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Uruguay and the United States, 1903–1929: Diplomacy in the Progressive Era

JAMES C. KNARR
Uruguay and the United States, 1903–1929

Diplomacy in the Progressive Era

James C. Knarr

The Kent State University Press
Kent, Ohio
To Mary L. Knarr

A fine historian yet a better wife
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Introduction

This monograph surveys the diplomatic, economic, and social relations between the United States and the South American state of Uruguay between 1903 and 1929. This was a period of significant social reform in both states, owing to the dislocations of worldwide industrialization, and the ideological parallels between these two reformist movements fortified diplomatic relations between the two countries. In the United States, Progressives such as Jane Addams, Carrie Chapman Catt, Theodore Roosevelt, and Woodrow Wilson dominated the social and political discourse and sought to use the state to expand democracy and social justice, goals that Gilded Age North Americans had overlooked. During the same three decades, Uruguay’s dominant political leader, José Batlle y Ordoñez, employed the government to better the daily lives of his country’s citizens through welfare, worker protection, minimum-wage laws, education, and other means. Just like North American Progressivism, Batlle’s movement, Batllismo, dominated the political landscape in Uruguay during the period under study and arguably remains central to its political discourse today.

To support this work’s contention that Progressivism in the United States and Batllismo in Uruguay strengthened diplomatic ties between these two states, it is necessary to examine briefly the similarities of these movements through their two nearly concurrent political manifestos. In August 1912, a cabal of U.S. reformers under the guise of the Progressive Party met in Chicago to nominate former President Roosevelt for a new term in the White House; while its convention certainly did not attract all reformers, most of them converged on the Windy City. Since the party principally served a political end, one can view its platform as the most concrete and important expression of early-twentieth-century political Progressivism in the United States. The statement began by noting that the party was “born of the nation’s sense of justice . . . to maintain the government of the people, by the people and for the people.” Declaring that the role of the state was, at least in part, to protect the populace, the preamble noted the country’s “resources, its businesses, its
institutions, and its inhabitants should be utilized . . . in whatever manner will best promote the general interest.” Among other planks, the platform attacked corrupt administrations, asserted the supremacy of the federal government by “bringing under effective national jurisdiction those problems which have expanded beyond the reach of the individual states,” advocated protections for workers and the elderly, argued for better roads and waterways, articulated protection of the environment, and avowed more government oversight of business.¹

Just over a year later on the other side of the hemisphere, Uruguayan President José Batlle y Ordoñez published an editorial in his personally owned newspaper, El Día, that reflected similar reformist impulses. While defending Batllismo against critics, Batlle called his movement “an ideological force, a national tendency, a militant faction of constructive principles . . . evolved from thought and universal justice.” More specifically, he equated his movement to a “logical appeal whose premises were liberty and justice; an aspiration of all who suffer and all who feel the reality of good; [and] redemption for the oppressed of the factory and the home.” Batllismo, he asserted, provided “rest for those that live to work; respect and protection for the less fortunate and for the poor; rights for all to bread, to happiness, to culture, to love, and to life, to progress, to equality, and to wealth.” Batlle also pointed to some tangible results that a decade of Batllista governance had brought: “government of ideas, roads, bridges, colonies, primary schools, preparatory schools, parks, physical education, national industries, national personality in the economic and intellectual world, [and] democracy without constitutional autocrats,” the last of which had become so prominent in Latin America in the early 1900s.²

