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The influence of John Moors Cabot on relations between the United States and Latin America 1927-1961

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The influence of John Moors Cabot on relations between
the United States and Latin America 1927-1961

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by

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INTRODUCTION

The focus of this thesis is the impact that John Moors Cabot had on United States' relations with Latin America during his forty year career as a Foreign Service officer. It is not a biography, although some biographical information must naturally be included particularly if one is to understand the rationale underlying Cabot's stand on certain issues. It is also not a complete look at Cabot's career since he did spend part of that career in posts outside of Latin America. Although the amount of impact Cabot had on Latin American relations varied from time to time and from assignment to assignment, on several occasions, he had the opportunity to make a significant impact. He did not always succeed in gaining acceptance of his ideas, in fact, he spent much of his career in unsuccessful attempts to change accepted policies. Cabot's career peaked during the Eisenhower administration, when he was one of the first people to recognize that Washington's cold war policies toward Latin America were not effective and that by backing the traditional ruling classes and ignoring the need for social reform and economic development the United States was providing a "heaven-sent

opportunity" for communism to move into the area, the end the policies were designed to prevent.¹

Cabot's background provides few clues that he would become an outspoken advocate of aid for the underprivileged peoples of Latin America and a sharp critic of the Cold War consensus upon which Latin American policy was predicated. John Moors Cabot was born into one of the most distinguished families in the country on December 11, 1901. The Cabot name assumed importance in New England even before European settlement of the area when Cabot's namesake and forefather John Cabot sailed by the region and claimed it for England four hundred years before John Moors Cabot's birth in Cambridge Massachusetts. The Cabot family had been producing leaders in politics and other fields since colonial times and John Moors Cabot grew up in such an exclusive society that it was said in Boston, "The Lodges speak only to the Cabots and the Cabots speak only to God." He attended the finest schools graduating from both Harvard (A.B., 1923) and Oxford (B.Litt., 1925) before entering the State Department's School of Foreign Service.²

Cabot's career as a diplomat would eventually span four decades and take him to a variety of posts throughout the world, but

from his first years in the Foreign Service, Latin America was his area of expertise and he spent most of his career fighting for what he believed to be best for the United States and Latin American. His opinions often brought him into conflict with others in the government, and often his efforts appeared to be in vain. In the final analysis, however, he did have a positive and significant effect on the relations between the United States and Latin America.

ENDNOTES

1. Cabot to Dr. Milton Eisenhower, 24 January 1958, *The Diplomatic Papers of John Moors Cabot*, hereafter cited as Cabot Papers (Frederick, Md.: University Publications of America, 1985) reel #2, folder 74.

2. Drew Pearson, "A Cabot Talks to a Dictator", *Washington Post*, 13 May 1946, clipping in reel #1, folder 6, Cabot Papers .

CHAPTER 1

THE EARLY YEARS: 1927-1940

Cabot's professional career began in 1927, when after completing the State Department's School of Foreign Service, he received his first assignment as a vice-consul in Peru. Compared to the majority of his later assignments, Peru was exceedingly calm and uneventful. In his later recollections he equated Peru with Sunday drives and weekend explorations into the mountains. The political situation was relatively stable with dictator Augusto Leguia in power and no great diplomatic crises marred Peruvian - United States relations. Consequently, Cabot spent most of his time in Peru dealing with, "such prosaic matters as flea-bitten visa applicants and drunken sailors who had failed to make their ships."¹

The tranquility and even boredom of Peru, however, did not last long. In 1928, Cabot was transferred to the Dominican Republic where he would spend three eventful, exciting, and, at times, dangerous years. When Cabot arrived, the American Minister was Evan Young, "a remarkable man" from whom the young vice-consul had the "privilege to learn the trade of diplomacy." The "trade of

diplomacy" as Mr. Young taught it, included treating the people "on the basis of equality and friendship" talking with them about their concerns, and "being in close touch with all the leaders of all the parties." These were important lessons which Cabot learned well and used with much success throughout his career.²

Cabot soon had the opportunity to implement his lessons, as Young took two months leave in the summer of 1929, and leaving in charge twenty-seven year old vice-consul. Although nothing dramatic happened during this time, he observed and assessed the challengingly complex political situation in the country. The current President, Horacio Vásquez whose term was to expire in 1930, and who legally was not eligible for reelection, was nevertheless maneuvering to stay in power. At the same time both Jose Alfonseca, the Vice-President, and Manuel De Moya, the Minister of Finance, had presidential aspirations, as did Estrella Ureña, the leader of the opposition. To add to the instability, Rafael Trujillo, the head of the National Guard, was working behind the scenes to secure power for himself.³

Although such rumors circulated throughout the summer and

fall, not until December did the legation acknowledge the possibility of an impending coup. President Vásquez had left for the United States to have surgery and it was greatly feared that in his absence, the government would be toppled. On two separate occasions during that month, Minister Young received "solemn promises" from Trujillo "that he would remain loyal to the government." At this juncture, Young was transferred to Bolivia and Cabot again became the chargé d' affaires. Happily, Trujillo honored his pledge, no one else moved, and in early January, the President returned. The political situation seemingly had stabilized and Young's replacement, Charles Curtis arrived at the end of January.⁴

In February, however, the long-rumored coup occurred, involving Cabot from the start. When the American legation in Santo Domingo received word that a coup was imminent, Cabot was sent to Santiago to meet with Ureña, the opposition leader who was rumored to be the leader of the coup. Cabot met with Ureña, but was unable to get him to promise to delay action until negotiations could be held. On February 24, the day after Cabot's return from Santiago, President Vásquez and his cabinet arrived at the American Legation seeking asylum from rebels who had captured Santiago and several other

cities and were presumably on their way to Santo Domingo. Cabot and Curtis took Vásquez to see Trujillo, who the Americans suspected of being the real force behind the coup. Trujillo assured both the Americans and the President that he was not involved, and he obeyed the President's order to send out the Guard to meet the rebels.

Soon the Americans received word that the "rebels" who were marching on the city were actually Guardsmen from Santiago dressed in civilian clothes. At this point, in an attempt to prevent bloodshed, the Americans convinced Vásquez to accede to the rebel's demands and provide assurances of a free election. Again Cabot was dispatched as a messenger to relay this proposal to Ureña who remained in Santiago. This trip, of course, was much more difficult than Cabot's previous one because he was forced to pass through the two opposing armies who were advancing on one another. Cabot first caught up with the Guard that had been sent out by Trujillo. When he told the commander, Colonel Alfonseca the news of the possible compromise, he agreed to halt the march and await further developments. As it turned out, Alfonseca may have been easily persuaded to halt because he knew that Trujillo had given the column

only five rounds of ammunition per soldier, a fact unknown at the time to Cabot. Soon after leaving Alfonseca, Cabot reached the rebel column and after explaining that they were about to meet the Guard and that a possible compromise was in the works, they too were willing to hold up their advance.

When Cabot finally arrived in Santiago and met with Ureña, he received some conditions to attach to the proposal, but a "generally favorable reply," and he set out on his return trip to Santo Domingo. On the way he again met the rebel column who despite the earlier agreement with Cabot, had decided to continue their march on Santo Domingo. Once again Cabot was able to persuade them to halt their advance and he went on to Santo Domingo. That night Vásquez agreed to the conditions, but being understandably skeptical of the rebel's promise not to advance, Cabot returned to the place he had left them earlier in the day. He found the camp abandoned and assumed correctly that they must be advancing on the city. What Cabot did not realize at the time was that Trujillo had recalled the National Guard and the rebels took the city virtually uncontested.⁵

The Americans continued their participation as they helped the two parties to reach an accord in which Vásquez agreed to

relinquish power to Ureña who in turn was to supervise free elections in which neither Trujillo nor Vice President Alfonseca was to be a candidate. It was only after the successful coup that the Americans realized the full extent of Trujillo's role. Although he played out his part as loyal general right to the very end, he had in fact been planning to seize power for nearly a year. Not only had he given the National guard five rounds of ammunition per soldier and then recalled them before the rebels arrived, but he had also been responsible for arming the rebels by placing a large supply of the National Guard's rifles at their disposal. Trujillo had also staged the capture of Santiago with off-duty guardsmen "attacking" the fort with both sides firing harmlessly into the air giving the impression of a battle before the fort surrendered.

Days after the takeover, Curtis sent Cabot to "read the riot act to Trujillo," and to tell him that "so far as we [U.S.] were concerned, we were through with him." According to Cabot's later recollections, after listening to a series of threats (which neither Cabot nor Curtis had been authorized to make) Trujillo "began to say that he would give up the whole political business." Before he could finish, however, Ureña entered the room and declared that he could

not govern without Trujillo, thus ending any chance Cabot had of ousting the ambitious young officer. In retrospect, it appears extremely doubtful that the threats of an inexperienced, young American diplomat could have possibly kept Trujillo from power. Nevertheless, years later after witnessing Trujillo's iron handed rule over the country, Cabot still claimed, "if it had not been for Estrella Ureña's intervention I believe we would have succeeded."⁶

Cabot's bold and courageous trips back and forth through enemy lines did not go unrecognized. The American press played up the incident with headlines like "BOSTON BOY HALTS NEAR REVOLUTION," and "[Cabot] RISKED LIFE TO EFFECT MEDIATION," and Cabot became somewhat of a minor celebrity for a time. Cabot's superiors in the State Department meanwhile issued a commendation and a promotion which moved him up two grades from an unclassified to class VIII Foreign Service Officer. To the President, the Secretary of State described Cabot's exploits in this way:

Mr. Cabot was clearly exposed to very grave personal danger throughout the three days when he was almost continuously moving about through the areas where military operations were occurring, and I feel that he displayed notable courage and devotion to duty, as well as perseverance and judgment

throughout this trying period. The avoidance of serious bloodshed and the termination of the revolutionary uprising by mutual agreement were made possible to a very great extent by the judgment which he displayed in dealing with the rival revolutionary leaders.⁷

The coup behind him, Cabot settled into the more routine diplomatic duties of observing developments and reporting them to Washington. The major occurrence was a violation of the compromise that Cabot had helped to effect. Trujillo decided to run in the presidential election in May, and with control of the military and with the opposition withdrawing as a protest against illegal electoral procedures, he was able to win an incredible landslide victory, actually amassing more votes than the total number of eligible voters. Although disappointed that a man they had tried to keep from power had been elected, the American Legation held out some hope for Trujillo's administration commenting that although he won the election "by thoroughly foul means . . . He seems to have made an effort to conciliate the opposition and to obtain the cooperation of the Legation." Trujillo's repudiation of the February agreement not to run for president, plus his obviously corrupt election led the legation to question whether or not the United States would recognize the new dictator. Trujillo's rise to power

was certainly not a phenomenon for Latin America. Even Cabot who was no great fan of Trujillo admitted, "Elections controlled by Vásquez or his adherents would have been almost as bad as those later controlled by Trujillo."⁸

The General Treaty of Peace and Amity of 1923, forbade diplomatic recognition of any government which came to power through a coup. Although the treaty was in effect, it had previously been ignored on several occasions and there is no evidence that non-recognition was ever seriously considered. Nevertheless, near the end of July, with Trujillo's inauguration only three weeks away, there was still no official word from Washington that Trujillo would be recognized. Minister Curtis was on leave owing to an illness so once again Cabot was in charge of the mission. On July 20, in a telegram to the Secretary of State, Cabot asked for permission "to publicly state that the Government of the United States has no intention of not recognizing Trujillo." Permission was granted to make the statement and Cabot immediately informed Trujillo and the press that the United States would be sending a special representative to Trujillo's inauguration and that the new leader

would be officially recognized.⁹

In the ensuing years, as Trujillo became a ruthless dictator, many would accuse the Americans, and Cabot in particular of having put Trujillo into power. The only corroborative evidence is Cabot's telegram asking for an official statement of recognition. It should be pointed out, however, that this request was not an attempt to put Trujillo in power, but rather an attempt to stabilize the country by recognizing the fact that Trujillo was in power, and like it or not, there was nothing the United States could do, short of intervention, to change the situation. It should also be remembered that in 1929 as rumors of a coup circulated in the country, it was the American Legation, at times headed by Cabot which had persuaded Trujillo to reaffirm his loyalty to the government. It was Curtis and Cabot who worked out the compromise that was designed to prevent Trujillo from running for office, and it was Cabot who through intimidation attempted to keep Trujillo out of power even after the successful coup. In fact, Cabot and the entire legation had done nearly everything within their limited authority to prevent Trujillo's victory.

Given his anti-Trujillo record, Cabot could hardly remain an

effective diplomat in the country and he would soon exit the Dominican Republic. Prior to his transfer, however he participated in one other noteworthy incident. On the recommendation of Curtis, Cabot paid an informal call on General Desiderio Arias, an influential political figure. When he arrived Arias was in a "tense conversation with three other men." Upon seeing the American, the three men quickly left and Arias begged Cabot for asylum, claiming, "Trujillo sent those men to murder me." According to Cabot word soon spread that, "the American Legation had learned of Trujillo's plot and I had been sent to thwart it." The truth was, of course that Cabot's arrival was purely coincidental. Arias' fear was apparently well-founded as Trujillo had him killed less than two years later.¹⁰

In the fall of 1930, Cabot finally took the leave which the various internal crises had delayed for nearly a year. He did briefly return to the Dominican Republic, but was reassigned to Mexico City in March 1931. Cabot's remaining prewar assignments could in no way compare with the excitement and danger of being in the middle of the Dominican coup. He got an opportunity, however, to serve in three more Latin American countries where he learned a great deal more about diplomacy and where he, in at least a few cases, had an

impact on Inter-American relations.

