 1926 the Standard Oil Company of Bolivia, a subsidiary of Standard Oil of New Jersey, had secured a concession for a pe-

⁷Ronald Stuart Kain, "Behind the Chaco War", Current History, XLII (1935), 468. ✓

⁸Editorial, Business Weekly, November 9, 1929.

⁹Samuel Guy Inman, "South America Turns to War", The Nation, CXXXVI (1933), 256.

riod of fifty-five years for a tract of 7,400,000 acres of petroliferous land. Standard had also secured rights to operate railways, harbors, and telegraph and telephone lines. The company entered the Chaco and drilled five wells with gratifying results, then capped them, awaiting their development when the title to the Chaco should be determined.¹⁰

Because of the economic importance of the Chaco to Paraguay, that government at the outbreak of the war appealed, as a member, to the League of Nations and contended for her possession as a matter of economic life or death.¹¹

In spite of conferences and agreements, both nations continued to strengthen their military positions in the area under dispute. The Bolivians pushed their line of forts farther down the Pilcomayo River on the west side of the territory, while the Paraguayans steadily moved northward up the Paraguay river until they reached a point just south of the Bolivian port, Ft. Vanguardia, where they established Ft. Galpón. Beginning in April, 1927, rumors of fighting had commenced to come from different parts along the line, but in December, 1928, a more serious engagement occurred, when a detachment of Paraguayan soldiers surprised and captured Ft. Vanguardia, carrying the prisoners to Ft. Galpón.¹²

¹⁰Editorial, "Economics of the Chaco", New Republic, LXXIV (1933), 33. ✓

¹¹League of Nations, Official Journal, XV (1934), 244.

¹²Agnes S. Waddell, "Unsettled Boundary Disputes", Foreign Policy Association Information Service, V, 486.

A few days later Bolivian troops captured the Paraguayan Ft. Boqueron in the southern part.

News of this clash went to Washington, where representatives of the twenty-one American nations were in session, and was carried east to the shores of Lake Lugano in Switzerland where the League Council was meeting.

In Washington, on December 10, the Pan-American Conference passed a resolution

To form a committee charged with the duty of advising the conference upon a conciliatory action which, if necessary, it might render by co-operating with the instrumentalities now employed in the friendly solution of the problem.¹³

Representatives of the United States, Brazil, Cuba, Peru, and Chile, were appointed to this committee.

On December 11, the council of the League of Nations at Lugano, although not asked by either government, resolved to send each a telegram signed by President Briand of the League Council, reminding them as members of the League of their pledge to seek pacific means of solution of disputes arising between them.¹⁴

Paraguay reported to the council that she was ready to live up to her obligations, and that the government had already asked for summoning of the International Commission of Inquiry, provided for such emergencies by the Gondra

¹³Proceedings of the International Conference of American States on Conciliation and Arbitration, p. 88.

¹⁴League of Nations, "Ten Years of World Co-operation", Secretariat of the League of Nations, p. 42.

Treaty to which she was a signatory. Bolivia replied in effect, that she refused to agree, and gave the Paraguayan representative to Bolivia his passport. She justified her stand by saying she was not rejecting peaceful and conciliatory measures, but was asking for reparations of outrages, and was not consenting to an avoidance of the aggressor's obligations by simply making a pact more suitable for preventing future conflicts than for solving them.¹⁵ Meanwhile, the fighting in the Chaco continued intermittently.

On December 14, the special committee appointed by the Washington conference reported its findings, and as both countries interested had replied favorably to its messages, the commission voted to offer its good offices to both parties for the purpose of promoting suitable conciliatory measures and to continue the commission.¹⁶

The following day, December 15, the American secretary of state, Kellogg, as chairman of the Conciliation and Arbitration Conference, addressed idenic notes to the Bolivian and Paraguayan ministers of foreign affairs, offering the good offices of the conference to settle their differences.¹⁷ In their replies each government denounced the other for active mobilization. Paraguay had accepted the offices of

¹⁵League of Nations, Document C.619.M. 195, VII (1928), 9.

¹⁶Proceedings of the International Conference of American States on Conciliation and Arbitration, p. 140.

¹⁷Waddell, op. cit., V, 487.

the conference by December 16. Bolivia delayed her acceptance a few days but under pressure from the League, later accepted.

M. Briand, chairman of the League Council, then cabled expression of gratification that the "generous initiative" of the Pan-American Conference had been so favorably received, and extended good wishes for a speedy settlement.¹⁸ This action of the council left the matter definitely in the hands of the Pan-American agency, and a protocol was presented at its third meeting, January 4, 1929, signed by both Bolivia and Paraguay which provided that a commission of inquiry and conciliation should establish the facts which had caused the conflicts in the Chaco. This commission consisted of nine members, two representatives each from Bolivia and Paraguay, and one each from the five neutral countries, Columbia, Cuba, Mexico, Uruguay, and the United States.¹⁹

The commission was to be restricted in its action, being empowered only to determine which of the two parties had "brought about a change in their peaceful relations". Its work was to be completed in six months from the date of its organization, and it was to submit proposals whereby the incident might be amicably settled. Both countries a-

¹⁸League of Nations, Documents Concerning Bolivia-Paraguay Disputes, p. 11.

¹⁹Proceedings of the International Conference of American States on Conciliation and Arbitration, p. 169.

greed to suspend hostilities. The protocol did not affect the question of territorial rights pending between the two countries or any agreements in force between them.

Under the provisions of the protocol, the commission was to investigate by hearing both sides, and to determine which of the parties brought about a change in their peaceful relations, to submit proposals, and to endeavor to settle the incident amicably. If this should not be possible, the commission was to render its report, setting forth the results of its investigation, and the efforts it had made to settle the difficulty. In case it was not able to affect a conciliation, it was empowered to establish the truth, and the responsibilities which might appear as a result of its investigation.²⁰

The conciliatory action met with full success, and a resolution of conciliation was approved by both countries, which provided for the renewal of diplomatic relations, and the establishment of the status quo in the Chaco as of December 5, 1928.²¹

Under the terms of the protocol, Uruguay had been instructed to carry out the provisions for repatriation of Paraguayan and Bolivian prisoners of war, and through questioning these prisoners and by means of other investigations, the determination of Paraguay as the aggressor had been pos-

²⁰Ibid., p. 5.

²¹Ibid., p. 17.

sible. When the term of the commission expired in September, Uruguay was left to carry out the negotiations as specified-- the resumption of diplomatic relations, Paraguay to rebuild Ft. Vanguardia, and the restoration of Fts. Boquerón and Vanguardia to the former holders simultaneously.

Bolivia formally accepted the conditions, but the Paraguayan government delayed.²² Her excuse was, that she could not, as a point of national honor, assume any responsibility for clashes which might occur, as a result of rebuilding Ft. Vanguardia.