This work is not the first to discern ideological congruities among global reform movements in the early twentieth century. At the very end of Ramón Ruiz’s controversial study of the concurrent Mexican Revolution, The Great Rebellion, for instance, the author asserts that the first years of the twentieth century “were an age of reform, of Western middle class progressives who wanted to wipe clean the tarnish accumulated by capitalism during the age of robber barons, to restore free competition, and to eliminate the sins of monopoly.” In making this statement, Ruiz notes that “this was the gist of Woodrow Wilson’s beliefs” and that “the Radical party in Argentina and José Batlle y Ordoñez in Uruguay . . . had taken their cue from like beliefs.” Ruiz is not alone in asserting that the Mexican Revolution paralleled other contemporary revolutions; John Mason Hart finds that Mexico went through the similar convulsions for the same reason—reaction against foreign economic imperialism—as did Iran in 1905, China in 1911, and Russia in 1905. Arthur Whitaker likewise observes social progressive movements similar to those occurring in Mexico and Uruguay in Britain under David Lloyd George and in France under Georges Clemenceau. According to Whitaker, “sweeping change for the benefit of the common people was in the air on both sides of the Atlantic.”³
Nevertheless, what historians have overlooked is how these congruities have affected international relations, especially in the Americas. Most studies of U.S.–Latin American relations that cover the first thirty years or so of the twentieth century focus on the intriguing interventions by the military, the assertive arm-twisting, and the pompous pronouncements that emanated from Washington, specifically Theodore Roosevelt’s Caribbean policy and his attempts to secure a water-based interoceanic passage, Roosevelt’s famous 1904 corollary to the Monroe Doctrine, William Howard Taft’s Dollar Diplomacy, Woodrow Wilson’s efforts to pilot the wayward vessel that was the Mexican Revolution, and military interventions throughout the entire period from Mexico to Panama and from Cuba to the Dominican Republic.

Perhaps owing to the absence of such forcefulness in U.S.-Uruguayan interactions, both U.S. and Uruguayan historians have made little effort to examine the relationship between their two nations in the first thirty years of the twentieth century, more or less the period in which Batlle dominated Uruguayan politics. As Uruguayan historian Ana María Rodríguez Ayçaguer wrote in 1994, “the history of our relations with the United States . . . has been little visited.” Arthur Whitaker’s *The United States and the Southern Cone: Argentina, Chile, and Uruguay*, for example, which could have offered a thorough survey of U.S.-Uruguayan relations, instead focuses almost exclusively on the United States’ relationships with Argentina and Chile. Likewise Milton Vanger, the English-language authority on Batlle-era politics, minimizes the role of Uruguayan foreign policy in his three books on the period. From the Spanish-language Uruguayan perspective, a rich literature on Batlle-era foreign policy thoroughly explores Uruguay’s often-troubled relationship with Great Britain but largely ignores the relationship Batlle built with the United States.4

This work is the first book-length study of the diplomatic relationship between the United States and Uruguay between Batlle’s ascension to power in 1903 and his death and the onset of the Great Depression in 1929. Using the ideological congruities between U.S. Progressivism and Uruguayan Batllismo as its lens, this monograph argues, first, that José Batlle y Ordoñez and his followers in the Colorado Party embraced the United States both because of his perception of it as a progressive nation and because of his desire to distance Uruguay from its nineteenth-century neocolonial relationship with Great Britain and its geopolitical rivalry with Argentina. In other words, this monograph asserts, Batlle attempted to build, over this quarter-century, what he called the model country, using U.S. experts, ideas, commerce, and political protection to do so.

Secondly, this study argues that such Uruguayan attitudes occurred at a fortuitous time for U.S. policy makers and Progressive ideologues. As David Sheinin shows with his study of the U.S.-Argentine relationship, Washington was seeking to expand its commercial and political influence in South America, most especially
around the River Plate, during these three decades. Sheinin presents a view of an amicable relationship between Washington and Buenos Aires but one occasionally fraught with difficulty over questions of hemispheric leadership. Similar conclusions can be made about the harmony of the U.S.-Uruguayan relationship during the same period. In fact, this study finds that Washington found Uruguay to be an even more congenial partner than Argentina, at least before the 1920s, owing principally to Uruguay’s realistic lack of pretention on its own importance within the Americas, a feeling not shared by Argentina’s leaders across the River Plate. Thus, when Yankee reformers, merchants, and diplomats began arriving in Uruguay in massive numbers in the first three decades of the twentieth century, they generally found the officeholders there, like-minded Batllistas, to be a receptive audience for North American ideas, diplomacy, and goods.5