During his brief assignment in Mexico City, Cabot had one unforgettable experience, albeit of a personal rather than a professional nature. On the day of his arrival, he met Elizabeth Lewis, the ambassador's social secretary. They courted throughout his year long tour of duty in Mexico and they were married on their return to the United States in the spring of 1932. With women's liberation still some years away, Mrs. Cabot carried out the traditional role of the diplomat's wife. She was expected to look and act appropriately, to host parties and to accompany her husband to various official and social functions. She did all of these things, but she also did much more. Having been born and raised in Mexico (although her parents were American citizens) she spoke fluent Spanish, and had a great appreciation for the people and culture of Mexico and of Latin America in general. She was well received and well liked by the press and the people wherever the diplomatic post. That she spoke Spanish and appreciated Latin American culture separated her from most of the wives of diplomats and many of the diplomats themselves. More important than her popularity and acceptance throughout the region, however, was the fact that her

intimate knowledge and appreciation of the area undoubtedly contributed to her husband's intellectual growth. This influence, helps to explain how a Boston Brahmin, wealthy and socially elite, with Harvard and Oxford educations, would eventually come truly to understand and sympathize with the problems facing the downtrodden in the underdeveloped countries of Latin America.¹¹

When the Cabots left for a European honeymoon, they shipped many of their belongings to Guatemala where upon his return, Cabot was scheduled to report. The day before their return he received new orders assigning him to Brazil not Guatemala. This sudden change of plans was something which would happen to the couple often in the following years.

In Brazil Cabot furthered his diplomatic education, this time learning from Ambassador Edwin V. Morgan, "an extraordinary Ambassador" who "knew intimately everyone who counted in Brazil," and "could get almost anything done simply by asking the right person." Cabot would later recall "our relations with Brazil during his ambassadorship were as cordial as any I have seen between any two nations in the course of forty years' service." Unfortunately for Cabot and for the bilateral relations, Morgan was succeeded by an

ambassador who did not give "a damn for his post," and a chargé who possessed both "an unfortunate tendency to drink too much" and an "uncontrollable temper."¹²

In Brazil, with its relatively large embassy staff, Cabot enjoyed neither the responsibility nor the authority which were his in the Dominican Republic. Nevertheless, he did have the opportunity to observe and at times to play at least a minor role in American attempts to resolve several important diplomatic complications. The Chaco War broke out between Paraguay and Bolivia just after Cabot arrived in Brazil in the Summer of 1932. The role of the United States Embassy was primarily to act as a liaison between the State Department, which was attempting to end the bloodshed by encouraging the South American powers to intercede and the Brazilian government, which was actively attempting to settle the dispute. Despite efforts by the League of Nations, the neutral nations of the hemisphere, the neighboring countries, (Argentina, Brazil and Peru) and several individual countries, including the United States the war continued for the next three years and was finally settled only after, "the military belligerents had become

nationally exhausted."¹³

Just as the Chaco War was heating up, in the summer of 1932, another border dispute erupted, this one involving two of Brazil's northern neighbors. The Leticia dispute began in August when Peru attacked Colombia in an effort to regain land which it had ceded to Colombia in the Salomon-Lozano treaty in 1922. Once again, the United States and Brazil tried to end the conflict and prevent further bloodshed. The actual hostilities lasted only a few months, but with the major peace plan offered by Brazil and the peace talks continuing in Brazil for more than a year, the American Embassy was kept very busy monitoring progress and attempting to keep negotiations moving.¹⁴

The border disputes adjacent to Brazil during Cabot's stay were not the only significant events which attracted attention. The Great Depression had nearly devastated Brazil's single-crop economy. By 1935, coffee exports were only one third of what they had been in 1929.¹⁵ This sharp decline precipitated a enormous debt problem. The American Legation was involved in a series of negotiations which led to a restructuring and resumption of Brazilian foreign debt

payments.¹⁶

Getúlio Dortico Vargas had entrenched himself in power in 1930 and the internal political situation appeared to be relatively stable. Ironically the two uprisings that did occur during Cabot's tour occurred just as he arrived and just as he was preparing to depart. In July 1932, only days after Cabot's arrival, General Bertaldo Klinger led a revolt and three years later there was a communist uprising one week before Cabot left the country for his next assignment. Vargas suppressed each of the uprisings and remained in power for nearly twenty years. This era ended in 1954 when Vargas committed suicide, four years before Cabot's return to the country as United States Ambassador. Cabot was by no means a major participant in the diplomatic initiatives surrounding either the border disputes or the other issues with which the Embassy dealt. He was, nevertheless, present and he undoubtedly augmented his previous training in the field of Latin American diplomacy, something that would prove beneficial in later assignments. He also learned a great deal about Brazil and grew very fond of a country that he would later refer to as paradise.¹⁸

Cabot was in Brazil also when the Good Neighbor Policy took shape. One of its tenets, non-intervention in the internal affairs of Latin American nations had its roots in the Hoover, if not the Coolidge Administration, but was formally announced by President Roosevelt and Secretary of State Cordell Hull in 1933. Obviously Cabot had no influence on the formulation of this policy, nevertheless, the Good Neighbor Policy characterized United States relations with Latin America for much of Cabot's career and, Cabot himself was involved in the two major incidents that led to the "dismantling of the Good Neighbor Policy." He also played a role in devising the Good Neighbor Policy's successor, the Alliance for Progress.¹⁹

After leaving "paradise", Cabot's next two assignments took him to Europe where he was stationed first in the Hague and then in Stockholm. Although he was away from Latin America for nearly three years, arguably his most enduring contribution came to fruition while he was stationed in Europe. While still stationed in Brazil, Cabot noted the inadequate press coverage both by the United States press covering Latin America and by Latin American press covering the United States, as he later explained:

I had grown increasingly dismayed by the news that was published there about the United States and vice versa. A few, a very few, newspapers gave good coverage to events which were important but not sensational. But most of the coverage in Brazilian papers was about the latest Hollywood scandal, and most of the Latin American news in the United States newspapers concerned the latest revolution. The most depressing thing was that there was so little coverage at all.²⁰

To remedy the situation, Cabot thought of having an annual prize awarded "to reward those newsmen who promoted friendship and understanding in the hemisphere." The idea was not to reward "those who published a lot of sugar taffy," but rather those who "explained the facts impartially and as fully as possible," and who "published unpleasant truths when they needed publication." Originally Cabot thought the prize might be awarded by the United States Government so he informally discussed the idea with Lawrence Duggan, Chief of the American Republics Division of the State Department. While Duggan felt it was a worthwhile idea he did not support government sponsorship, so Cabot began searching for private sector alternatives. Eventually, a friend in the Department put him in touch with the dean of the Columbia University School of Journalism, Carl Ackerman, who agreed that Columbia would award the prize. Now Cabot needed only a monetary stipend to be awarded

with the prize and a name for the prize. For each of these requirements, he turned to his parents. His father Dr. Godfrey L. Cabot agreed to finance the project, at first on an interim basis but later as a permanent endowment, and his mother Maria Moors Cabot lent her name to the prize which was first announced in 1938 and which has been awarded annually since 1939.²¹

In 1938 Cabot returned to Latin America as the Second Secretary of Legation in Guatemala. His rank in the diplomatic hierarchy in Guatemala proved to be misleading. The Minister, Fay Allen Des Portes, was "a political appointee, and not particularly effective as a diplomat." Cabot, therefore played a larger than expected role in the diplomatic problems that the legation faced between 1938 and 1941. One major issue was an ongoing dispute between Guatemala and Great Britain over the border between Guatemala and British Honduras (Belize). The case was particularly delicate because the United States did not want to offend either a close European ally or a Latin American country at a time when war clouds were gathering in Europe and Asia. The dispute dated to colonial times, and although it had flared up at various times in the eighteenth and nineteenth centuries, it had been dormant for several

years prior to June 1939 when President Jorge Ubico of Guatemala revived the issue by expressing to both London and Washington his desire to settle the controversy. The State Department persuaded Ubico not to raise the question at the Foreign Ministers of the American Republics Conference held in Panama in September of that year. The Department did, however, begin to push both parties for settlement through arbitration and President Roosevelt agreed to appoint an ad hoc arbitral tribunal. Late in 1939 it appeared that arbitration would be amiable to both sides, but as they discussed specifics, it became clear that Britain wanted arbitration to be limited only to questions concerning the Anglo-Guatemalan Treaty of 1859, while Guatemala wished to introduce all relevant historical documents bearing on its case against Britain. ²²

Cabot became directly involved as the Chargé d' affaires during Minister Des Portes' leaves in the winters of 1939-'40 and 1940-'41. Almost immediately it became evident to Cabot that the two sides were talking about different parameters for possible arbitration. Later, with the two sides at an apparent impasse, Cabot suggested, "it might be helpful if we could display renewed interest in Belize matter or more particularly if we could report any definite

advance." Unfortunately, Cabot was not able to "report any definite advance" and the issue remained unresolved. Cabot's involvement in the Belize question, however, did not end when he left Guatemala. In fact he became more deeply involved following his departure, as the following chapter will indicate. ²³

In addition to the Belize question, while stationed in Guatemala, Cabot directly impacted one other important matter, the Banco Columbiano case. Banco Columbiano had been one of five banks of issue in Guatemala from which the government had borrowed. As a financial reform effort of the nineteen twenties, the government had paid off the other four in paper money and had established a new stabilized currency. The Banco Columbiano refused to accept this situation, claiming that their loan agreement called for payment in silver, and asked the United States to intervene because the bank president had "a somewhat murky claim to American citizenship." Cabot immediately doubted the validity of the claim and proceeded to study the case. He received an 80 page legal brief from the State Department's legal adviser's office upholding the claim. He nevertheless continued to pursue the matter and as he recollected, "The more I went into it, the more holes I found in the Legal

Advisor's brief." His most important discovery was that, "the original loan had been made in paper and serviced in paper." Even with this information, however, the Department refused to dismiss the claim. In fact, Under Secretary of State Sumner Welles ordered Des Portes to explain to President Ubico that Guatemala undoubtedly owed a great deal of money to the Banco Columbiano. When Des Portes went to see Ubico, according to Cabot, "He was practically thrown out of Ubico's office." Only after Cabot had been reassigned to Washington was he, "finally able to get Secretary [of State] Cordell Hull to abandon the unjustified claim.²⁴

ENDNOTES

1. John Moors Cabot, *First Line of Defense: Forty Years' Experience of a Career Diplomat*, (Washington D.C.: School of Foreign Service, Georgetown University, n.d.), 1.
2. *Ibid.*, 3.
3. Cabot to Secretary of State, 26 June 1929, reel 1, folder 1, Cabot Papers; for a more thorough study of the political situation see Robert D. Crassweller, *Trujillo: The Life and Times of a Caribbean Dictator*, (New York: MacMillan, 1966), 55-72.
4. Curtis to Secretary of State, 1 June 1930, reel #1, folder 1, Cabot Papers.
5. Cabot, *First Line of Defense*, 6; for full account from U.S. legation see enclosure 1 of dispatch 24, March 1930 and Curtis to Secretary of State 1 June 1930, reel #1 folder 1, Cabot Papers .
6. Cabot, *First Line of Defense*, 7.
7. "Boston Boy Halts Near Revolution," *Boston Herald*, 25 February 1930; "Wins Promotion to Consul Rank: John Cabot, Cambridge, Highly Praised for Service at Santo Domingo: Risked Life to Effect Mediation", *Boston Herald* 2 April 1930, both found in , reel #1 folder 1, Cabot Papers; Acting Secretary of State to President Hoover, 2 April 1930, reel #1, folder 1, Cabot Papers.
8. Curtis to Secretary of State 19 May 1930, *U.S. Department of State, Papers Relating to Foreign Relations of the United States 1861- 1964*, hereafter cited as *FRUS* (Washington: Government Printing Office, 1861-1993) 1930, 2:723; Curtis to Secretary of State, 1 June 1930, reel #1, folder 1 Cabot Papers, Cabot, *First Line of Defense*, 8 .
9. For more thorough examination this treaty and of Washington's abandonment of nonrecognition see John E. Findling,

Close Neighbors, Distant Friends: United States-Central American Relations, (New York: Greenwood Press, 1987) 72-84; FRUS, 1930, 2:725.

10. Cabot, *First Line of Defense*, 8.

11. For Cabot's commentary on his wife and the Foreign Service wife in general see *Ibid.*, 135-138. Biographical sketch of Mrs. Cabot see, "Mrs John Moors Cabot", *The Standard*, 18 July 1945, reel #12 folder 8, Cabot Papers.

12. Cabot, *First Line of Defense*, 9.

13. William R. Garner, *The Chaco Dispute: A Study of Presige Diplomacy*, (Washington: Public Affairs Press, 1966), 1.

14. For detailed study of U.S. role in Chaco War and Leticia Incident see Bryce Wood, *The United States and Latin American Wars 1932-1942*, (New York: Columbia University Press, 1966) pt. 1 and 2.

15. E. Bradford Burns, *A History of Brazil*, (New York: Columbia University Press, 1970) 292.

16. For documents concerning negotiations on Brazil's foreign debt payments see, *FRUS* 602-623, 1934 and 321-327, 1935.

17. Burns, *A History of Brazil*, 290-296.

18. Cabot, *First Line of Defense*, 10.

19. For study of establishment of Good Neighbor Policy see Bryce Wood, *The Making of the Good Neighbor Policy*, (New York: Columbia University Press, 1961); in Bryce Wood, *The Dismantling of the Good Neighbor Policy*, (Austin: University of Texas Press, 1985), the author argues that U.S. intervention against Perón in Argentina and against Arbenz in Guatemala "dismantled" the Good Neighbor Policy, for Cabot's role in each see chap. 3-4 below.