While negotiations for the restoration of the forts were still pending, the Paraguayan minister announced that on January 16, 1930, a Bolivian patrol had attacked a Paraguayan encampment near Puerto Casado, killing one Paraguayan soldier. However, with Paraguay's report of the affair to the League Council, and the Council's reminder again of their responsibility for peace, followed by Bolivia's denial of the charges, the incident seemed closed.²³

On July 1, 1929, the ministers of both countries further authorized the Commission on Inquiry and Conciliation to submit to their respective countries suggestions for a permanent settlement of the boundary dispute,²⁴ and on

²²New York Times, December 15, 1929.

²³Waddell, op. cit., p. 489.

²⁴Report of Chairman, Committee of Inquiry and Conciliation, p. 7.

August 31, the chairman transmitted to the delegations of Bolivia and Paraguay a draft convention on arbitration.²⁵

By the plan of arbitration proposed, the territory awarded to Paraguay by the decision of President Hayes in 1878, was to be excluded from arbitration, and Bolivia was to receive the port of Bahía Negra on the Paraguay River. Bolivia, although she accepted the principle of arbitration, declined to give up her claim to the territory included in the Hayes award,²⁶ and Paraguay declined to admit Bolivia's claim to Bahía Negra.²⁷

The situation thus remaining unsettled, the representatives of the five neutral countries met in October, 1929, as a commission of neutrals, to urge the disputing countries to open negotiations for a final settlement of the Chaco question.²⁸ Representatives from Bolivia and Paraguay, however, failed to meet with the commission until November, 1931. Bolivia consented then, only on condition that the negotiations be limited to a non-aggression pact.²⁹

Negotiations were opened in Washington November 11, 1931, under the chairmanship of the American assistant sec-

²⁵Ibid., p. 28.

²⁶Ibid., p. 42.

²⁷Ibid., p. 46.

²⁸DeWilde, op. cit., IX, 60.

²⁹Helen Paul Kirkpatrick, "The League and the Chaco Disputes", Foreign Policy Association Reports, XII, 110.

retary of state, Francis White. They continued throughout the winter and spring, while affairs at the front were becoming more critical. Both countries prepared and presented draft non-aggression pacts for approval. Bolivia's draft, submitted early in December, was based on maintenance of the position held by each party in the Chaco, while that of Paraguay, presented in January, 1932, required the abandonment of all forts and outposts established in contravention of the status quo of 1907.³⁰

The Commission of Neutrals, after vainly trying to reconcile these two drafts, began to work out its own plan for presentation, but before its work was finished, news of military preparations came to Washington.

Since the beginning of the outbreak in 1928, concern over the outcome had caused the neighboring countries, Argentina, Brazil, Chile, and Peru to affect a combination, the A. B. C. P. Powers, to assist in its settlement. Argentina, especially, was much interested in the outcome, and this group expressed great concern over the slow progress of the Washington negotiations. A joint conference of the representatives of these countries, and the Commission of Neutrals, was held in Washington, April 15, 1932, with the idea of forming a joint body. But there was no result, except the assent of all four countries to cooperate with the commission.

³⁰DeWilde, loc. cit., p. 60.

The commission was able to present in May its own draft of a non-aggression pact.³¹ By this pact the parties were to maintain a zone at least five kilometers wide between their advance positions, to allow ad hoc commissions to investigate any incidents that might occur, and to renew diplomatic relations. Moreover, both nations were to begin negotiations at once for a settlement of the whole question, and to submit it to arbitration, if an agreement were not reached within six months. The proposed pact also included a provision for a neutral commission to sit in Buenos Aires, instead of at Washington. While this draft was still being considered, reports reached Washington that fighting had been resumed. The Paraguayan government charged Bolivia with aggression and withdrew. She reconsidered however, after she had recaptured the Bolivian outpost. But by this time Bolivia had withdrawn, declaring that she was tired of Paraguayan aggression, and both states mobilized for war.

August 2, the neutral commission renewed its appeal for suspension of hostilities, this time addressing only Bolivia. On the same day, Paraguay protested to the League of Nations that Bolivia had violated Articles X and XI of the League Covenant.³² In reply to the League, Paraguay agreed to arbitrate the dispute, but Bolivia, while she did not decline, still insisted that Paraguay had committed the

³¹New York Times, May 31, 1932.

³²New York Times, August 28, 1932.

first act of aggression in June.³³

With this failure of the commission of neutrals, Argentina and Chile advocated that the neighboring powers, A. B. C. P., join in declaring that a state of war existed in the Chaco, and as neutrals that they deny both belligerents the right to import arms through their respective territories. Bolivia declared this would be a flagrant breach of neutrality, since they would be unable to check Paraguay's right to bring in arms via the Paraná and Paraguay Rivers, the free navigation of which had been assured by a treaty.³⁴ The four countries mentioned, finally came to an agreement to remain neutral, and to pledge their collaboration with the commission of neutrals. They also appealed to the disputants to stop mobilization and avoid war.

After a conference with the A. B. C. P. group, the commission of neutrals met in Washington, and the chairman, Francis White, invited all American countries to unite in applying the non-recognition doctrine to the Chaco dispute. As a result, on August 3, the Pan-American Union issued a warning to Bolivia and Paraguay, that they would

not recognize any territorial arrangements of this controversy which has not been obtained by peaceful means, or the validity of the territorial acquisitions which may be obtained through occupation or conquest of arms.³⁵

³³Henry Grattan Doyle, "War Clouds in South America", Current History, XXXVI (1932), 727.

³⁴British and Foreign State Papers, XLVI, 1308.

³⁵State Department, Press Releases, August 6, 1932.

The commission strengthened by this declaration of Pan-American states, continued throughout August trying to obtain a cessation of hostilities and a return to the status quo which existed before fighting had been renewed in June.³⁶ It met opposition, first from Bolivia, which would have been required to surrender forts which she believed rightfully belonged to her, then from Paraguay, which declined to accept an armistice without guarantees against renewal of fighting, which would mean a practical evacuation of the Chaco by both parties and a demobilization of both armies.

The commission on September 22 making another attempt, urged both parties to accept an unconditional termination of hostilities, and to initiate themselves negotiations for a settlement of their differences.³⁷ The commission was to send a delegation to the Chaco to verify the termination of hostilities, and if this delegation should find that one of the parties had violated the armistice, the commission was to declare which country was the aggressor, and to suggest that all governments of America sever their diplomatic and consular relations with it.³⁸ This brought an unfavorable response, not only from Bolivia and Paraguay, but from Argentina as well. The Argentine ambassador, Dr. Saavedra Lamas, presented a note to Francis White protesting the a-

³⁶State Department, Press Releases, August 18, 1932.