This closer relationship between Montevideo and Washington between 1903 and 1929 expressed itself in three general arenas: social, economic, and political. In the social realm, Batlle sought U.S. experts, including teachers, railroad engineers, and agronomists, to augment his state-building in the areas of education and science. Moreover, Batlle often publicly justified his political ideals and his social programs by citing what he saw as the United States’ successes in governance, public works, and the social relations of labor. From the Yankee side, North American tourists visited Uruguay for the first time in significant numbers during this period. They often constructed a vision of Uruguay as progressing—though not yet quite as modern as the United States—and as being in a similar political situation to that of the United States.

To be clear, Batlle’s borrowing from the United States was neither exclusive nor indiscriminate. For example, Batlle based his most-cherished reform, the plural executive, on Switzerland’s Federal Council, while some of his public works projects found antecedents in Italy and France as much as they did in the United States. Batlle likewise scorned certain cultural traits of the United States, most notably its racially bifurcated society. Nonetheless, the United States remained for Batlle a model of modernity and the relationship he built with the United States partially explains the foundation of his reformist program.

As for the United States, its leaders sought to achieve with Uruguay a relationship similar to those it was cultivating in other Latin American nations, though their means differed greatly relative to Uruguay. In seeking to expand the definition of imperialism, historians of the post-Vietnam generation have shown how North Americans forcefully exported their ideas to Spanish-speaking U.S. protectorates, most especially Haiti, the Dominican Republic, and the Philippines. They did so to create stable pro–North American regimes in the strategically important regions of Southeast Asia and the Caribbean. Indeed, as Thomas O’Brien writes, after 1898 “the United States committed itself to a course of intervention in nearby Latin America . . . convinced that it bore the responsibility to civilize the people of the region.”
Hans Schmidt, for example, shows how Progressives sought to “uplift and ‘civilize’ Haiti” during the 1915–34 occupation through the construction of public works. Racist Progressives, according to Schmidt, hoped to create in Haiti “the prerequisite material bases for advanced civilization,” which would then allow for a stable state in the path of the all-important Panama Canal. According to Bruce Calder, similar geostrategic concerns motivated Yankee state-builders in the Dominican Republic to enhance public works, education, and the like. Finally, Stanley Karnow traces the Progressive efforts, during the same period, to Americanize the former Spanish colony of the Philippines through education, public works, and other measures of culture. The primary Progressive goal with regard to Filipinos was similar to that for Haitians and Dominicans: to “cement their loyalty to the United States.”

Progressive experts and ideologues play a similar role in this story, but the path of U.S.-Uruguayan diplomacy during these decades differs from those forged in Haiti, the Dominican Republic, and the Philippines, owing principally to the idiosyncrasies of Uruguay’s historical development and its geographic location, sandwiched between Argentina and Brazil. In other words, the United States did not need to coerce Uruguay economically, politically, or militarily to achieve its goals; Uruguay was a friendly and stable nation that the United States could use as an economic and political gateway into the Southern Cone. In fact, Uruguayan liberals led by Batlle actively sought U.S. trade and culture, and occasionally its military protection from Uruguay’s larger threats: Argentina, Brazil, and Britain. Washington did not need the coercion of U.S. Marines in Uruguay, and neither Woodrow Wilson nor any other U.S. policy maker needed to teach Uruguayans “to elect good men”; they already had the pro–North American Batlle in place.