21. Ibid., 10-11.

22. Ibid., 15; For thorough account of the "Belize Question" see Cabot's report to the State Department entitled, "The Belize Question" 1 July 1943, reel #1, folder 2, Cabot Papers.

23. Cabot to Secretary of State, 21 December 1940, *FRUS*, 1940, 5:443.

24. Cabot, *First Line of Defense*, 15.

CHAPTER 2

THE WAR YEARS: 1941-1945

The war years gave Cabot his first opportunity to work at the State Department in Washington. His work here began in the fall of 1941 when, while on leave from Guatemala, he volunteered to help out as the Department was becoming extremely busy dealing with the many crises brought on by the war. After the attack on Pearl Harbor, Cabot became Assistant Chief of the Division of the American Republics, his primary responsibility securing strategic materials from the countries of Central America. Early in the war, procurement was particularly important, as the Japanese had blocked access to several resources previously imported from Southeast Asia and other parts of the Pacific.

Four of the strategic materials needed for the war effort--rubber, quinine, hemp, and mahogany--were found in Central America, and Cabot spent much of the first two years of the war locating and securing new quantities of these materials. Cabot helped to coordinate the ongoing effort to grow rubber in Central America, a

project which had begun before the war, and he also directed the search for untapped wild rubber in the area. With the wartime development of a domestic synthetic rubber industry, the urgent need for wild rubber diminished. A similar situation arose with quinine, an antimalarial drug extracted from the cinchona tree which was normally imported from the East Indies. Cabot's department found an abandoned plantation of cinchona trees in Guatemala, but a short time later, Atabrine, a quinine substitute, was developed and the Guatemalan project was no longer necessary. Hemp was another product in great demand during the war. Cabot helped to secure hemp from Costa Rica, as well as sisal, which was used as a hemp substitute, from the Caribbean.¹

In his search for strategic materials, Cabot faced only one difficult diplomatic situation. When he attempted to procure mahogany from Guatemala, he learned that, "Guatemala, in its quarrel with the British over British Honduras, had closed the frontier." As was often the case during the war, the Central American country was easily persuaded by the state department to contribute to the war effort and the frontier was soon opened. Mahogany imports to the

United States followed.²

This ad hoc wartime agreement, however, did not end the border dispute, and by 1943, Washington had decided to press both parties to settle the dispute before it could damage the war-time alliance or pose a threat to the desired postwar harmony. Cabot, who had become familiar with the issue while assigned to Guatemala, wrote a comprehensive report detailing the history of the dispute from colonial times to the present, and examining its complex legal questions.

Essentially, the Cabot report argued that Britain's historic claim to much of the territory of Belize was itself legally questionable. Much of the British settlement in the area before 1821 was in violation of two separate eighteenth century treaties between Britain and Spain, while certain British penetration into the area after 1821 violated Guatemalan sovereignty. The report criticized the British for forcing Guatemala to agree to the Anglo-Guatemalan Treaty of 1859, which expanded British territorial claims in the area in return for a vague promise of compensation which had never been honored. Although critical of the British who "took advantage of Guatemala's weakness," the report also recognized

that Guatemala was attempting to do the very same thing to the British, using the latter's preoccupation with the war to push for a favorable settlement.³

In July 1943, Cabot forwarded the report to Lawrence Duggan, Director of the Office of American Republic Affairs and during the next three months the two men discussed its content in a series of letters. Duggan complimented Cabot on the "excellent report," but he asked Cabot to clarify two points the Department deemed essential. First, "is this really the type of problem that can be solved in a realistic way simply on the basis of international law?" And second, "is there any new line that can be drawn that would provide a natural separation between the northern and southern parts that would somewhat increase Guatemalan territory."⁴

As to Duggan's first question, Cabot replied, "the dispute can not be wholly decided on the basis of recognized international law." He based this conclusion on the understanding that there was a lack of judicial precedents concerning several of the legal questions involved in the dispute. Rather than a ruling by the World Court,

Cabot suggested, "that this dispute could be settled by an arbitral tribunal but that, although taking into account the recognized principles of international law, the arbitral tribunal in determining certain points would have to make its own law."⁵

As to the second question, Cabot held that to the best of his knowledge, "no geographical or topographical study of southern British Honduras has ever been made with a view to establishing a possible division between Great Britain and Guatemala."

Nevertheless, Cabot proposed as a possible natural boundary, the Cockscomb Mountains which ran through the area and reached a height of over 3,000 feet. In spite of Cabot's diligent research, and continued American pressure, Guatemala and Britain failed in their quest for a solution to the Belize question and it remained unresolved for decades after Cabot's involvement.⁶

In addition to the Belize dispute, Cabot dealt with two other major policy questions during 1943--the Lend-Lease policy toward the American republics and the Pioneer Highway project. Lend-lease shipments designed to ensure hemispheric security had been sent to the region since early in the war, but with the threat of German or

Japanese aggression all but eliminated, Cabot was concerned that the lend-lease arms were "likely to be used for a very different purpose than they were intended--not one consonant with our basic political policies or agreeable to the American taxpayer." Cabot did not want to see the United States simply abandon the current hemispheric lend-lease program as such action would certainly lead to resentment by those countries which had been promised supplies. Instead he hoped to replace the arms currently being shipped to the area with equipment that could be used for long term economic development. In Cabot's words, he preferred "to substitute a shiny new bull-dozer for a shiny new howitzer." This proposed change of policy would serve a two-fold purpose. In Cabot's opinion, halting the arms buildup was critical since these arms were likely to be used either to suppress political opposition within a country or to make war on a neighboring country. In late 1943, because the course of the war had changed and the Axis powers threat to the hemisphere had diminished, the lend-lease agreement with the American Republics was changed and from that point the amount of lend-lease supplies approved for these countries was sharply reduced. Although the rationale for the reduction, was similar to what Cabot had

argued, namely that hemisphere security no longer necessitated the aid, military equipment was not replaced by non-military machinery and the decision to reduce lend-lease probably had nothing to do with Cabot's suggestions.⁷

The Inter-American Highway project was originally passed by Congress and approved by the President in December 1941. The state department had been a major sponsor of the plan which envisaged a highway transversing the six countries of Central America. The construction was to be funded jointly with the United States initially providing \$20 million and each of the Central American countries responsible for at least one third of the cost of their section of the highway. This project was altered in 1942 when the War Department decided that a highway connecting Mexico with Panama was strategically necessary. This Pioneer Highway, as the War Department called it, would be paid for entirely by the United States and it would follow the path of the Inter-American Highway. Cabot became involved in September 1943 when having spent over \$40 million and having completed less than half of the project, "the War Department decided that there was no further military necessity for the highway and that its construction was to be discontinued."

The State Department's policy was that the highway project should be completed and Cabot along with others in the department worked to establish an orderly plan for transferring the project from the War Department to the governments of the six republics. For the most part this transfer went well with the Army turning over its equipment to local authorities so that work could continue.⁸

With the exception of the Belize controversy, Cabot generally found disputes with Latin American countries to be easily resolved during the war. In most cases these countries were very willing to help out in the war effort and there was an unprecedented level of Inter-American cooperation. Within the Department itself, however, cooperation was not always so evident. Cabot found that, "There are many people who can say no to any proposition, and only a few who have the power to say yes and make it stick." Although he had spent more than a decade working in the government and was undoubtedly accustomed to dealing with bureaucracy, at times Cabot grew very frustrated with the red tape within the Department that seemed to slow everything down at the very time when speed was of the essence. As all bureaucrats must do, Cabot found some short cuts. Here he describes his method of getting a telegram approved quickly,

a process that would normally take at least several hours:

I would wait till almost five o'clock, when everyone was frantically rushing to get his desk cleared, and then barge into the necessary offices, telegram in hand. No one under these circumstances was in the mood to argue, and it was amazing how many initials I could get on a telegram in fifteen minutes.⁹

In general, his frustration with the bureaucracy notwithstanding, Cabot found the early war years to be both positive and productive. There was, however, one negative episode. Early in the war, it was discovered that several Latin American diplomats stationed in Europe were selling false passports. According to Assistant Secretary of State James Dunn, many Jews were purchasing these passports in order to escape Nazi persecution. President Roosevelt ordered that telegrams be sent to the governments involved, asking that they accept the passports, but Cabot, along with many others in the Department objected and, in fact, refused to initial the telegram. The objection was that Nazis could be using these passports to infiltrate Latin America. In fairness, although anti-semitism was certainly present in the United States, there is no evidence that this motivated Cabot's objection and he obviously had no way of knowing that the holocaust was already beginning.¹⁰

By late 1943, the primary focus of Cabot's work shifted from individual efforts to research and solve wartime problems such as securing strategic materials and the Belize dispute, to more committee work aimed at planning for postwar United States-Latin American relations. In late 1943, Cabot was appointed to a committee which was "planning what was to be done in Latin America after the war." Apparently little came out of this committee, but Cabot soon received an appointment as the Latin American area advisor at the Dumbarton Oaks Conference which convened in August 1944 to discuss the groundwork for the postwar international organization that would eventually be called the United Nations.¹¹

The job of Latin American advisor proved to be difficult for Cabot because the talks were held only among the major powers and other foreign representatives were given virtually no information on any progress. More than three weeks into the conference, the Brazilian Ambassador complained of being kept in "complete ignorance" of the discussions, and went on to say that he and others in his government "knew nothing other than what they had seen in the press regarding the negotiations." The major fear among Latin

Americans was that the foundation was being laid for an international organization which might replace the Inter-American system that had evolved in recent years. Specifically they were concerned that the Good Neighbor Policy and the idea of non-intervention might be replaced by a world organization dominated by the major powers with the authority "to rule or ruin as they see fit."¹²

To dispel these fears, Cabot hosted two meetings in which Secretary of State Cordell Hull met with Latin American representatives to brief them on the progress of the talks. While Hull refused to get specific, he did offer that "in the recommendations being drafted, the principles established at the Montevideo Conference, for example in regard to non-intervention, are being observed; also those fundamental to the Good Neighbor Policy." The Secretary went on to assure those present that "We have sought to increase in every possible way the functions of the Assembly in which every Nation will be represented." Even with these assurances Cabot shared the fear held by many Latin American representatives that the proposed international organization would give the major powers too much power at the expense of weaker

countries, like those of Latin America, and that the international organization could jeopardize the existing Inter-American system.¹³

Once the Dumbarton Oaks Conference ended, Cabot continued working with postwar preparations. He was appointed as Technical Officer on the United States delegation to the Inter-American Conference on Problems of War and Peace which was held in Mexico City from February 21, to March 8, 1945. The delegates at this conference worked out a 61 point resolution which became known as the Act of Chapultepec. The United States delegation considered this effort to be "the culmination of the Good Neighbor Policy." According to Cabot, the conference "laid the foundation for economic cooperation between the American Republics after the war," and "established for the first time that an act of war against any American republic would be considered an act of war against all." Additionally, Cabot claimed that much of what was eventually to become the charter for the Organization of American States was worked out at Chapultepec. Cabot's appraisal probably exaggerates the significance of the Act of Chapultepec, as in reality it was little more than a restatement of several general principles of Inter-American relations such as non-intervention and collective security

that had been evolving for several years. Nevertheless the conference did soften United States-Latin American relations after the hard feelings the Dumbarton Oaks Conference had left. According to a memorandum sent to Washington by the American contingent at the conclusion of the conference, the Latin American delegations felt that they were "again fully participant in international affairs and able to make influence effective both within hemisphere and in reference to world security program."¹⁴

The positive and cooperative mood of the Mexico City Conference was short-lived as Cabot learned during his next assignment as Political and Liaison Officer to the United States delegation at the United Nations Conference which convened in San Francisco in April 1945. As a "lowly liaison officer" at this Conference Cabot was not a participant in the high level meetings, but he did work very closely with the Latin American delegations and kept the United States officials informed as to their concerns. Specifically, the Latin Americans were apprehensive that a Security Council veto would lead to deadlock on major issues and thus raise the possibility of a member of the Security Council's domination of a smaller country with no United Nations interference. Cabot

expressed his agreement with the Latin American objections in a lengthy memorandum written at the Conference:

I submit that the sweeping veto powers given the great powers are not essential to the protection of our national interests, and that granting of such powers is likely to make the entire organization a fraud upon the American people. . . . In any situation threatening a great war, the right of any one of the five great powers to block action by the organization . . . makes it not only possible but probable that the organization's machinery will be stalled when most needed. . . . [The veto] would also suffice to prevent the inter-American system from taking action under the Act of Chapultepec.¹⁵

Although they failed to kill the veto, Latin American delegates successfully pushed for Article 51 which in the absence of Security Council action allowed regional security systems to act in the event of armed aggression. This victory alleviated one of Cabot's fears and in effect made possible the Inter-American security system which had been evolving and which would be formalized in the charter of the Organization of American States in 1948. During the Conference, the Secretary of State assigned Cabot to be Counselor in the American Embassy in Argentina and as soon as the conference concluded he once again left for Latin America.¹⁶

ENDNOTES

1. For Cabot's account of the war years see Cabot, *First Line of Defense*, 17-21.
2. Ibid., 18.
3. For text of report see "The Belize Question", 1 July 1943, reel #1, folder 2, Cabot Papers.
4. Duggan to Cabot, 17 September 1943, *ibid.*
5. Cabot to Duggan, 18 September 1943, *ibid.*
6. *Ibid.*
7. Cabot to Chief of Division of American Republics, Philip W. Bonsal, 12 July 1943, *FRUS*, 1943, 7:309-310; for further information on reduction of lend-lease to American Republics see *FRUS*, 1945, 9:231-237.
8. Cabot memo, *FRUS*, 1943, 5:95-96.
9. Cabot, *First Line of Defense*, 18.
10. *Ibid.*, 18-19.
11. *Ibid.*
12. Memo of conversation between Brazilian Ambassador, Carlos Martins Pereira e Sousa and Acting Director of American Republic Affairs, Norman Armour 12 September 1944, *FRUS*, 1944, 1:924; Cabot memo 19 September 1944, reel #12, folder 8, Cabot Papers.
13. Cabot memo of conversations 16 September 1944, *FRUS*, 1944, 1:928-929.
14. American Delegation to the Mexico City Conference to

Acting Secretary of State, 8 March 1945, *FRUS*, 1945, 9:149; Cabot, *First Line of Defense*, 19; American Delegation to the Mexico City Conference to Acting Secretary of State, 8 March 1945, *FRUS*, 1945, 9:149-150.