³⁷New York Times, September 29, 1932.

³⁸State Department, Press Releases, September 23, 1932.

adoption of coercive measures, such as the withdrawal of diplomatic representatives, and asserted that the commission had no power in the matter, as such could be based only on a treaty accepted before hand by the countries to which it was to apply.³⁹

The four neighboring states of the belligerents, the A. B. C. P. group, while pledging their co-operation with the neutral commission, now refused under Argentina's lead to endorse coercive action. Moreover, Dr. Saavedra Lamas, early in November, addressed a note to Francis White, chairman of the neutral commission, accusing the commission of using the Monroe Doctrine to prevent action by the League of Nations, of which both Bolivia and Paraguay were members.⁴⁰ Argentina's efforts to play a lone hand now was reported unofficially to be due to a desire to regain South American leadership in international affairs, which had been lost under former president Irigoyen, who was indifferent to such matters.⁴¹

The League, meanwhile, had been reluctant to take any action in the affair because Article XII of the Covenant holds, that the validity of "regional understandings, like the Monroe Doctrine, (shall) remain unimpaired," and also

³⁹New York Times, September 23, 1932.

⁴⁰Kirkpatrick, op. cit., p. 111.

⁴¹Henry Gratan Doyle, "The War in the Chaco", Current History, XXXVII (1932-33), 469.

because the United States was not a member of the League. There was a feeling, however, that the League would lose its standing if it did not intervene for the maintenance of peace. This feeling was strengthened by the fact that the League Covenant was the only treaty binding Bolivia and Paraguay to seek a pacific settlement of their conflicts. Either one or the other of the countries had failed to ratify all the Pan-American arbitration treaties.⁴²

Although applied to by Paraguay in August, the League took its first step of participation in the affair by appointing, in September, 1932, a committee of three to follow the dispute.⁴³ This committee offered its services to the commission and requested it to keep the Council informed. Later developments, however, indicated that the co-operation of the League Council was not wanted, even though it might seem to be needed. Suggestions of the Council were spurned and the neutral commission continued to report that the negotiations were proceeding satisfactorily. On November 9, as continued reports of increase of activity in the war zone in the Chaco came to their attention, the Council committee cabled Washington, that it was "seriously concerned" at the warlike conditions in the Chaco.⁴⁴

⁴²DeWilde, loc. cit., p. 58.

⁴³League of Nations, Official Journal, November, 1932, p. 1720.

⁴⁴Ibid., December, 1932, p. 1952.

In December 1932, the commission of neutrals submitted a comprehensive peace proposal to the belligerents. Important provisions contained were: suspension of hostilities within forty-eight hours; ratification of agreement within one month; withdrawal of respective forces--the Paraguayans to the Paraguay River, Bolivians to a line running from Ft. Ballivian to Ft. Vitriones; demobilization of armies to peace strength; policing of evacuated zone by small force from each country with a central zone between them; leaving the determination of the territorial limits of the Chaco to experts appointed by the American Geographical Society, the Royal Geographical Society, and the Madrid Geographical Society. If the arbitral tribunal could not be agreed upon within four months, the case was to go to the world court.⁴⁵ This proposal was designed to compromise the divergent views of the two parties. The commission appealed to the League and to the other American states for their support. This was accorded by the League,⁴⁶ and three days later nineteen American states had urged both parties to accept the proposal. Paraguay declined to consider it and withdrew her delegate.⁴⁷ The proposal was rejected by Paraguay on the grounds that the police zone contained the territory

⁴⁵Henry Grattan Doyle, "Republics at War", Current History, XXXVII (1932-33), 601.

⁴⁶League of Nations, Official Journal, December, 1932, p. 1986.

⁴⁷New York Times, January 1, 1933.

lying within the Hayes award.⁴⁸

The commission now appealed to the A. B. C. P. Powers for suggestions as to further action. Only Chile presented a plan, but when the Chilean government started to work on the proposal, it was found that Argentina was also working in La Paz and Asunción with a view to mediation. In order to avoid working at cross purposes, the Chilean minister invited the Argentine minister to a conference, so that they might unify their peace proposals.⁴⁹

This conference was held in Mendoza, on February 1, and 2.⁵⁰ As a result, the four countries adjoining Bolivia and Paraguay took up the task of mediation, and submitted their plan formally to the belligerents, February 25. It was practically the same as the one submitted by the commission of neutrals on December 18, 1932, except that Bolivia was required to retire the same distance as Paraguay, and differences arising during arbitration were to be submitted to the Permanent Court of International Arbitration.⁵¹

Both disputants accepted "in principle", but laid down conditions which made it impossible for the other to accept.⁵² After some time Paraguay was induced to withdraw

⁴⁸Doyle, loc. cit., p. 601.

⁴⁹New York Times, January 1, 1933.

⁵⁰Bulletin of Pan-American Union, LXVII, 1933, 412.

⁵¹DeWilde, loc. cit., p. 65.

⁵²New York Times, April 9, 1933.

her reservation, but even the appeals of Argentina and Chile, not to let the Mendoza formula down, failed to persuade Bolivia to follow Paraguay's example.

Members of the League Council became impatient. The committee of three, representatives of the Irish Free State, Spain, and Guatamala, brought the matter before the Council in virtue of Article XI of the Covenant, early in March,⁵³ but action had been delayed to allow presentation of the Mendoza formula by the A. B. C. P. Powers. On the initiative of Great Britain and France,⁵⁴ the Council recommended unanimously the imposition of a world-wide embargo. Meanwhile, President Hoover and Secretary Stimson had been making strenuous efforts to secure the passage of an arms embargo upon exports to both disputant nations. The proposals for the embargo were defeated in Congress,⁵⁵ and other nations whose action was essential to making the embargo effective, also failed to agree.

After Bolivia declined to withdraw her reservations to the Mendoza formula, a request was made by that government, May 5, to the South American countries and the commission of neutrals, that their efforts be renewed to induce Paraguay to define her territorial claims, in order that a basis

⁵³League of Nations, Report of Chaco Commission, p. 5.

⁵⁴League of Nations, Document C.54.M.76, 1933, p. 66.

⁵⁵Congressional Record, LXXVII, Part 2, pp. 1682-1728, 1746-1771, 1856.

for arbitration might be reached. The commission made an attempt to follow Bolivia's wishes, but Argentina and Chile failed to attend the meeting.⁵⁶

This breakdown of the negotiations for ending hostilities in the Chaco was followed almost immediately by the declaration of war by Paraguay, on May 10, 1933.⁵⁷ By this action of Paraguay, creating a condition of war, where there had already been war for more than a year, the responsibility for settlement seemed to become definitely one for League action.