Nonetheless, part of embracing U.S. culture and ideas is buying U.S. goods, which leads to the second theme underscoring U.S.-Uruguayan relations between 1903 and 1929: an increase in economic intercourse. During these years, Uruguay purchased a growing number of U.S. goods as part of Batlle’s modernization scheme. Just as Louis Pérez argues regarding Cuba’s burgeoning middle class during at the same period, Batlle’s new progressive ethos required commensurate tangible items of modernity, which many obtained from the United States. At the same time, Batlle encouraged U.S. investment in Uruguay to counter the overwhelming economic might of Great Britain. Owing to Batlle’s efforts and the economic dislocations of the First World War, the United States became the foremost importer into Uruguay by 1915. Moreover, the 1913 Underwood-Simmons Tariff schedules cheapened or exempted from import taxes many of Uruguay’s exports, including beef and wool, allowing North American firms to begin to invest in the country. The most important of these investors were the meat-packers Armour and Swift. Ironically, these North American corporations were so successful that by the 1920s the nationalistic ire that Batlle awoke to focus on Britain in the 1910s refocused on the Yankees, who had come to dominate the Uruguayan economy after World War I.
Politics form the third arena in which U.S.-Uruguayan interaction increased during this period. Batlle recognized, as did any Uruguayan policy maker then and now, that Uruguay was sandwiched between two politically potent behemoths: Brazil and Argentina. Moreover, Uruguay’s limited economic capabilities had necessitated a neocolonial relationship with Great Britain through the nineteenth century. Batlle therefore sought to use the United States to counterbalance Rio de Janeiro, Buenos Aires, and London. In 1904, for example, he asked the United States to send warships as a show of force against Argentine collusion in the Uruguayan Civil War. In World War I, Uruguay supported the U.S. cause in hopes of political reward. At the same time, Washington, especially under Woodrow Wilson (1913–1921) sought to enhance its potency in Latin America, particularly in South America. In Montevideo, it found willing allies.

The reader will find evidence of each of these themes, with varying emphasis, in each chapter, except for the fairly straightforward review of Elihu Root’s 1906 visit to the Uruguayan capital. Chapter 1 discusses U.S.-Uruguayan relations before Root’s tour, beginning with Uruguayan independence in 1828. The distance between the United States and Uruguay, as well as the dominance of the British neocolony in the River Plate, minimized interaction between the two nations during this period, causing both to delay diplomatic relations. The United States appointed its first diplomat in 1867, but the U.S. minister in Montevideo was accredited to both the Uruguayan and Paraguayan governments until 1914, demonstrating the limited importance accorded Uruguay by the U.S. State Department. For its part, Montevideo first accredited a minister to Washington only in 1900. Commercial interaction likewise remained limited, especially in comparison to British economic activity in Uruguay, even after the United States sent a commercial commission there in 1885. Nevertheless, as the editorials and articles in El Día show, the newspaper’s liberal editor, José Batlle y Ordoñez, regarded the far-off United States as a model, and his admiration for the United States only increased after he became Uruguay’s president in 1903.

The United States did not officially reciprocate this admiration until August 1906, when Secretary of State Elihu Root visited Montevideo, a trip that forms the subject of chapter 2. Root’s sojourn lasted only four days and left nothing tangible but empty Pan-American rhetoric; nonetheless, it greatly influenced U.S.-Uruguayan relations. By making a personal appearance in Montevideo, Root signaled to the liberals of the Colorado Party, led by Batlle, that, for the first time the United States was willing to embrace South America and Uruguay.

The effects of Root’s visit and U.S.-Uruguayan relations years between 1906 and 1914, at the height of Batllista state-building, are discussed in chapter 3. Most importantly, Root’s visit catalyzed the Uruguayan administrations of Claudio Williman (1907–1911) and, for his second term, Batlle (1911–1915) to embrace North American Progressive reforms in its state-building. While many historians
have stressed the role of the second Batlle administration in forming the core of the famed Uruguayan welfare state, they have nevertheless overlooked the fact that he drew many of his ideas and experts from the United States, particularly in the areas of education, populating the interior, and public works. At the same time, U.S. economic interests moved into Uruguay, very often encouraged by a nationalistic Batlle, who worried over British economic dominance in his homeland. Thus trade between the United States and Uruguay increased in absolute terms over these nine years, although the British retained their dominance in both investment and trade. Finally, during this period, U.S. tourists—some quite famous, including Theodore Roosevelt and William Jennings Bryan—visited the South American state and often returned to North America to propagate a vision of a modern and progressive Uruguayan polity.