15. Cabot, *First Line of Defense*, 20; Cabot's "Memorandum on the Veto Power and its Relation to Our National Interests," 8 May 1945; for more thorough background of OAS see John C. Dreier, *The Organization of American States and the Hemisphere in Crisis*, (New York: Harper and Row, Publishers, 1962) 10-39.

16. Cabot, *First Line of Defense*, 22.

CHAPTER 3

ARGENTINA: 1945 - 1946

Cabot's reassignment came as the war drew to a close. A personal friend, Spruille Braden, had recently been appointed as Ambassador to Argentina and he requested Cabot as his counselor. Cabot, who had generally enjoyed his previous embassy positions in South America, gladly accepted, unaware that he would soon be immersed in a very heated personal feud between Ambassador Braden and the de facto ruler of the country, Juan Perón, who at that time held the offices of Vice President, Minister of War and Minister of Labor.¹

American objectives regarding relations with Argentina at this time essentially were twofold. To assist the Argentine government in locating and ridding the country of Nazis who had escaped Europe at the end of the war, and to bring Argentina back into the fold of American states after their pro-Axis stance during the war. In pursuit of these objectives, Braden was understandably frustrated having to deal with Perón, a man he perceived to be a

fascist and Nazi-sympathizer. By the time Cabot arrived in Buenos Aires in July of 1945, Braden had already made a series of speeches in which he articulated these perceptions of Perón. In dispatches sent to Washington during the month of July, Braden asked for some type of multinational condemnation of Perón, and warned that, "So long as Perón and the military remain in control of this country we are faced with a fundamental policy issue, importance of which cannot be exaggerated. Appeasement [of Perón] will be fatal and we must rightly stand on our principles." Later Braden extended his previous warnings by quoting former Secretary of State Hull that the Nazi-Fascist movement was "entrenched in Argentina" and that it was "in a position to build up its strength and to prepare for future aggression."²

At the same time, Perón was countering Braden's accusations with speeches, demonstrations and most importantly an advertising campaign aimed at smearing the Ambassador's reputation. This last tactic started just days after Cabot's arrival, and featured handbills, posters and pamphlets. Some compared Braden to a circus master, others said he was an Al Capone, "trying to blackmail the country," and several labelled him "cowboy Braden,

tamer of South American Governments." Perón thus hoped to convince the people of Argentina of something that Cabot had already observed, "that Braden was getting up to his neck in internal politics."³

Only two months after Cabot's arrival, Ambassador Braden was recalled to Washington, where in his new position as Assistant Secretary of State he continued and even intensified his campaign against Perón. With Braden's departure Cabot became the Chargé d'Affaires and found himself in the middle of the continuing battle between Braden and Perón. Although Cabot shared Braden's contempt for Perón and saw his government as corrupt and at times dictatorial, he did not always agree with the Ambassador's tactics, particularly those of directly interfering in the internal affairs of Argentina. Cabot not only believed this interference violated the Good Neighbor Policy, but he also noted that in the past it was not usually effective; in fact, it often backfired on the United States and made situations worse instead of better. Years later, Cabot recalled his discussion of the topic with the Ambassador.

I expressed my concern to Braden, forcefully pointing out the danger of getting involved in the country's internal affairs. I was the more impelled to do this because I had been brought up

on the doctrine of non-intervention and I could recall various episodes in which intervention had ended disastrously.⁴

Cabot's predilection put him in an awkward position during the next several months. With Braden as one of his superiors Cabot was often ordered to do the very thing that he questioned, namely to interfere in the internal political matters of the country. For a short time it looked as if Braden's tactics had succeeded, and the problem had been solved. In early October, less than two weeks after the Ambassador's departure for Washington, a coup forced Perón from power. This success, however, proved to be short-lived, as Perón returned to power within month. At this very time the Senate Foreign Relations Committee, as part of its confirmation hearings for his new position, was criticizing Braden for his political activities in Argentina. Cabot felt that the negative publicity given the United States by these hearings played a significant role in Perón's reestablishing power, as many different factions in Argentina turned to Perón as the one leader capable of standing up to what they saw as American bullying.⁵

Despite his serious misgivings Cabot went along with Braden's tactics during his first several months in the country. By November 17, however, Cabot had reevaluated his position and on

that date he sent a lengthy letter to the Director of the Office of American Republic Affairs expressing several grave doubts about the wisdom of the Department's handling of the situation in Argentina. In particular, Cabot questioned two of the Department's fundamental assumptions: that Perón was definitely a fascist, and that Argentine fascism was aggressive in nature, and thereby a threat to the hemisphere. Cabot argued that, "there is a fairly impressive amount of evidence to indicate that Argentina is not and can never become truly fascist," and that "I do not believe that we can justify avowedly coercive measures, even multilateral, on the basis of the comparatively nebulous proof we now have that Perón is plotting aggression." He questioned, moreover, the effectiveness of a "crack-down" on Argentina, and the belief that the upcoming February elections would necessarily be fraudulent.⁶

In another letter, this one to William Cochran, Chief, Division of Caribbean and Central American Affairs, dated December 14, Cabot expressed growing concerns, almost to the point of disbelief, regarding United States policy:

I wonder if I might ask you very quietly to let me know what under the sun is going on in the Department today. I find it difficult to believe that a number of the Department's recent

telegrams represent the result of cool thinking; on the contrary I am disturbed at indications that the Department, sensing Perón's potential danger, is saying and doing a lot of things which it will later have reason to regret. Recent telegrams have been full of evidence that the Department is feverishly trying to establish a case against Perón which does not exist to anything like the extent that we would like. A number of public statements have certainly been inaccurate and others, in my opinion, have been unwise . . . It seems to me not only that our Argentine policy may collapse in a grand smash, burying its principal authors, but also that the Good Neighbor Policy may be torn to ribbons.⁷

However critical of the present situation, Cabot stressed that he was not pushing for a policy of appeasement, rather that, "we must make perfectly clear on every suitable occasion our support of democratic principles and our repudiation of the worst acts of this Government." Cabot concluded, "our policy should basically be a continued full crack-down on the Nazis and a cold, not a hot-tempered policy towards the present Government ⁸

Not only did the Department remain unconvinced that a reversal of policy was necessary, but apparently Cabot also had not completely convinced himself for on December 4, he sent a telegram to the Secretary of State reminding him that Argentine elections were scheduled for February and "earliest possible publication of material extracted from German archives regarding Argentine Government is imperative." Underlying his apparent change of heart

on the subject of United States interference was his belief that, "it would be grossly partial to the pro-Axis forces in this country to conceal from Argentine public matters of vital importance to latter in choosing new government." The State Department granted Cabot's request and released a series of captured German documents which linked much of the pro-Perónist press and political faction to the Berlin. Needless to say, the Perónistas were outraged. Cabot, however, found reaction from the other elements in the country to be "unbelievably favorable."⁹

By early February, with the elections less than three weeks away, it appeared Washington's strategy was going to be successful. According to Cabot, "Perón has suffered a series of disasters recently and majority of observers now think he cannot win elections." At this same time the State Department decided to release "a comprehensive statement demonstrating Argentine Nazi complicity and conspiracy." This Blue Book, as it came to be known, was in Cabot's opinion, "not an objective study but a polemic." It contained "a number of factual errors," it reflected a "gross bias," and it "distorted the record."¹⁰

Cabot clearly opposed the release of the Blue Book, but not necessarily for the reasons cited above. His real objections were based on practical rather than philosophical arguments. Given the timing just days before the election--and the document's blatant attack on Perón, Cabot warned that it could very likely backfire. After sending two separate telegrams advising the Department against releasing the Blue Book, Cabot received a response from Secretary of State James Byrnes expressing that the Department had carefully considered Cabot's objections, but had decided in favor of releasing the Blue Book.¹¹

Much to Cabot's surprise, he found the initial reaction to the Blue Book in Argentina to be one of "stunned humiliation," and surmised from his communications with various Argentines that the effect was likely to be "increased repudiation of Perónism." While reporting these sentiments to Washington, however, he also predicted--accurately as it turned out--that Perón would launch a counter attack. What the Chargé had not foreseen was the success of Perón's rejoinder. Perón attacked Assistant Secretary Braden for his continued interference in Argentine politics stated that, "the Blue Book signifies, rather than an analysis of an international case, an

interference in internal affairs of our country." Its release so close to the elections "was contrary to the practice of international law," and "its purpose may be to influence decisions which lie exclusively in the will of the Argentine people, called to elections on the 24th of the current month."¹²

Years later, Cabot recalled that a Perónista friend came to him just after the Blue Book appeared and said, "Thanks, that has won us the election." Within a week of the Blue Book's release, Cabot was reporting to Washington that even "in democratic elements opinion appears to be swinging against timing of publication of Blue Book." Cabot's apprehensions regarding the issuance of the Blue Book turned out to be well-founded as Perón did win the election. In the weeks after the election, Cabot was repeatedly instructed by Washington to uncover evidence of fraud or even methods of possible fraud that could have been used by the Perónists. In the end, however, he was forced to admit, "Voting procedures and counting of ballots have unquestionably been fairest in Argentine history."¹³

Perón's victory, particularly in a "fair" election, put Cabot in particular, but Washington in general, in the very awkward position

of having to conduct relations with a man that the State Department had been trying to defeat for nearly a year. Even worse, the democratic elements in Argentina blamed Cabot for their loss. Ironically they argued that it was Cabot's release of the Blue Book which accounted for the Perónists success. As if being disliked by both sides in Argentina were not enough, Cabot also received much undeserved criticism from the American press which accused him of misinforming the department as to Perón's popularity and costing the indigenous democrats the victory. The *Boston Herald* contended that, "Cabot figured Argentina's election 99 per cent wrong, he zigged when he should have zagged." The paper concluded with the more personal attack that "Cabot had little heart for the job . . . he certainly wasn't cut out for it.¹⁴

At this juncture, surrounded by criticism, both at home and abroad, and unpopular with both Argentine political factions, Cabot was certainly not in a strong position to implement policy. He went about his job as best he could, however, immediately advising the Washington against any further attempts to oust Perón, and arguing that the it should attempt to improve relations by basing policy not on what Perón had done in the past, but rather on what he was likely

to do in the future. At the same time, Cabot also suggested, "I should obviously be transferred since I am inevitably associated here with the policy of toughness."¹⁵

Cabot's experiences in both Argentina and the Dominican Republic had a lasting effect on his beliefs regarding United States intervention in Latin America. Although he had always supported the Good Neighbor Policy in principle, he concluded based on his relationships with Perón and Trujillo,

there are two essential reasons why we cannot interfere in the internal affairs of other nations. First, our treaty obligations bind us. However, behind these obligations is our feeling that it is unwise to attempt such interference. When we have attempted it the results have been counter-effective, having harmed the democratic groups we wished to help.¹⁶

Cabot spent most of his remaining months in Argentina helping coordinate the effort to track down Nazi's who had taken refuge after the war, and awaiting an announcement of United States policy toward the new Perón Government. The State Department finally decided to defer any new policy statement until after a new ambassador had been appointed and given a chance personally to survey the situation. The new Ambassador, George S. Messersmith, arrived in May and immediately began to take a more conciliatory

approach, so much so that Cabot spent his last two months in Argentina attempting, "to prevent him from doing too much too soon."¹⁷

In July, the Department invited Cabot to return to Washington where they enrolled him in a four month course at the National War College. This course was designed for people with experience in the armed forces or the State Department who "may become leaders in their fields in future years." Cabot's brief tenure at the National War College was followed by four successive assignments outside of Latin America. In 1947, he first went to Yugoslavia where he advised the State Department to encourage the split that was developing between the USSR and Yugoslavia. The following year he departed for China where he saw the Communists prevail in the Civil War in that country, then he spent two years as Minister to Finland and finally one year as Ambassador to Pakistan. In 1953 he returned to Washington and again turned his attention to the issues germane to Latin American affairs.¹⁸

ENDNOTES

1. Cabot, *First Line of Defense*, 22; Peron's offices listed in note, *FRUS*, 1945, 9:369.
2. Braden to Secretary of State, 5 July 1945, *FRUS*, 1945, 9:389; Braden to Secretary of State, 11 July 1945, *FRUS*, 1945, 9:391-92.
3. Braden to Secretary of State, 20 July 1945, *FRUS*, 9:396-97; Cabot, *First Line of Defense*, 24.
4. Cabot, *ibid.*
5. For Cabot's analysis see *ibid.*, 23-29; for more thorough look at Argentinian situation and its effect on U.S. policy see, Wood, *Dismantling of Good Neighbor Policy*, 93-121.
6. Cabot to Briggs, *FRUS*, 1945, 9:426-434.
7. Cabot to Corchran, 14 December 1945, reel #1, folder 6, Cabot Papers.
8. Cabot to Director, office of American Republic Affairs (Ellis Briggs), 17 November 1945, *FRUS*, 1945, 9:426-434.
9. Cabot to Secretary of State, 4 December 1945, *FRUS*, 1945, 9:436; Cabot to Secretary of State, 18 January 1946, *FRUS*, 1946, 11:187.
10. Cabot to Secretary of State, 8 February 1946, *FRUS*, 1946, 11:201-202; Secretary of State to Cabot, 9 February 1946, *FRUS*, 1946, 11:204; Cabot, *First Line of Defense*, 26.
11. For Cabot's specific arguments see Cabot to Secretary of State, 8 February 1946, *FRUS*, 1946, 11:201-202, and 9 February 1946, *FRUS*, 1946, 11:203-304.