The neutral commission now formally withdrew from activity with a statement to the press June 27, 1933, as follows:

The Neutral Commission met and decided that in view of the present negotiations in other places between Bolivia and Paraguay for a settlement of the Chaco question, there was nothing further for the Neutral Commission to do in the matter and that it could best contribute to the establishment of peace, the only object it has had in view during the long tedious negotiations it has patiently carried on, by withdrawing from the situation.⁵⁸

They further stated, however, that should the warring countries agree at a later date to appeal to the countries that had formed the neutral commission, their good offices would be at their service.

⁵⁶New York Times, May 10, 1933.

⁵⁷Ibid.

⁵⁸Press Releases, June 27, 1933.

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CHAPTER III

The Chaco War

During the long months of increasingly disastrous warfare, leading up to Paraguay's declaration of war, all attempts at mediation had failed. The committee of neutrals, alone with its non-aggression pact, and together with the other nineteen American nations with the policy or threat of non-recognition; the A. B. C. P. group, with its neighborly offering of the Mendoza formula for the solution of its tangled affairs; and the isolated efforts of Argentina, Brazil, and Chile, were all futile.

The League had assumed no jurisdiction over the dispute because of reluctance to interfere with the commission of neutrals, and the failure of the belligerents to invoke its aid.¹ Bolivia's appeal to the League just prior to Paraguay's declaration of war and protest thereafter, placed a new light on the matter.²

The committee of three, appointed by the League in 1932, had kept in constant communication with the commission of neutrals. This appointment had been made under Article IV of the Covenant as there had been no appeal under any other articles.³ The League now formulated a plan involv-

¹Kirkpatrick, op. cit., p. 111.

²New York Times, May 3, 1935.

³Manley O. Hudson, "The Chaco Arms Embargo", International Conciliation, 1936 (Number 320), p. 218.

ing cessation of hostilities, and a peaceful settlement of issues based on facts presented by a commission of inquiry. After a discussion of differences the representatives of both countries accepted the report of the council and it decided that the commission should sail for South America at the end of July, 1933.⁴

Both Bolivia and Paraguay proposed, on July 26, that the mandates of the commission be entrusted to the A. B. C. P. Powers for execution. The council accepted their proposal, but the neighboring powers after working through August and September informed the council that they couldn't accept. The commission therefore sailed, October 18, for South America. They were met by the Brazilian minister, who had presided over the A. B. C. P. mediations and from whom they obtained much information. The League council of inquiry was finally set up in Montevideo, November 3,⁵ and carried on its investigation through to March 14, 1934.

The Seventh Pan-American Conference was also meeting in Montevideo in December, and it cooperated with the League commission. The United States secretary of state, Cordell Hull, told heads of all delegations, that in his opinion it was of utmost importance that every effort be made by the representatives of the Americas there assembled, to bring pressure to bear upon the two countries, to find a

⁴League of Nations, Report of Chaco Commission, p. 6.

⁵Ibid., p. 7.

solution of their difficulties.⁶

A truce in the hostilities was declared by the League commission and the sub-committee was appointed by the conference to work in co-operation;⁷ but as the League commission failed to draw up an agreement satisfactory to both sides, war was resumed in January.⁸ The commission returned to Geneva and presented its report, May 12.

The report of the Chaco Commission to the League of Nations, contained 8,000 words, a history of the activities of the commission, the geographical and historical aspects of the dispute; gave a comprehensive plan for settlement, and recommended the imposition of a League embargo on all shipments of arms to the warring nations.⁹ It is said to be the most outspoken report on a conflict ever issued by an organ of the League, with its description of the peculiarly horrible nature of the war, and its fervent appeal of burning eloquence to the world to stop the conflict. It brought the indictment that arms and materials were being furnished by American and European countries, and that even nations on the League council were engaged in the traffic.

The Commission's report was adopted at the May meeting

⁶Seventh International Conference of American States, Report of the Delegates of the United States, p. 12.

⁷Ibid., p. 284.

⁸New York Times, January 8, 1934.

⁹League of Nations, Monthly Summary, (May 1934), p. 104.

of the council. In a resolution of May 10, the council instructed the committee of three to resume at once the discussion of the question of embargo on exports or transit of arms and war material intended for Bolivia or Paraguay, and to proceed to the consultations that were needed.¹⁰ The British government had for more than a year been foremost in urging an embargo as the best method of stopping the Chaco struggle. Its spokesman, Captain Anthony Eden, addressing a meeting of the council, May 17, pointed out that although the Anglo-French proposals had been made more than a year previously, nothing had been accomplished, and urged determined action.¹¹ He was supported by France, Italy, Spain, Holland, and Argentina.

On the succeeding day a striking response came from Washington. On May 18, a joint resolution was introduced in the United States senate, at the insistence of the state department, looking towards a prohibition of the sale of arms or munitions to the countries engaged in the Chaco conflict.¹² The resolution passed and was approved by the president on May 28, 1934. On the same day, President Roosevelt issued a proclamation prohibiting the sale of arms, or munitions of war, to Bolivia or Paraguay, with a penalty for disobeying the order provided in the proclama-

¹⁰League of Nations, Monthly Summary, May 1934, p. 107.

¹¹League of Nations, Official Journal, July 1934, p.766.

¹²Congressional Record, Volume 78, pt. 8, p. 9072.

tion.¹³

This action, while it made it easier for the council to proceed, brought a protest from Bolivia, May 31, on the ground that it violated provisions in a treaty between the United States and Bolivia, of May 13, 1857. This treaty required most-favored-nation treatment in connection with any prohibition on exportation or importation. Another contention was that the embargo would be favorable to Paraguay and unfavorable only to Bolivia, and that if other countries followed the lead of the United States, Bolivia would be at the mercy of her adversary.

Secretary of State Hull, in his reply, June 13, 1934, refuted the alleged violation of the treaty by pointing out that the prohibition was on sales, not on exports, adding:

The action to which you refer has been taken by this government with the full knowledge that other governments have been contemplating similar action and that parallel action has been proposed in the League of Nations.

The action was however, taken by the United States individually, without waiting for anything more than an assurance of cooperation by other nations. There could now be no question where the United States stood. The risk taken by that government might be taken as a challenge to others

¹³State Department, Press Releases, May 29, 1934.

¹⁴"Conflicto Del Chaco", Memoria, Presentada al Congreso de 1934, p. 761.