U.S.-Uruguayan relations during World War I, the subject of chapter 4, represent the peak of diplomatic intercourse between the two states during the period under study. During the conflict, Uruguayan Pan-Americanism dovetailed nicely with the Latin American policy of Woodrow Wilson. Under its foreign minister, Baltasar Brum, a prominent Batllista, Uruguay staunchly supported the U.S. position in both neutrality (1914–17) and war (1917–18). Although Uruguay did not declare war, which could have subjected its frontiers to German attack, it did break relations with Germany in October 1917, one of only five South American states to do so during the conflict. Thereafter, the government leased eight German packet vessels it had impounded in Uruguayan waters to the United States’ Emergency Fleet Corporation for wartime use. Ultimately, this study asserts, wartime Uruguayan action resulted from unfounded fear of the German colony in southern Brazil. Even so, when the United States won the war, it supported an Uruguayan seat at Versailles and Uruguayan delegates, in turn, supported the Wilsonian collective-security positions there. During the war, U.S. commerce supplanted the British, as it did throughout South America, and U.S.-based reformism in Uruguay continued, especially in the areas of anti-alcoholism, education, and engineering.

After the war, relations declined throughout the 1920s, a shift discussed in chapter 5. They started off well, with the 1919 appointment of Jacobo Varela Acevedo, a skilled diplomat and U.S. sympathizer, to the legation in Washington as well as the December 1920 visit of Bainbridge Colby, the U.S. secretary of state, to Montevideo. Shortly thereafter, though, relations deteriorated for three reasons. First, a conservative mood hung over the United States; partly in reaction to the success of the Russian Revolution in 1917, Yankees no longer saw Batlle’s reforms as forward-thinking but instead as “socialist” or “radical.” Second, Batlle began to lose control of the Colorado Party and the Uruguayan state, allowing anti-North American groups such as the Blancos and the Communists to articulate anti-Yankee rhetoric and to pass measures Washington opposed, most notably the recognition of Soviet Russia. Third, as the United States supplanted Britain as the
principal economic power in Uruguay, its government and its businesses became
the target of rabid nationalism, just as the Britain’s had been before the war. All
these factors significantly undermined relations in the middle years of the 1920s,
culminating in anti-North American riots in 1927 over the Sacco and Vanzetti
execution. Reform continued, but of a modified sort. Very often, nonstate actors
in the feminist and prohibitionist struggles from the United States took up the
mantle but found their Uruguayan compatriots leery of U.S. support. At the end
of the decade, both sides attempted rapprochement, notably through a 1927 tour
to the United States by an Uruguayan soccer team and the 1928 visit to Uruguay
of President-elect Herbert Hoover. These efforts nevertheless failed, resulting in
misunderstandings and even riots. Finally, in October 1929, two events changed
the course of U.S.-Uruguayan relations: the death of Batlle and, only days later,
the crash of the New York Stock Exchange, which symbolized the onset of the
Great Depression and the end of the period examined in this monograph.

Before beginning this survey of U.S.-Uruguayan relations between 1903 and
1929, however, it seems prudent to define certain terms used in the larger study.
First, this work uses the term *America*, unless in direct quotation, to signify the
Western Hemisphere; for people, ideas, or items pertaining to the United States,
this study uses the terms *North American* or *Yankee*. Second, to maintain interest
and avoid monotony, this monograph often substitutes the word *Oriental* for *Uruguayan*,
drawing the former term from the official name of the South American
state, the Oriental Republic of the Uruguay (República Oriental del Uruguay);
very often Uruguayans described themselves as *orientales*. 