12. Cabot to Secretary of State, 14 February 1946, *FRUS*, 1946, 11:212; communiqué of Argentine cabinet meeting quoted by Cabot in telegram to Secretary of State, 17 February 1946, *FRUS*, 1946, 11: 217-218.
13. Cabot, *First Line of Defense*, 26; Cabot to Secretary of State, 21 February 1946, *FRUS*, 1946, 11:219; Cabot to Secretary of State, 7 March 1946, *FRUS*, 1946, 11:229.
14. "Cabot and Argentina Ready to Part", *Boston Herald*, 19 March 1946, copy found in reel #1, folder 6, Cabot Papers.
15. Cabot to Secretary of State, 7 March 1946, *FRUS*, 1946, 11:232.
16. Memo of conversation between Cabot, Foreign Service officer John F. Fishburn and Paul K. Reed, international rep. of UMW, 16 March 1953 DS820.06/3-1653, quoted in Wood, *Dismantling of Good Neighbor Policy*, 121.
17. Cabot, *First Line of Defense*, 28; the Braden-Perón feud went for more than a year after Cabot left, with Messersmith often at odds with Braden, in 1947, both Braden and Messersmith were "fired" by President Truman, *Ibid.*
18. For a brief look at Cabot's role in these four posts see, Cabot, *First Line of Defense*, 29-84, for documents relating to these see reels #6 and #13, Cabot Papers.

CHAPTER 4

WASHINGTON D. C.: 1953 - 1954

In February of 1953 Cabot was appointed to be Assistant Secretary of State for American Republic Affairs. Although he had spent the previous six years in Europe and Asia, this was certainly a position for which Cabot was well-qualified. Cabot had spent most of his professional life either on assignments in Latin America or dealing with Latin American affairs while stationed in Washington. Even when stationed in Yugoslavia or China, Cabot never lost contact with his many friends and acquaintances from Latin America and from his early years in the Foreign Service he always considered Latin America as his primary field of interest as well as his area of expertise.

From the very outset, as Assistant Secretary of State for American Republic Affairs, Cabot fought a constant struggle over the amount of money that should be spent and types of aid programs that the United States should support in the region. He later recalled that Secretary of State John Foster Dulles assigned him his task in these terms, "devise an imaginative policy for Latin America--but

don't spend any money." United States-Latin American relations had reached a high point during World War II, but the Cold War had forced the Truman administration to turn its attention elsewhere, consequently relations had deteriorated. Given the Cold War priorities, it seemed unlikely that the Eisenhower administration would have either the will or the resources to remedy this deterioration. Nevertheless, Cabot made repeated attempts to revise the administration's Latin American policy. Each of his attempts, however, was met with two insurmountable obstacles: the President, and to an even greater extent Secretary of State Dulles, viewed Latin America as important only to the extent that it was part of the world wide struggle against communism; Secretary of the Treasury, George M. Humphrey, viewed any new spending, especially in an area of questionable importance such as Latin America, as completely unnecessary and a threat to his efforts to balance the budget.¹

Cabot began his new job in February of 1953, just in time to attend the Caracas Conference of the Inter-American Council of Social and Economic Affairs. At this time the new administration was still working on its Latin America strategy and the United States delegation was in no position to make any concrete proposals.

Cabot, however, realized even before the Caracas Conference that current policy was not going to satisfy growing demand for both economic and social reform. Cabot's fears proved to be well-founded as he discovered at the Caracas Conference when the American delegation was the target of criticism from all sides. Among the "strongly expressed views" that Cabot heard were that Latin American countries

had been unfairly treated in terms of trade; that over a period of years the raw materials they produced had tended to fall in price in relation to the price of manufactured goods they had to import . . . it was unfair that the dollar reserves they had accumulated during the war by selling to us should have dropped sharply after the war in terms of what they then wanted to buy from us . . . They complained of our customs barriers, which keep out their products and force them to send us raw material rather than semi-manufactured items . . . And they frankly found it hard to understand that we gave them practically no grant aid.²

Despite these articulated concerns, the mood of the conference on the whole was cordial and cooperative. Nevertheless, Cabot became more convinced that, "the handwriting was on the wall--our friends were going to make more and more demands on us and be satisfied less and less with the concessions which we would make to them such as: the Inter-American Development Bank; grant aid for a variety of projects . . . and stabilization of raw-material

prices." A diary entry made at the conference again points to the assistant secretary's skepticism regarding the effectiveness of current policy and to his understanding that the major elements underlying Latin American policy were social and economic rather than political:

In thinking over fundamentals I am impressed again with the thought that so many of the specific cases in which our economic cooperation is sought give no direct or palpable benefits to Latin American workers and small farmers and that they are the key in the fight against communism . . . I was as usual much impressed with the blindness of the upper classes in Latin America. They really think that anyone since Louis XIV is a communist.³

Cabot's skepticism turned into a warning in a speech given less than one month after the Caracas Conference when he predicted:

Social reform is coming. It may come by evolution or by revolution. There are reactionary elements in every country of this hemisphere which do not want social reform. They are willing to tie down the safety valve and to wait for the boiler to burst . . . We simply cannot afford to identify with the elements which would tie down the social safety valve. That wouldn't protect our national interests: it wouldn't even for long protect our investments.⁴

Cabot's growing awareness of the rising tide of discontent and his bold prediction of the coming of social reform did not sit well with either the ruling elites of Latin America or the new administration which was currently following the established policy

of embracing reactionary governments and dictators of the region in the name of anti-communism.

In the same month that Cabot delivered his "social reform" speech, the administration formalized its Latin American policy with the approval of NSC 144/1 on March 18, 1953. Although somewhat less bold than Cabot's statements, the policy paper did recognize that there was in Latin America, "an increasing popular demand for immediate improvement in the low living standards of the masses." It went on, however, to describe typical cold war objectives for American policy in the area: "hemispheric solidarity in support of our world policies . . . orderly political and economic development . . . safeguarding of the hemisphere," and adequate "access by the United States to, raw materials essential to United States security."⁵

To achieve these objectives, the draft suggested a number of courses of action. The political avenues centered around the idea of collective security--"greater utilization of the Organization of American States", "greater consideration of Latin American problems at the highest levels of government" and "refraining from overt unilateral intervention in the internal affairs of other American states." The economic suggestions included maintaining or even

slightly increasing the current levels of funding for grants, technical assistance and loans to the area, but at the same time "encouraging Latin American governments to recognize that the bulk of capital required for their economic development can best be supplied by private enterprise."⁶

For the most part, the policies outlined in NSC 144/1 were a continuation of the Good Neighbor Policy as practiced by the Truman administration, the same policies that Cabot had envisioned for the administration. The problem, however, surfaced when Cabot began to realize that not only would there be no slight increases in funding, in fact he would have to spend the next year struggling to maintain the levels that had already been set by the previous administration. In addition to budgetary problems, Cabot soon recognized that the idea of "greater consideration" at the "highest levels of government" might receive some lip-service, but it was not to become a reality until late in the decade when events in Latin America forced the President to give the region greater consideration.

Before the Assistant Secretary became fully aware of the difficulties he would face, he was busy with two different fact-finding trips. First, Cabot travelled to Mexico, the Central American

countries and much of the Caribbean. Ostensibly a routine fact-finding mission, the trip's real overriding purpose was to "find out what could be done about Guatemala, "where democratically elected president, Jacobo Arbenz, was openly allowing communist infiltration in his government. Even before Cabot had undertaken his itinerary, there were those in the administration pushing for a CIA sponsored coup. Cabot, who had become a staunch opponent of intervention by Washington in Latin American politics, argued that "it would be better to work through the Organization of American States if that were possible."⁷

It soon became clear to Cabot that the OAS might be unable to resolve the situation. In March, just weeks before the trip, relations had deteriorated when the Guatemalan Supreme Court denied an appeal by the American owned United Fruit Company to reverse an order expropriating 230,000 acres of the company's land. On March 25, Cabot handed the Guatemalan Ambassador an *aid-mémoire* outlining the Department's objections that the Guatemalan government had failed to offer just compensation for the expropriations. In April, Cabot visited the Foreign Minister of Guatemala in Guatemala City, a man he found to be a "complete

jackass who talked endlessly without making any sense." He also spoke with President Arbenz who showed no interest in changing government policy. On his return, Cabot reported to the State Department that Arbenz had "obviously sold out to the communists and that was that."

On this same trip, Cabot received less than enthusiastic endorsements of his attempts to gain support for any type of OAS action against Guatemala. Cabot was frustrated to find that most of the Latin leaders either questioned that Guatemala was falling to communism and thus posed a threat to the region, or doubted that collective action would be effective. In Columbia, Cabot "made no progress on Guatemala . . . [El Salvador] did not seem interested in putting a stop to Guatemala's gross attempts at subversion." Even Honduras which was concerned about the situation and felt that something should be done, argued that the action must be undertaken by the United States. The lack of support found in the area, and his conclusion that Arbenz had "obviously sold out to the communists," notwithstanding, Cabot was still not immediately convinced that a coup was the best solution. Repeatedly in his speeches and writings, Cabot had opposed the idea of unilateral intervention by Washington

both because it subverted United States relations with Latin American, and because as a practical matter it was almost never produced the desired results.⁸

Nevertheless, by September, after a fruitless series of diplomatic exchanges with Guatemala, and "after much soul searching," Cabot told Under Secretary of State Walter Bedell Smith that "a CIA-organized coup was the only solution." As Cabot soon learned, such plans were already underway. Although he stayed in contact with a liaison officer who was coordinating the efforts of various involved agencies, Cabot apparently never knew the details of the plan. He had been transferred to Sweden, moreover, before the plan was executed. Cabot had been a consistent and vocal opponent of intervention in the internal affairs of Latin American countries, but he was able to rationalize that the CIA involvement in the Guatemalan coup was not intervention. Years later he justified his approval of the coup:

For those who decry the Guatemalan coup as the "immoral" overthrow of a "democratically" elected government I would rejoin that Arbenz was elected solely because he had had Aranha--who would otherwise clearly have been elected--murdered; that the Arbenz regime had made several efforts to overthrow the regimes of neighboring countries; and that Guatemala was on a course which would have made it--as Cuba

later became--a menace to our national security.⁹

Cabot arrived home from his trip through Central America in late April, just in time to finalize plans for a second trip. On this trip Cabot would join the President's brother Dr. Milton Eisenhower on a fact-finding foray between June 23 and July 28 that would take them to each of the South American countries. There they were "(1) to express the good will of the United States toward the governments and peoples visited; (2) to secure factual information regarding conditions in these countries which impinge our relations with them; and (3) to report to the President and the Secretary of State on the basis of the information secured as to the possible means of strengthening the friendly relations between the United States and the countries visited."¹⁰

The trip went very smoothly, with the delegation being "warmly greeted in all of the countries visited." Although the greetings were warm and the talks were generally very cordial, the South American leaders quietly expressed the resentment that had been building for nearly a decade. They complained of being ignored by the United States and they demanded that Washington provide them with more economic aid. It certainly would not have required a trip through

South America to learn this. In fact, since World War II, and particularly since the Marshall Plan, the common belief was that the United States was "helping ex-enemies more than . . . [it was] helping nations which were our oldest associates and our great helpers in World War II." This point was certainly valid, but even a pro-Latin America diplomat like Cabot admitted that while the region had been neglected in the past and it was in need of assistance, the area's problems were "humdrum rather than vital to our security." Because they were humdrum, Cabot realized from the start that for him to convince the administration of the need for a new approach would not be easy. On the other hand, Cabot was apparently one of the few people anywhere in the government who realized at this time that these "humdrum" problems would eventually become "vital to our security" if they went unchecked. Although Cabot recognized the need for a change in policy, it would soon become evident to him that regardless of the expressed purposes of the trip, it was really intended as merely a good will visit and the administration had no real interest in significantly altering current Latin American policy.¹¹

Immediately upon their return, Milton Eisenhower and Cabot

went to the White House to brief the President. After this briefing, Milton Eisenhower prepared a formal report which was finally presented to the President in November of 1953. The report was widely criticized as orthodox, unimaginative and uncreative as far as policy initiatives were concerned. Even the author would later admit that while he saw the enormous need for social reform, he was not at that time able to see how American policy might be changed in order to facilitate reform and to design a more imaginative and effective strategy. This is not to say, however, that there was nothing new in the report, or that the recommendations were entirely without merit. In fact, much of Cabot's remaining time as Assistant Secretary was occupied with the basic problem of how to gain acceptance for a new policy toward Latin America--one grounded extensively in the recommendations of Milton Eisenhower's report.¹²

By this time Cabot had certainly developed a keen sense of the true problems facing Latin America and, indirectly, the United States. Although Cabot was a fervent anticommunist, he did not agree with Secretary Dulles that Latin American policy was only important in terms of its role in the world-wide fight against communism. He had become aware that it was more than simply a

lack of economic development and political stability which plagued the area. It was the vast disparity between the ruling classes and the miserably poor masses. In fact, Cabot was convinced that the way to win the Cold War in Latin America was to help effect the social reform that was so desperately needed in order to eliminate the poverty and hopelessness that provided an attractive setting for communist propaganda. He had also become aware that current policy was not working and that a revision of that policy was not only desirable, but necessary, if the region were to develop by evolution rather than by revolution.