¹⁵State Department, Press Releases, June 16, 1934.

to put an end to delays incident to securing an agreement of all concerned.¹⁶

The committee of three of the League of Nations had, in the meantime, lost no time in discharging its mandate under the resolution of May 19. It dispatched telegrams to the various governments urging a prohibition on exports of arms and munitions to Bolivia and Paraguay, the prohibition to extend, as far as possible, to arms, war materials, and aircraft, whether supplied by public or private undertakings. Twenty-seven countries united in enforcing the embargo, beginning the end of July.¹⁷

On June 9, 1934, Bolivia invoked Article XV of the Covenant of the League, and within the required two weeks, asked to have the dispute referred to the Assembly. Paraguay objected to the application of Article XV, claiming that the provisions of that article did not cover a case where war had already broken out, and conciliation had been attempted. It asked conciliation under Article XI and recourse to the Permanent Court of International Justice.¹⁸ The legal committee of the Assembly decided against Paraguay's contention, and decided also that unified action on embargo by the League, should only follow a favorable report of a com-

¹⁶C. G. Fenwick, "Arms Embargo Against Bolivia and Paraguay", The Reference Shelf, IX, 154.

¹⁷Hudson, op. cit., (1934), p. 231.

¹⁸Kirkpatrick, op. cit., p. 113.

mittee to study the legal point raised in applying it to both belligerents, making no distinction between them as to responsibility for the conflict.

The Assembly then adopted a resolution, September 27, 1934, calling for conciliation under paragraph 3, Article XV. This was to be left to a committee composed of council members, together with Colombia, Peru, Chile, Uruguay, Venezuela, China, the Irish Free State, and Sweden.¹⁹ In the event of the failure of conciliation, this committee was to draw up a report containing a statement of facts in the case, recommendations for the settlement of the dispute, and recommending any further measures for arms prohibitions that it might think necessary. The conciliation sub-committee thus organized, held its first meeting September 29, when it telegraphed the governments of Bolivia and Paraguay to ask them to send delegates to the committee with full powers to negotiate. Paraguay demanded that the committee treat as two distinct questions, cessation of hostilities, and the settlement of the substantive question, but finally accredited a representative, November 2, six weeks after the committee had commenced its work.²⁰

At the meeting of the sub-committee, with M. Najera of Mexico as chairman, the two cases were heard, but in spite

¹⁹League of Nations, Monthly Summary, (September 1934), p. 207.

²⁰Kirkpatrick, op. cit., p. 114.

of pressure exerted by the committee and by outside friends, the disputants persisted in their former attitude, Paraguay desiring solely the final cessation of hostilities, and guarantee of security while Bolivia was ready to accept a form of conciliation which, while settling the dispute, would also put an end to hostilities.²¹

The committee then drew up its report which it presented at the extraordinary session of November 20. Besides a statement of facts covering the history of the conflict, with the attempts at conciliation, the report contained recommendations to be adopted by the Assembly for its final settlement.²² Both Bolivia and Paraguay were reminded that it was their duty to bring their dispute before the League at the outbreak of the war, and not having done so, the Assembly was forced to record that neither of the parties had fulfilled its undertakings under Article IV of the Covenant. The recommendations proposed cessation of hostilities, and a settlement of the substantive question, carried out by agents as set up in the recommendations. Both parties were to accept the report in toto, with one reservation only, that they were also accepted by the other party. A supervisory commission was to superintend the withdrawal of troops, and determine the zone from which the armies were to be

²¹League of Nations, "Assembly Report on Dispute Between Bolivia and Paraguay", Monthly Summary, November 1934 Supplement, p. 6.

²²Ibid., Part IV, p. 6.

withdrawn. This commission was also to take measures to insure maintenance of peace within that zone. The creation of this security zone was in no way to interfere with the settlement of the territorial, or frontier question involved in the dispute, but was to provide only a military measure for security.²³

A conference for the deliniation of the frontier was to convene within one month, consisting of the members of the Washington commission of neutrals, with the addition of representatives of Ecuador, Venezuela, and the two parties. If within two months no conciliation had been reached the question was to be referred to the Permanent Court of Justice, on the basis of the uti possidetis of 1810, which both Bolivia and Paraguay had accepted in the Buenos Aires Conference of 1928, and the declaration of American nations, dated August 3, 1932. Economic clauses of the treaty, provisions dealing with transit, commercial and navigation arrangements, were also to be drawn up by the conference.

As to the arms embargo, the report continued that in the event of a failure of conciliation the embargo should be tightened. This evoked objection on the grounds of its non-legality if no aggressor had been named. A double embargo might create a dangerous precedent for the League. The continuous and strict embargo was urged by the committee. However, it was not effective as both parties continued to

²³Ibid., Part IV, p. 8.

receive arms through neighboring states.²⁴

On December 10, the Bolivian government, at that time considerably embarrassed by Paraguay's overwhelming victories, through her representative stated that she accepted, without reservation, the recommendations of the Assembly report. Paraguay responded by remarks on the Assembly's recommendations emphasizing her attitude by explaining that her sole purpose was to facilitate by cooperation, the adoption of a plan for the immediate and definitive cessation of hostilities and the negotiation of peace terms in an atmosphere favorable to reason and justice.²⁵

Due to the acceptance by Bolivia of the League recommendations, and the rejection by Paraguay of anything but a definitive settlement, the League Chaco Committee, on January 16, 1935, announced that it would recommend the tightening of the arms embargo on Paraguay and lifting the embargo on Bolivia.²⁶ This threatened action brought prompt reply from Paraguay and an announcement of threatened withdrawal from the League.²⁷

Anticipating the application of sanctions against Paraguay, a group of South American governments under the lead-

²⁴Kirkpatrick, op. cit., p. 115.

²⁵League of Nations, Monthly Summary, XIV, 284.

²⁶Doyle, "The Chaco Fighting", Current History, XLI (1934-35), 732.

²⁷New York Times, February 24, 1935.

ership of Argentina advised the secretary of the League of Nations, M. Avenal, that they would not consent to such application.²⁸

The first of April found every one involved in the Chaco War heartily tired of the whole matter, including Paraguay and Bolivia, the League of Nations and all bystanders. On March 15, the League had tentatively washed its hands of the war by turning it over to Argentina and Chile and such other American nations as might be willing to receive the problem.

On March 17, Argentina and Chile submitted to the belligerents a peace formula, in substance the same as the League's November recommendations.²⁹ They formally invited Brazil, Peru, and the United States to join them in the presentation to the belligerents of a pacific solution, which invitation the United States accepted.³⁰ Hugh Gibson, the American ambassador to Brazil, was appointed to represent the United States in the conference.

The American group of mediators was set up in Buenos Aires on May 12. On May 18, both Bolivia and Paraguay accepted the invitation to send their foreign ministers, this being the first time since the beginning of the war, when representatives of the two belligerents accepted direct ne-

²⁸Ibid., February 27, 1935.

²⁹Kirkpatrick, op. cit., p. 117.