While Cabot, more than almost anyone else in the administration, recognized an urgent need for a shift in policy, he also acknowledged the administration's commitment to economy. His plan, therefore was by no means inordinately expensive or in any way a radical departure from past policy. Indeed, the only part of the plan which would cost the government anything was a request for \$17,000,000 for a variety of small developmental projects throughout the area. This proposal was not only one of Dr. Eisenhower's recommendations, but it also seemed well within the limits of the spending increases envisioned in NSC 144/1 . That fact,

plus Cabot's belief that \$17,000,000 was a "pitiful sum," made it all the more frustrating when he "couldn't get to first base at any echelon of the [State] Department, let alone other agencies of the government." Secretary Dulles, who according to Cabot, "wasn't at all interested in Inter-American questions, except peripherally as a side issue in his anti-Communist crusade, "was responsible for rejecting the proposal before it even got out of the Department. Ironically, the following year, as Cabot was being transferred from Washington, both Dulles and President Eisenhower approved an almost identical sum as part of a proposal to be advanced at the economic conference that would be held in Caracas in February.¹³

Cabot ran into similar obstacles when he pushed for another of Milton Eisenhower's recommendations, that of assigning \$1 billion to the Export-Import Bank to finance viable long term development projects. Earlier in the year the administration had decided that the Export-Import Bank would no longer extend long term developmental loans since they would unbalance the budget. Although Dulles had originally supported the decision to halt the loans, Cabot was able to convince him to back the proposal. Opposition then came from Secretary Humphrey, who was not impressed with Cabot's arguments

that not only was this action necessary in terms of improving relations with Latin America, but "that it [also] would be possible for the Export-Import Bank to expand its operations in Latin America without necessarily having an adverse effect on the national debt." As Cabot pointed out, most Latin American countries had very good records of repaying Export-Import Bank loans, and the money appropriated would really be an investment rather than simply an expenditure because loans from the bank had "regularly made substantial profits for the United States Treasury."¹⁴

Not only was Humphrey opposed to the expansion of the Export-Import Bank, but he also questioned requests for technical assistance and military aid which had previously become a standard part of the budget. Cabot argued vehemently against any cuts in technical aid. In a news conference held upon his return from South America, he announced, "we are getting an awful big dollar's worth of every dollar we put into our technical cooperation. It's really accomplishing a great deal." Although the Export-Import Bank proposal was, for the time being, rejected, the continuation of technical assistance and military aid was approved. Once again, as in the previous case with the developmental loans, before the Caracas

Conference in 1954, President Eisenhower and Secretary Dulles reversed the Export-Import Bank limitations, thus as Cabot was being replaced, another part of his program was approved.¹⁵

How to deal with the purchasing and stockpiling of strategic materials found in Latin America was the third part of Cabot's plan. In recent years, the United States had been stockpiling certain strategic materials. This was done for security purposes, but it also had helped stabilize prices of these materials. Because so many of the Latin American economies depended on the sale of single resource, these countries were extremely sensitive to world prices, thus a halt of the current practice could spell doom for several Latin American economies. Cabot advocated continuing this practice, but with the end of the war in Korea and the push for economy in government, there was much debate over the necessity of continuing this policy. This debate again featured Cabot with the support of Dulles against Humphrey who was, "as usual opposed to spending money." This issue would eventually be decided in favor of Cabot's proposal, but once again victory postdated his departure from Washington.¹⁶

Cabot's resignation or removal as Assistant Secretary was the most publicized and controversial aspect of his brief tenure. The State Department offered the official version on February 11, 1954 when it announced that the President had appointed Cabot as Ambassador to Sweden. Along with the announcement, the Department released the press copies of an exchange of letters earlier in the month between Cabot and Dulles. Cabot explained to the Secretary that,

During the past year I have earnestly tried to carry out the President's and your wishes to improve our hemispheric relations. In doing this, I have found it a handicap that my experience has been predominately in the foreign political field, whereas the problems are largely in the economic and financial fields . . . I have reached the conviction that their solution might be easier for someone whose training and experience was in these fields.¹⁷

In reply Dulles stated, "I am inclined to agree with your analysis of the situation in that under the conditions which now prevail, our problems in this hemisphere revolve primarily around economic and trade factors." The Secretary complimented Cabot on the "excellent quality of work" he had done and assured him that he would soon be given a "major position" which would better suit his training and skills. The day after Cabot received this reply from

Dulles he also received word of his appointment as Ambassador to Sweden and immediately submitted his official resignation effective on his confirmation as Ambassador.¹⁸

The press immediately attacked the official version of the resignation. The day following the announcement an article appeared in the *New York Times* which stated that Cabot "was being shifted as a result of a basic disagreement with the Treasury Department over the economic policy toward Latin America." The article went on to allege that "George M. Humphrey, Secretary of the Treasury, has emphasized the opposition to policies favored by Mr. Cabot."¹⁹

An entirely different version of Cabot's removal appeared in the *Washington Post*. A March 1 article written by Drew Pearson claimed that "Cabot was actually fired by the President's brother Milton Eisenhower who has become the chief Administration policymaker on Latin America." Pearson claimed that although Cabot was a "sincere, conscientious, hard-working career diplomat," he also had "a habit of rubbing some people the wrong way." As soon as they returned from the South American trip, Dr. Eisenhower, "quietly went about transferring Cabot to another post."²⁰

In addition to the above explanations, Cabot was told by Under Secretary of State Walter Bedell Smith that his ouster was because "Eisenhower supporters in Texas had been promised this job for a nominee of their choice, and now they were ready to pick up their option with a man named Henry Holland."²¹

The only explanation that Cabot flatly denied was that he was fired for disagreeing with Humphrey. Although he admitted that the two had disagreed on policy, he also said that this disagreement was "natural and proper" given their different positions within the government. He also expressed a "personal liking and admiration" for Secretary Humphrey. While it cannot be definitively dismissed, the argument that Humphrey had Cabot removed is not completely cogent given the fact that Cabot and Humphrey had relatively little direct contact and that Cabot was only one of any number of people within the State Department and within the administration in general who disagreed with Humphrey's tight fisted economic policies.²²

Publicly, Cabot acquiesced in the official explanation that he had stepped down to make room for someone better skilled to deal with the current problems. The fact that the experienced and capable

Cabot was replaced by Henry Holland, a Houston attorney with virtually no diplomatic experience made the official explanation appear, at the very least, highly dubious and certainly lent credence to the alternative given by Smith that it was a political decision. Privately, Cabot rejected the official version and acknowledged that in fact he had been "kicked upstairs." In a letter to his brother, Tom Cabot, dated March 14, 1954, he admitted:²³

Precisely what happened I do not yet know; you can take your pick of Bedell Smith's story that it was just political pressure, and Drew Pearson's that Milton Eisenhower had me eased out. This much is established, that the decision was made early last August . . . and I suspect whoever made the decision felt I didn't know my Latin Economics.²⁴

If, as Cabot asserts, the decision was made in early August, it would seem likely that Milton Eisenhower had something to do with Cabot's removal since at that time they had just returned from more than a month together in South America and Cabot had not yet begun to push for his new Latin American policy. It would seem, however, unlikely that Dr. Eisenhower would remove the very person who was pressing for acceptance of his plan unless Cabot really did "rub him the wrong way." Yet, that appears unlikely given the fact that the two maintained a social as well as a professional

relationship for years after the episode.

Whatever the exact reason for Cabot's departure, it seems likely that the decision was made well in advance of the actual announcement, as the administration's timing could not have been worse. They had dismissed their top Latin American advisor at precisely the time when they were finally accepting the program for which he had been pushing. Even Cabot, however, realized that the sudden acceptance of his Latin American proposals had little or nothing to do with his efforts or with any realization within the administration that they were necessary or appropriate. Instead, the administration suddenly reversed itself because it desperately wanted to gain Latin American support for an anti-communist resolution at the Tenth Inter-American Conference which would be held in Caracas in March. In part, the declaration would state, "the domination or control of the political institutions of any American state by the international communist movement . . . would constitute a threat" to the entire hemisphere and would require "appropriate action in accordance with existing treaties." Such language presumably would give the administration some legal justification for the action it was planning to undertake in Guatemala against

President Arbenz. With this contingency in mind, President Eisenhower approved most of the Cabot plan which had been rejected in the previous months. Long term Export-Import Bank loans were promised, a \$17 million increase in funding for "small development projects" was approved, and a promise was made to keep United States markets open to Latin American exports. Going beyond Cabot's outlines, the administration even committed itself to attend an economic conference which the Latin Americans had been requesting for years.²⁵

Cabot was both frustrated and relieved that he was being removed from office as the administration was finally accepting his Latin America policy. In a letter to his brother Tom he confided, "Now at long last they have in a final frenzy to prepare for this [Caracas] Conference adopted practically everything I have fought, bled and politically died for . . . Perhaps I should be pleased [about the dismissal], because I really don't think I would have stood the fights and frustrations much longer."²⁶

Although he had already been appointed as Ambassador to Sweden and resigned as Assistant Secretary for American Republic

Affairs, Cabot was asked to attend the Caracas Conference as special advisor to Secretary Dulles. According to Cabot, Dulles "came as the chief of delegation principally to ram through our resolution about communism in the hemisphere." Even with the administration's recently approved changes in Latin American policy as leverage, Dulles did not have an easy time gaining support for his anti-communist resolution. Halfway through the Conference an amended version of the resolution passed. Dulles immediately returned to Washington, leaving the Latin American delegations "open-mouthed, because they had numerous matters, notably economic, which they wanted, and expected, to discuss with him." In Cabot's opinion, Dulles' seemingly premature departure was "symptomatic of his disregard for our sister republics." "Being in no mood to assist any longer with the farce," Cabot soon followed Dulles back to Washington to prepare for his new post. Cabot arrived in Sweden in April, 1954 and spent three of the most enjoyable and least controversial years of his professional life as Ambassador to Sweden.²⁷

ENDNOTES

1. Cabot, *First Line of Defense*, 87; these appraisals of Humphrey and Dulles are based on Cabot's opinions which are nearly identical to Stephen G. Rabe's in, *Eisenhower and Latin America: The Foreign Policy of Anticommunism*, (Chapel Hill: University of North Carolina Press, 1988).

2. Cabot speech before joint meeting of Export Manager's Club and Export Advertising Association, Statler Hotel, New York City, 17 March 1953, text found reel #14, folder 49, Cabot Papers.

3. Cabot, *First Line of Defense*, 86; Cabot diary entry, 14 February 1953, reel #19, diary #10, Cabot Papers.

4. Cabot speech before joint meeting of Export Manager's Club and Export Advertising Association, Statler Hotel, New York City, 17 March 1953, text found reel #14, folder 49, Cabot Papers.

5. Text of NSC 144/1, *FRUS*, 1952-1954, 4:6-10.

6. *Ibid.*, 8.

7. Cabot, *First Line of Defense*, 86; *Ibid.*, 90.

8. For background on expropriation see editor's note, *FRUS*, 1952-1954, 4:1056-1058; Cabot, *First Line of Defense*, 87; *Ibid.*

9. *Ibid.*, 89; *Ibid.*, 90; Stephen Schlesinger and Stephen Kinzer *Bitter Fruit: The Untold Story of the American Coup in Guatemala*, (Garden City, N.Y.:Anchor Books, 1983) argues that the coup was a result of United Fruit Company's influence on the U.S. government. While the argument is not without merit, the authors' attempts to imply that Cabot was part of this plot are not at all convincing. Cabot's brother, Thomas Cabot had once been president of United Fruit Company, but he had been fired several years before the coup and not only is there no documentation of any influence on John Moors Cabot, it is highly unlikely that Thomas would have lobbied his

brother on behalf of a company that had fired him.

10. "Draft report on Dr. Milton S. Eisenhower's Trip to South America", reel #14, folder 41, Cabot Papers.

11. Ibid., Cabot, *First Line of Defense*, 88; Ibid., 89.

12. Text of Dr. Eisenhower's final report appeared in Department of State *Bulletin* 23 November 1953, 695-717; for Dr. Eisenhower's appraisal see Milton Eisenhower, *The Wine Is Bitter: The United States and Latin America*, (Garden City, N.Y.: Doubleday and Company, 1963) 199.

13. Cabot, *First Line of Defense*, 90; for more on Cabot's proposals see, Rabe, *Eisenhower and Latin America*, 68-70.

14. Memo of Conversation by the director of the Office of Regional American Affairs (Edward Cale), 2 October 1953, *FRUS* 1952-1954, 4:198; Press and Radio News Conference 31 July 1953, reel #14, folder 41, Cabot Papers.

15. Ibid.

16. Cabot, *First Line of Defense*, 89.

17. Cabot to Dulles, 4 February 1954, reel #15, folder 54, Cabot Papers.

18. Dulles to Cabot, 9 February 1954, *ibid.*

19. "Cabot is switched from Latin Post", *New York Times*, 12 February 1954, clipping in reel #15, folder 54, Cabot Papers.

20. Drew Pearson, "U.S. Faces Bad Time At Caracas", *Washington Post*, 1 March 1954, clipping in reel #15, folder 54, Cabot Papers.

21. Cabot, *First Line of Defense*, 91.

22. Cabot to Humphrey, 24 February 1954, note on the letter says Cabot talked to Humphrey on the phone so letter was never sent, reel #15, folder 54, Cabot Papers.

23. Analysis of Holland's experience from, Rabe, *Eisenhower and Latin America*, 69.

24. Cabot to Tom Cabot, 14 March 1954, reel 15, folder 54, Cabot Papers.

25. Rabe, *Eisenhower and Latin America*, 49, 69-70.

26. Cabot to Tom Cabot, 14 March 1954, reel #15, folder 54, Cabot Papers.

27. Cabot, *First Line of Defense*, 92.

CHAPTER 5

Colombia: 1957 - 1959

Cabot returned to Latin America in 1957, when he received an appointment as Ambassador to Colombia. Naturally he was excited and enthusiastic about returning to the region. Although the administration had belatedly accepted many of the programs he had advocated during his tenure as Assistant Secretary, Cabot still felt that the administration had no real Latin American policy. In his opinion, the administration addressed Latin American concerns only when outside factors forced its hand. Cabot hoped to use his new position to lobby for a new, comprehensive, long term Latin American policy. Before he could focus on revising United States policy, however, he had to deal with several immediate problems in Colombia.

When Cabot arrived in June, the political situation in Colombia was in turmoil. Prior to 1953, Conservative President Laureano Gomez had been in power. His term in office was marked by "civil violence and guerrilla warfare," in which as many as 100,000 Colombians had been killed. The Gomez presidency ended when

General Gustavo Rojas Pinilla assumed power in a bloodless coup d'état. Rojas promised to restore peace and constitutional government to Colombia and, although to a large extent the violence subsided, Rojas showed no signs of restoring constitutional government. Less than one month before Cabot's appointment as Ambassador, Rojas had been forced out of office and replaced by an interim five man junta led by Major General Gabriel Parí's. When Cabot arrived plans were being made for nationwide elections designed to return Colombia to constitutional government, but there was still sporadic violence and the ever present threat of a coup.¹

The long period of civil strife plus the corruption of the Rojas government left the country deeply in debt and in a desperate economic condition. To exacerbate matters, the Colombian economy relied almost solely on coffee exports and coffee prices were then falling. Cabot described the near famine conditions which confronted him soon after his arrival in Bogota:

At a meeting with outside relief agencies I learned that the food situation in Colombia was grimmer than I thought. CARE was feeding 1,200 families daily in Barranquilla, the National Catholic Welfare was feeding 350,000-600,000 in the entire nation. The people of Colombia suffered from endemic malnutrition, with low protein, fat and calcium. Crops were short because of drought, poor seeds, lack of insecticides,

fertilizer, spare parts and the violence which devastated so much of the country, making people unwilling to try to grow crops or keep cattle. Topping all this off was the fact that prices were soaring so high that most Colombians simply could not afford to pay for their minimal nutritional needs.²

Obviously the new Ambassador's first priority was to secure as much famine relief as possible. During the summer and fall, Cabot communicated with State Department, the Agriculture Department, the International Cooperation Administration as well as CARE and Catholic Relief Services urging all parties to provide all available relief. When Cabot's pleas failed to bring adequate relief, he reminded officials in Washington that continued instability would likely spell a return to a military dictatorship, or worse it could provide an opportunity for communist penetration. The Ambassador's efforts eventually paid dividends. By 1958, American food relief was reaching ten per cent of Colombia's population each day and the immediate threat of famine diminished.³

Cabot also became entangled in the country's ongoing religious struggle between the Catholic majority and the small Protestant minority. In a memorandum written on the scene, Cabot recalled his state department briefing before he left for Colombia where he was informed by the Secretary of State, and the Assistant

Secretary for Inter-American Affairs that "the religious question was the most important question which would claim my attention in Colombia and . . . that I should make vigorous efforts to solve it."⁴

The problem, as the Department saw it, was discrimination against the Protestants in general, but specifically Protestants from the United States, then in Colombia. The government had officially closed Protestant churches, and Protestant schools. In some cases churches had been bombed and Protestant relief workers and missionaries had been persecuted. From the Colombian view, however, Washington was making a concerted effort to Protestantize the traditionally Catholic country, one more example of its forcing the North American way of life on a weaker country. As one Colombian Catholic Bishop put it, "I had understood that diplomats were to treat only of commercial and international matters and not to interfere in religious affairs," but "the United States Government, through its diplomatic corps is supporting Protestant propaganda in our country."⁵

From the beginning Cabot anticipated resistance were he to press Protestant claims. He feared that, "a strong Catholic reaction

was probable in the event that I made vigorous representations," and that, "if the Catholic Church in Colombia did decide to oppose my representations in behalf of Protestants, it would enlist the support of the Catholic Church in the United States." Additionally, Cabot feared that involvement by the United States in the religious question might be considered undue interference in the internal affairs of the country and that it could jeopardize the ruling junta's attempts to restore constitutional government, leading to more division and violence at a time when the country desperately needed unification and peace.⁶

Despite these apprehensions, Cabot followed instructions and became involved in the religious question immediately upon his arrival. The first written communication with Washington that he initialed was a report on Protestant churches that remained closed as a result of government action, and in his first meeting with Colombia's Foreign Minister Cabot received assurances that the government would address the question of religious discrimination, "within a month or two." At this juncture, Washington's protests were based on an 1846 treaty which gave the Embassy some legal basis for interfering on behalf of Americans who were being

persecuted. Since these protests had borne no fruit, Cabot proposed a tactical change in August 1957. Rather than citing the nineteenth century treaty as the legal basis for its protests, the Embassy should argue that the Colombian Constitution guaranteed both religious freedom and civil rights to foreigners. This tactic, however, proved to be no more successful because technically the constitution was suspended at the time and even if it were in effect, article 11 which provided that "Foreigners shall enjoy in Colombia the same civil rights as are conceded to Colombians," also added that the government may, "for reasons of public order, make the exercise of specific civil rights by foreigners subject to special conditions, or deny it."⁷

By November 1957, Cabot was convinced that the United States was exceeding its authority in the religious question. Rather than simply protecting the rights of American citizens, Washington was attempting to "reestablish liberty of worship in general in Colombia," an act obviously beyond the scope of normal diplomatic procedures. Cabot expressed this thought to Assistant Secretary Richard Roy Rubottom, who rejected Cabot's arguments and urged him

to "continue to make vigorous representations."⁸

Over the next several months, however, the Department's attitude began to shift. As Colombia's newly elected government was preparing to take office in July 1958, Cabot received new instructions: "Without receding from the strong position already taken . . . it seems best at this time to relax our representations to the Colombians." This was the course Cabot had advocated from the start. Although he succeeded in convincing the Department to alter its policy, the strong pro-Protestant stance that he had been forced to take had resulted in a number of negative comments about Cabot in Colombia and in the Catholic press in the United States.⁹

In the midst of his dealing with the political, economic and religious problems in Colombia, Cabot resumed his attempts to convince the administration of the need for an effective overall policy toward Latin America to replace the piecemeal policy or lack of policy which had prevailed in recent years. The work he was forced to abandon four years earlier when he left his position as Assistant Secretary for American Republic Affairs. Cabot realized that being ambassador to Colombia was not a strategic position from

which he might have direct impact on overall Latin American policy. Fortunately, he had an acquaintance who was in a position to have this type of impact. Once in Colombia, he resumed correspondence with the President's brother, Dr. Milton Eisenhower, who not only had access to the President, but who also was somewhat of a Latin American expert and for the most part sympathetic to Cabot's views.

During Cabot's first winter in Colombia he exchanged letters with Dr. Eisenhower on an almost weekly basis. In this correspondence, the two men discussed the problems with and possible revisions in current policy. Both Cabot and Dr. Eisenhower agreed on the basic problem: owing to American commitments throughout the world and to the government's limited resources, Latin America was being neglected particularly in terms of United States aid available for economic development. Neither man was suggesting that the global fight against communism be jeopardized by diverting resources from other strategic areas to Latin America, but Cabot in particular argued that investment in Latin America was a key to winning the Cold War. In one of his first letters to Dr. Eisenhower, he pointed out that Washington's neglect of Latin America had given the Soviets "a heaven-sent opportunity to move

into this field with minimal costs and maximum opportunities."¹⁰

Cabot's initial idea was to use money acquired from the sale of surplus commodities (under P.L. 480 of 1954) in other parts of the world for economic development in Latin America. Dr. Eisenhower agreed with this plan, at least in principle, because it would help Latin America without requiring any significant new funding from Washington. Dr. Eisenhower discussed Cabot's suggestion with people in the state department, but it soon became evident that too many roadblocks precluded a complex plan of this nature being put into effect. Dr. Eisenhower then informed Cabot that he had been thinking of a good will tour through Central America as a sequel to the one that they had taken together through South America in 1953. While Cabot favored the idea, he realized that for United States to formulate an effective policy something more substantial than a good will tour would be required.¹¹

In a letter dated January 24, Cabot's tone became much more urgent as Soviet trade representatives arrived in Colombia offering that government long term credits at very low interest rates, something the United States was not offering Bogota at the time.

Cabot concluded that "now there is every evidence that the Russians are going to do what they cheaply can to rock the boat for us in Latin America." He also reiterated his frustration with the lack of any long term strategy for the region lamenting, "I wish we would occasionally face challenges which can be foreseen before they are actually on us. In regard to the challenge of Latin America, it would seem to me that we would be wise to face it at this early date rather than to wait until it has acquired momentum."¹²

A very sympathetic Dr. Eisenhower's replied "I agree that our relations with Latin America are degenerating, that Communists are taking advantage of every discontent they can, and that we must do something about it." He solicited Cabot's reaction to some ideas he had been contemplating. Recognizing that the American economy was then in a recession and that neither the President nor Congress was likely to request any new expenditures for the region, Dr. Eisenhower focused on two alternatives, neither of which would require much public money. One was to develop some type of new credit instrument to provide developmental loans. While this task would involve an initial United States expenditure it would be in the form of a loan rather than of a grant and consequently it would be more

palatable to the President and to Congress. The second alternative was to help the Latin American countries to avoid the all too common boom and bust cycles in their economies by somehow stabilizing prices of certain commodities. Because Dr. Eisenhower had only a very general idea of how either of these concepts might be implemented, he asked the ambassador, "Would it do any good for Secretary Dulles quietly to bring home the Ambassadors of all twenty Latin American countries . . . and ask them to pool their thinking in developing the best set of suggestions they can?"¹³

Cabot replied favorably although he had some reservations. While he certainly agreed that providing credit to the republics was important, he also recognized that "At the moment many of the Latin American countries are already staggering under their debt burdens," so credit alone would not solve the problem. As for price stabilization, Cabot wholeheartedly concurred that because so many countries in the region had single crop or single resource economies, there would never be long term economic development and political stability without some form of price stabilization. He also recognized, however, that any form of price stabilization was

"anathema to most thinking in our government."¹⁴

Cabot felt that a meeting of ambassadors could generate some new ideas. Nevertheless, he had two very serious reservations. Acknowledging the complexity of the problems, Cabot knew that a brief meeting of chiefs of mission was not likely to produce a thoroughly new Latin American policy, that this innovation could only be accomplished "by prolonged sessions of a committee of experts." Moreover, Cabot felt if the proposed meeting were held it would no doubt draw a great deal of attention and probably raise expectations of Latin Americans who were still waiting for their Marshall Plan. Cabot favored a meeting, therefore, only if the administration were prepared to announce some type of new policy or program for Latin America. Otherwise he feared that the meeting would only lead to more frustration and resentment among the Latin American countries.¹⁵

In February Dr. Eisenhower informed Cabot that his goodwill trip to Central America was being scheduled for the summer and that the proposed ambassador's meeting might be held in Panama at the conclusion of the trip. In his reply Cabot reiterated his previously

expressed apprehensions:

Needless to say, a meeting in Panama at the end of your trip at which you and Secretary Dulles were present would be bound to get much publicity. This would be most helpful if we could come up fairly soon after the meeting with some program which would really fire the Latin American imagination. My apprehension is that, if we had no such program or if we were not willing to make the sacrifices which I am sure will be necessary if we are to execute such a program, the publicity would promptly boomerang.¹⁶

Cabot also vented his growing pessimism regarding the likelihood or even possibility of any effective Latin American policy at the time; "I simply do not know given the many pressing demands on our Budget[sic], the recession which we continue to undergo, and the temper of the American Congress and people whether any significant program would be acceptable to the Administration and the Congress." In the same breath, he continued to warn that if Washington failed to act innovatively, it would be playing into the, "rather obvious Russian plans to infiltrate this area."¹⁷

Cabot's warnings came at a time when the administration felt very secure in the belief that Latin America was in fact one of the few places in the world that were safe from an expansionistic communism. In November, 1957 Secretary Dulles had confidently assured journalists, "we see no likelihood at the present time of

communism getting into control of the political institutions of any of the American Republics." Even if, as Cabot had warned, Latin America were susceptible to communist appeals, early 1958 was a less than ideal time to try to convince the administration to counter the threat. President Eisenhower's approval rating had fallen to below fifty per cent, and the administration was dealing with a recession at home and a series of crises abroad--the Middle East, a standoff in Berlin, and potential war with mainland China.