³⁰State Department, Press Releases, (1935), Number 722.

gotiation.³¹ The foreign ministers of both Bolivia and Paraguay arrived in Buenos Aires and presented their arguments, at cross purposes again. Bolivia argued for immediate frontier study, while Paraguay insisted first upon a truce.³² Another stumbling block was encountered when Bolivia insisted that the entire territory be included in the arbitral decision, while Paraguay maintained that the Hayes decision of 1878, be excluded. Proposals for a truce were drawn up and finally the foreign ministers of the two nations agreed,³³ and at noon, June 12, a draft protocol was signed. Dr. Saavedra Lamas notified the League of the truce,³⁴ and also cabled Secretary Hull who responded with a congratulatory telegram.³⁵

The protocol of June 12, outlined the somewhat complicated steps under which it was hoped a lasting peace could be built. The first step was the establishment of a twelve-day truce. During the truce a military commission entered the war zone, and fixed the positions to be maintained until further steps could be taken. The military commission also had charge of the de-mobilization of the army of both na-

³¹New York Times, May 19, 1935.

³²Ibid., May 26, 1935.

³³Ibid., June 10, 1935.

³⁴L. S. Rowe, "Cessation of Chaco Hostilities in the Chaco", Bulletin of the Pan-American Union, LXIX (1935), 519.

³⁵League of Nations, Official Journal, (July 1935), p.900.

tions to five thousand effectives each, after which the peace conference commenced its task of conciliation.

Representatives of seven South American countries, Argentina, Bolivia, Chile, Paraguay, Perú, and Uruguay, and the United States opened the Chaco Peace Conference in Buenos Aires, and undertook to put into effect the peace guaranteed by the protocol of June 12. The first act of the conference was to extend the truce until such time as the armed forces of the two countries could be reduced to the maximum of five thousand men.

Then early in August came the sharply drawn contest. This centered on four major issues; first, the fixing of boundaries between Bolivia and Paraguay; second, exchange and repatriation of prisoners of war; third, the fixing of responsibility for the war and resultant damages; and fourth, an economic accord with the necessary treaties on commerce and navigation.³⁶ It was apparent that these controversial issues would not be settled immediately. Bolivia claimed a part on the Paraguay River, south of Bahía Negra, on the ground that her port, Puerto Suarez, considerably farther up the river, was difficult to reach from Bolivia, and that the river at this point was unnavigable in the dry season. Paraguay refused to release Bolivian prisoners until after a treaty had been signed, whereas Bolivia was demanding

³⁶Herbert Herring, "The Chaco Peace Conference", Current History, XLII (1935), 638.

immediate and unconditional release.³⁷ The June protocol called for an equal exchange of prisoners according to international law which supported Paraguay's claim.³⁸ After unsuccessful attempts at a solution the delegates of the conference departed in August, leaving the problem to a special committee in charge of Ambassador Gibson, the United States representative.

The responsibility for the breakdown of the conference so far rests on both sides of the former battle line. Early in September it was reported that the two commanding generals in the Chaco conflict might take matters into their own hands and arrange the peace terms and afterward force them upon their respective governments. Subsequent events showed the authenticity of this report. The two generals, Enrique Penaranda del Castillo of Bolivia and José Felix Estigarribia, were reported to have had at least two conferences in September.³⁹ Nothing resulted except ill feeling between the Bolivian government and the Bolivian General Penaranda del Castillo, who was reported as being willing to give up the acquisition of the port of Bahía Negra, in case no other concession was granted.⁴⁰

³⁷New York Times, August 4, 1935.

³⁸John Bassett Moore, Digest of International Law, VII, 230.

³⁹Herring, op. cit., XLIII, 197.

⁴⁰New York Times, September 22, 1935.

The advisory committee of the League which had been formed to keep in touch with the peace negotiations, after the activities of the new mediatory group commenced, continued its policy of watchful waiting, and reported the activities and progress of the peace conference to the League Assembly at its meeting in September.⁴¹

The peace conference assembled again, September 22, with the exchange and repatriation of prisoners still unsettled. In October, Bolivia appealed to the League to bring about an agreement but with no result. Proposals for an international commission to fix war responsibility within fifteen months from its formation, were agreed to, but when Bolivia and Paraguay failed to accept the draft of the proposed treaty,⁴² the commission was not formed.

The proposed treaty provided for the establishment of a frontier dividing the Chaco, and a demilitarized zone, eighteen miles on each side of the frontier, with a non-aggression pact, and an agreement to arbitrate any differences arising from interpretation. It also gave Bolivia a free port on the Paraguay River, Puerto Casado, and the use of the Casado railroad and roads from the port to the frontier, a distance of about two hundred miles, while to Paraguay was given the greater part of the Chaco.⁴³ Even

⁴¹Kirkpatrick, op. cit., p. 119.

⁴²New York Times, October 26, 1935.

⁴³Kirkpatrick, op. cit., p. 120.

though both countries rejected this treaty, they made counter-proposals, which were used by the conference as a basis for their future negotiations.

January 21, 1936, Paraguay and Bolivia signed a pact for the release of all war prisoners and the renewal of diplomatic relations.⁴⁴ This settled the most immediately troublesome issue between the belligerents. Paraguay held 28,000 Bolivian prisoners, while Bolivia held only 2,000 Paraguayans. The refusal of Paraguay to yield these prisoners, had constituted the chief obstacle to an amicable settlement on the other points.

The signing of this pact was generally heralded in the South American capitals as the end of the war, which had continued from June, 1932, to June, 1935, had cost at least 100,000 lives and had brought both countries near to economic collapse. The pact of January 21, committed both countries to the provisions of the protocol of June 12, 1935, the reaffirmation of the agreement to maintain the existing military positions, and limited each army to 5,000 men until the territorial question should be settled. With the signature of this pact the conference adjourned until after the elections in Bolivia and Paraguay.

The election of the revolutionary leader Franco to the presidency of Paraguay and his subsequent announcement that all places in the army made vacant by recent demobilization

⁴⁴State Department, Press Releases, January 25, 1936.

were to be filled, brought consternation and alarm to the peace conference. After consultation all agreed to recognize the Franco government. President Roosevelt signed the United States' note of recognition which was delivered March 14, by United States Minister Finley Howard, at Asunción, stating the pleasure felt at the assurance that the prisoners of war would continue to be repatriated and other peace provisions be followed. In the second paragraph it neatly summed up the understanding on which recognition was granted.

This government has therefore reached the conclusion, with the other American republics represented at the Peace Conference at Buenos Aires, that it is the expressed intention of Your Excellency's Government to respect in every way the peace protocols signed in Buenos Aires on June 12, 1935, and on January 21, 1936.⁴⁵

With the prisoners released, and the question of war guilt left to a commission of judges, there remained only the settlement of the real issue between the two countries, the boundary line.

In January, 1937, governments of six nations resumed deliberations, but the political situation in both Paraguay and Bolivia made any peace negotiations difficult. Both countries were under military governments which had been set up by revolutions since the war ended. Both were governed by young colonels, acting as provisional presidents, who had led armies that were dissatisfied with the peace arrange-

⁴⁵State Department, Press Releases, January 25, 1936.

ments their civilian governments had made.⁴⁶

January 10, the conference initiated an accord for the maintenance of the military status quo of the disputed Chaco region and for free commercial traffic in its western section together with arrangements for neutral supervision of the line of separation.⁴⁷ These failed and the conference continued. In May, diplomatic relations between the two countries were renewed, and since then, successive attempts have been made by the conference to harmonize the demands of the two nations, with little success.

June 19, it was necessary for the conference to send two neutral army officers into the Chaco, to try to reach an agreement with Paraguayan officers who refused to obey orders to withdraw from the disputed zone. The Paraguayan government, no longer military, also sent a commission to explain to the officers her reason for agreeing to the conference's arrangement,⁴⁸ but no conclusion was reached.

With the peace conference now reduced to five, representatives of the United States, Argentina, Brazil, Chile, and Peru, repeated attempts to effect a settlement have been made. In April, 1938, Brazil's new foreign minister, Oswald Aranha, called a new conference to cure this "boil on the America". The diplomats of the United States, Argentina,

⁴⁶John W. White, New York Times, January 3, 1937.

⁴⁷New York Times, January 10, 1937.

⁴⁸Ibid., January 20, 1937.

Chile, and Peru met in his office in Rio de Janeiro and agreed on a new formula for the division of the Chaco.⁴⁹ So far the terms have not been made public but it is said it provided for the sharing of the oil lands and the granting of a port to Bolivia.

Both Bolivia and Paraguay, each determined to retain the whole Chaco, rejected the plan, and Bolivian war veterans declared themselves ready to fight rather than accept any compromise.

The fundamental dispute between the two nations remains unsettled (May, 1938). For three years land-locked Bolivia, and her neighbor, Paraguay, fought a stubborn war over the "green hell" of the Chaco. This 100,000 square miles of wilderness is undoubtedly rich in oil, and has a port on the Paraguay River that would furnish Bolivia access to the sea. The truce of June, 1937, came because of exhaustion of both countries. Since then, both nations have been as stubborn in refusing permanent peace as they were in fighting.

From a purely legal standpoint the controversy is virtually impossible of a solution, due to the looseness of colonial cartography and the delay of the young republics in defining their boundary lines. Even the demarcation of Pope Alexander VI served no other purpose than to open the way for forced and false interpretation of its meaning and brought the early Spanish and Portuguese settlers into con-

⁴⁹Newsweek, April 25, 1938.

flict over this region. All early treaties were made only to be ignored or broken. When the South American countries won their independence, they agreed to fix their boundaries according to the boundary lines which separated them as colonies of the Crown. Both countries in the conflict agree to the use of the principle of uti possidetis in the settlement of their dispute. However, as that doctrine rested not upon actual survey, but upon laws and orders of the government in Madrid, each country interprets it to suit its own demands.

The Chaco War has given a great impetus to the development of a system of international security in the Americas. The Chaco has served as a laboratory, in which the machinery, procedure, and theory of the peace system have undergone searching tests and the United States has, from the first, been an active participant.

South American politics and international jealousies have also played their part in promoting continued strife. Weak South American presidents have found that the most effective way to defend themselves against a revolution is to stir up a war scare. The Chaco has served this purpose often in both Bolivia and Paraguay and military leaders of both countries may be expected at any time to renew the conflict. Just now both countries seem determined on the whole Chaco or nothing and proclaim themselves ready to fight, rather than accept a compromise.

The war failed to bring a settlement, and all peace

systems, so far devised, have failed. It remains a challenge, to the peace loving nations of the world, to find a solution.



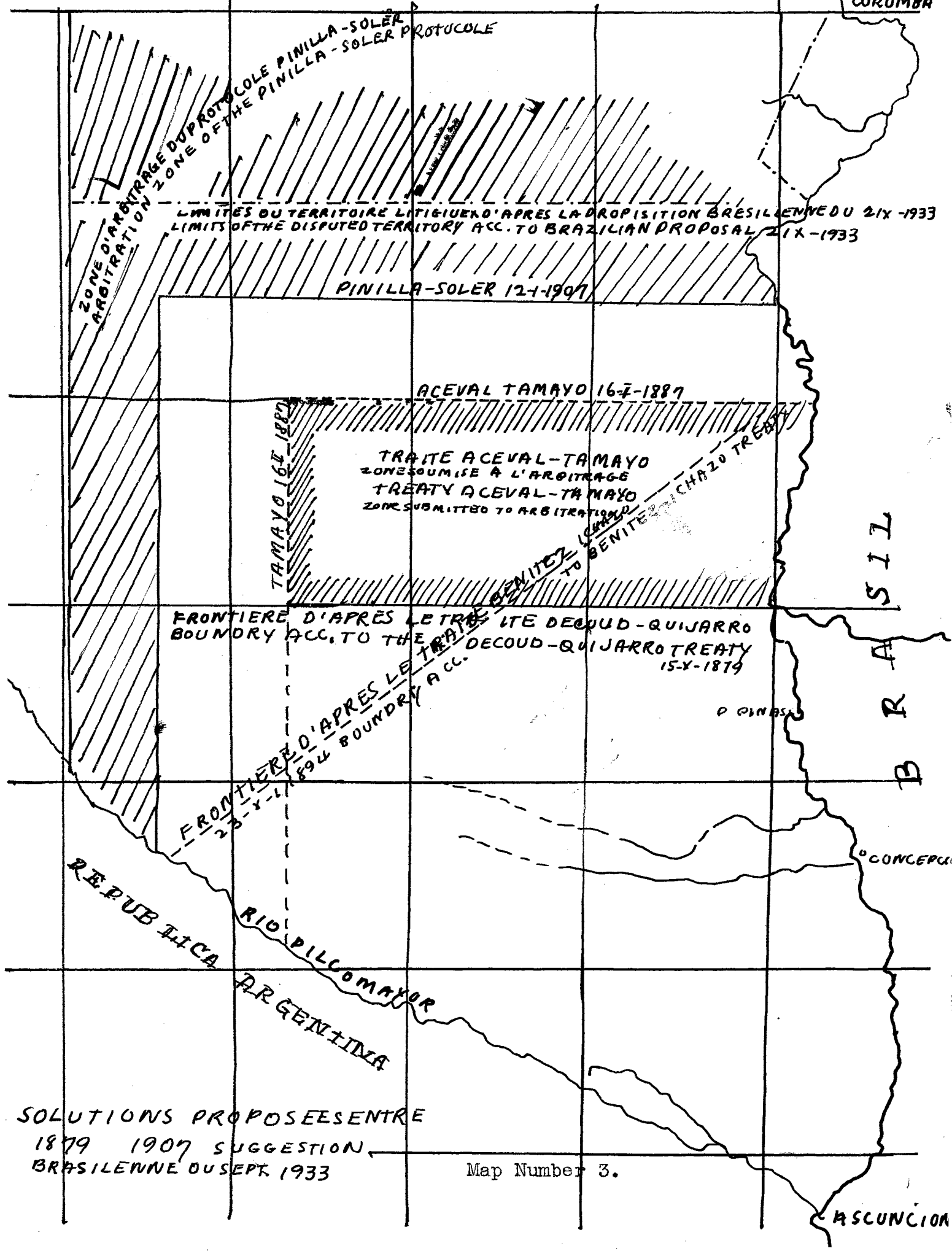
SOUTH AMERICA

Map Number 1.



Map Number 2.

CORUMBA



ZONE D'ARBITRAGE DU PROTOCOLE PINILLA-SOLER
 ZONE OF THE PINILLA-SOLER PROTOCOLE

LIMITES DU TERRITOIRE LITIGIEUX D'APRES LA PROPOSITION BRASILENNE DU 21X-1933
 LIMITS OF THE DISPUTED TERRITORY ACC. TO BRAZILIAN PROPOSAL 21X-1933

PINILLA-SOLER 12-1-1907

ACEVAL TAMAYO 16-7-1887

TRAITÉ ACEVAL-TAMAYO
 ZONE SOUMISE A L'ARBITRAGE
 TREATY ACEVAL-TAMAYO
 ZONE SUBMITTED TO ARBITRATION

TAMAYO 16-7-1887

FRONTIERE D'APRES LE TRAITÉ DECOUD-QUIJARRO
 BOUNDARY ACC. TO THE DECOUD-QUIJARRO TREATY
 15-X-1879

FRONTIERE D'APRES LE TRAITÉ DECOUD-QUIJARRO
 15-X-1879 BOUNDARY ACC.

REPUB. ARGENTINA
 RIO PILCOMAYOR

BRASIL

CONCEPCIÓN

ASCUNCIÓN

SOLUTIONS PROPOSEES ENTRE
 1879 1907 SUGGESTION
 BRASILENNE DU SEPT. 1933

Map Number 3.

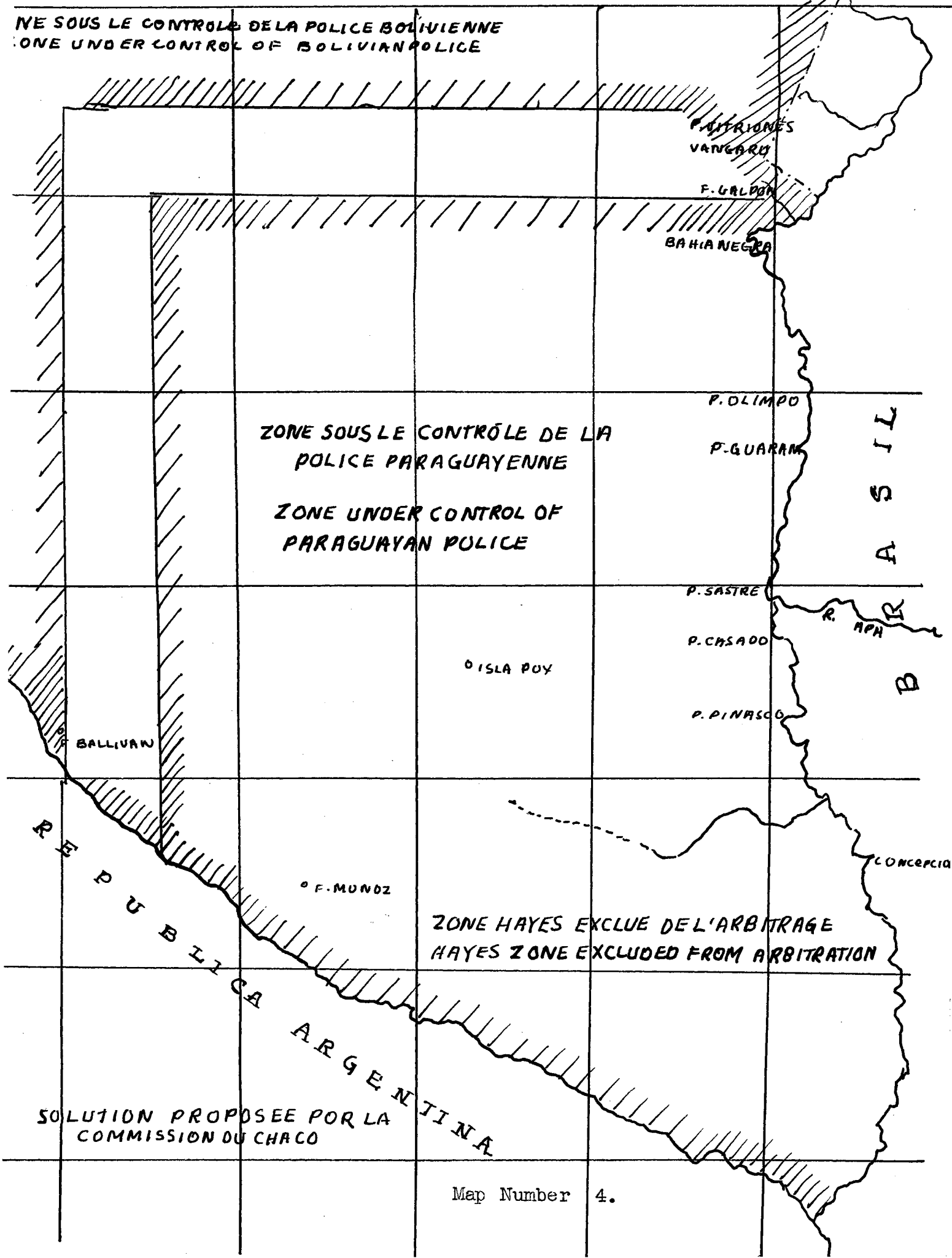
NE SOUS LE CONTRÔLE DE LA POLICE BOLIVIENNE
ONE UNDER CONTROL OF BOLIVIAN POLICE

ZONE SOUS LE CONTRÔLE DE LA
POLICE PARAGUAYENNE
ZONE UNDER CONTROL OF
PARAGUAYAN POLICE

ZONE HAYES EXCLUE DEL'ARBITRAGE
HAYES ZONE EXCLUDED FROM ARBITRATION

SOLUTION PROPOSEE POR LA
COMMISSION DU CHACO

Map Number 4.



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