Undoubtedly, the last thing that President Eisenhower or Secretary Dulles wanted to hear was that they faced another urgent challenge, particularly in the one region which they assumed to be safe from communism.¹⁸

Nevertheless, the Ambassador refused to give up although he altered his strategy. As Dr. Eisenhower prepared for his Central American trip, which would not include a regional meeting of chiefs of mission, his correspondence with Cabot was temporarily interrupted and Cabot used this opportunity to appeal directly to Secretary Dulles. Five years earlier, in his position as Assistant Secretary, Cabot had been instructed by Dulles to find one country which could be a "show case of what American economic cooperation

could do." At the time Cabot had declined because in his opinion there was no appropriate country which was not either "dictatorial," "corrupt," "unfriendly," or "hopelessly mismanaging their funds." To some extent the Department had been using Venezuela as its showcase, but the recent overthrow of dictator Perez Jimenez and the exposure of the widespread corruption and poverty during his regime made this less than an ideal prototype.¹⁹

In a letter to Dulles in April, Cabot suggested Colombia as the new American show case, arguing that "we have in Colombia conditions which are perhaps as good as those we shall ever find to undertake such a program." He described the present Colombian government as "honest, able, patriotic and doing the best it can in very difficult circumstances." It is very likely that this suggestion was more an effort to secure desperately needed United States aid for Colombia than an actual attempt by Cabot to revive the secretary's scheme. Whatever Cabot's motives, he received no reply from Dulles and other events soon diverted his efforts.²⁰

Ironically, Cabot's efforts to call attention to the frustration and discord in Latin America were interrupted by preparations for

Vice President Richard Nixon's trip through South America, the very event which finally ended the administration's lethargy. Cabot was noticeably annoyed over spending much of the month of April preparing for the visit which he was certain had more to do with politics than with policy. Excerpts from two diary entries express the Ambassador's displeasure:

April 10: Clearly the V.P. wants something so supercolossal that it will even wow the yokels back home in the election year. Being more concerned with our relations with Colombia, and with substance rather than show, I am slightly appalled . . . The details in the Department's instructions are appalling--the only thing they haven't asked for is an officer to see that the V.P.'s fly isn't unbuttoned.

April 20: The press are to be treated like pampered Pekinese, and must get a preferential place in the cavalcade regardless of that putting other important officials . . . somewhere down among the teacups. It's to be a Hollywood supercolossal with the Embassy tagged with supplying the mobs for the mob scenes, which is all Nixon (or perhaps his staff) wants . . . it's going to be damned undignified.²¹

Although perhaps a bit cynical, Cabot's remarks seem to be accurate based on some of the instructions that he received from Washington concerning guest lists and seating charts for receptions, organization of motorcades, and "the importance which must be attached to the United States press delegation."²²

While in the midst of dealing with the endless preparations

for the Vice President's visit, Cabot confronted another potential crisis. Just days before Nixon's arrival, Cabot was awakened in the middle of the night with news that a coup had broken out against the interim ruling junta. Fortunately, it was only a minor uprising to be smashed almost before he could get word to Washington that a coup had started. Colombia, which Nixon visited on May 12, turned out to be one of the few uneventful stops on Nixon's trip which saw the Vice President harassed in Montevideo, stoned in Lima, and assaulted by angry mobs in Caracas. While certainly unfortunate for Nixon and his entourage, the mistreatment of the Vice President proved to be a blessing for Cabot and the others within the government who had been urging a reversal of United States policy. "The effect of the unhappy Nixon trip was to spark a debate about the Latin American policy of the United States," something Cabot had been unsuccessfully attempting to do for more than five years.²³

This debate was not actually new, as Cabot, Dr. Eisenhower, Assistant Secretary for Latin American Affairs Rubottom and a few others had been discussing the issue for some time. The Nixon trip brought the debate into the forefront, however, and forced it upon the President, Secretary Dulles and others who were actually in a

position to change the policy. Another factor in this revived debate was Dr. Eisenhower's trip through Central America which, despite some concern for his safety, proceeded as scheduled. Although there was no violence, the trip further convinced Dr. Eisenhower that he and the administration had been underestimating the amount of unrest in Latin America. He once again began to push for changes. In a preliminary report to the president Dr. Eisenhower pointed to an "imperative need for bankable loans . . . more stable relationship between raw commodity prices and the price of manufactured products," and "the urgent and immediate need to bring about throughout the hemisphere a clear accurate understanding of United States policies, purposes, programs, and capabilities."²⁴

The first fruit to emerge from this debate was that the United States would begin to distinguish between friendly dictatorships and democracy. As Nixon put it "a formal handshake for dictators; an embrace for leaders in freedom." Although this modification appeared to be a significant reversal, it may actually have been more a recognition of the fact that dictators throughout the area were being ousted in recent years.²⁵

A second shift, Washington's backing of the new Inter-American Development Bank, was announced in August at a meeting of the Inter-American Economic and Social Council. Although Cabot had been advocating such action for five years, he was noticeably disturbed by the procedure and the proposed structure of the Bank. He took this occasion to renew his correspondence with Dr. Eisenhower and in the most blunt and critical tone he had ever used with the President's brother, he vented his disenchantment with the Bank in particular and Latin American policy in general.²⁶

Cabot's first complaint was that he and the other chiefs of mission had been given less than one day's notice before the public announcement of United States participation in an Inter-American Development Bank, hardly sufficient time to play up the importance to the Latin American leaders. Even worse, the day after this announcement, President Eisenhower notified the public of a new Middle East development plan. Cabot shared the view of many in Latin America that, "there was little evidence that our move was anything but a sop to Latin America while we attended to the Middle East." He added "It was announced at a relatively low level by comparison with the announcement of our policy in the Middle East,"

and as a result, "from what was certainly a constructive announcement, we ended up getting as much blame as commendation."²⁷

The proposed Bank itself drew Cabot's ire as he charged that the proposed total investment of \$600 million "is not remotely adequate to solve even the most pressing and essential economic problems of Latin America," and warned that when the details were released, "we shall be in for another major wave of resentment against the United States." Cabot further argued that there was no possible way that the debt ridden Latin American countries could come up with two thirds of this investment as had been suggested in the original outline. Reverting to a point he had articulated for years, Cabot complained, "I have the impression that we have had no policy for Latin America since the war . . . all we have done is to feed them by nibbles as their demands became so strident that we felt something must be done." Cabot's growing frustration surfaced when he wrote that it might be better for the United States to "say no firmly" than to "again seem to throw a nibble."²⁸

Cabot warned anew that, "if we do not do more than what is

forced upon us, we are going to find that we increasingly lose control of the situation in Latin America." Before he closed he offered still another suggestion: that Washington carefully study the idea of a hemispheric common market. Although he discounted the likelihood of the idea being approved either in the United States or in many countries of Latin America, Cabot felt that the proposal itself might improve his country's image in the region. No hemispheric common market emerged, but the Eisenhower administration began to support regional economic associations, something that it had not previously done.²⁹

Following the Nixon visit, the Eisenhower administration adopted another initiative that Cabot had been urging for sometime. It decided to support commodity stabilization agreements, the most important of which was an international coffee agreement which was signed by fifteen Latin American countries in September, 1958. This agreement provided for each of the signatories to gradually reduce the amount of coffee they would produce each year, thus contributing significantly to economic stability in coffee producing countries.³⁰

In February 1959, President Eisenhower approved NSC

5902/1, which set forth the administration's new policy toward Latin America, positions Cabot had been advocating as far back as 1953. According to Deputy Assistant Secretary of State Snow, the principal change from previous policy

may be summarized as greater recognition of the importance of Latin American attitudes, greater acceptance that Latin American economic development will require an additional flow of private and public capital from the United States and greater stress on cultural exchanges and informational activities. Recently adopted courses of action, such as the establishment of the Inter-American Bank, are recorder and greater flexibility is given in meeting critical economic problems.³¹

Unquestionably by early 1959, the administration's Latin American policy had undergone considerable revision and that many of the changes reflected acceptance of the arguments that Cabot had been making for several years. Less clear is the role that Cabot's prodding actually played in this policy revision. In his study of Latin America, *The Wine is Bitter*, Dr. Eisenhower gives most of the credit for the new Latin American policy to three individuals within the State Department--Under Secretary of State for Economic Affairs Douglas Dillon, Assistant Secretary of State for Economic Affairs Thomas C. Mann and Assistant Secretary for Latin American Affairs Rubottom. According to Dr. Eisenhower, "in 1958, Dillon, Mann and

Rubottom quickly recognized the need for changes in our policies. They began setting up commodity study groups . . . They agreed the time had come for us to take the lead in creating an Inter-American Bank," and "We all felt that the United States should begin promoting the development of common markets in Latin America." Dr. Eisenhower makes no mention of the fact that he had been discussing these very ideas in his correspondence with Cabot, an exchange begun months before these policy revisions were set in place.³²

The President in *Waging Peace* claims, "Some of these significant advances were a direct result of the appointment . . . of my brother Milton as my personal representative and special ambassador on matters affecting Latin America." The President specifically notes the impression left in Dr. Eisenhower's report on his Central America trip of 1958 that, "time was running out in Latin America," the same message that for several months Cabot had been repeating to Dr. Eisenhower.³³

Stephen Rabe, in his book, *Eisenhower and Latin America* , gives perhaps the most balanced view of the change in policy. He singles out Dillon as its leading advocate within the administration,

but also credits Dr. Eisenhower with directly influencing the President, and the Nixon trip for forcing the issue on the President. Rabe also underscores that the two strongest opponents of a new Latin American policy over the years were no longer strategically placed to block change. Secretary of the Treasury Humphrey had resigned to be replaced by less rigid Robert Anderson, and Secretary of State Dulles then in poor health had lost some of the power he had enjoyed earlier.³⁴

Cabot himself, principally credits the change in policy to "others in the Department"(probably Dillon, Mann and Rubottom) who had "reached the same conclusion," that current Latin American policy was in serious need of revision. While he was corresponding with Dr. Eisenhower, they were "working to get something done." In truth, Cabot deserves more credit for the policy shift of 1958 than he has been given or even than he gave himself. While it is true that many factors contributed to the shift, it is also true that Cabot had been one of its first and strongest advocates. Whether indirectly by planting the seed in the minds of his many contacts in and out of the Department, or more directly through his extensive correspondence with Dr. Eisenhower at the very time that the latter renewed his

campaign for change, Cabot certainly contributed to the Administrations decision to revise its Latin American policy.³⁵

With these revisions in place, Cabot spent his remaining months in Colombia dealing with some of the now familiar problems. The Catholic-Protestant antagonism flared up again and the Catholic press continued its criticism of Cabot. This time he defended himself and American policy in a letter to the newspaper *El Catolicismo*. An effective ploy, the editor not only published the letter, but also issued "a mild reply" in which the newspaper declared the debate closed.³⁶

In October 1958, former dictator Rojas Pinilla had returned to the country. Again Cabot had to face the possibility of a coup until Colombian authorities imprisoned the ambitious politician, thus removing the threat and allowing the Ambassador to rest easier.

During his last months in Colombia, Cabot conducted a series of public meetings throughout the country at which he answered questions raised by Colombian students and others who attended the sessions. He had launched this public relations experiment while the United States Ambassador to Sweden, and had won much praise for

the idea both in the United States and in Sweden. As in Sweden, he travelled to colleges or other appropriate assemblies there to field questions concerning American policy. Not only did this format provide him an opportunity to clarify misunderstandings of that policy, but it also educated the Ambassador as to the concerns, grievances and thoughts of the Colombian people, not to mention the fundamental problems of the region. Cabot later recalled that these meetings were "exceedingly useful." Most surprisingly he encountered, "no hostile demonstrations or heckling." The religious question which had elicited so much criticism from the press, was not even raised. These public forums continued as a Cabot trademark for the remainder of his career. Perhaps, subtly at least, they had a long term impact on Washington's relations with Latin America since he was often meeting with students, the future leaders of the respective countries.³⁷

In May 1959, Cabot learned that the ambassador to Brazil was leaving her post. As he later remembered it, "I had long yearned to be appointed Ambassador there. It was therefore a great pleasure to receive a telephone call . . . asking if I would accept the appointment."³⁸

ENDNOTES

1. Cabot to Department of State, "Political Summary and Assessment", 9 July 1957, *FRUS*, 1955-1957, 7:942-947.
2. Cabot, *First Line of Defense*, 102.
3. Memorandum of a Conversation, Department of State, 7 October 1957, *FRUS*, 1955-1957, 7:949-950; chart entitled "U.S. Aid to Columbia", reel #3, folder 87, Cabot Papers.
4. Cabot Memo, no date given, but written in Columbia sometime after March 1958, *ibid.*
5. Baltisar Alvarez Restrepo (Bishop of Pereira, Columbia) "A Letter from a Bishop", *America*, 14 June 1958, *ibid.*
6. Cabot memo n.d., *ibid.*
7. *Ibid.*; Cabot to Margaret Whiteman, Assistant Legal Advisor for Inter-American Affairs, 13 August 1957, reel #1, folder 73, Cabot Papers.
8. Cabot to Rubottom, 6 November 1957; Rubottom to Cabot, 6 December 1957, both in reel #3, folder 75, Cabot Papers.
9. Maurice Burnmaum to Cabot, 14 July 1958, reel #3, folder 74, Cabot Papers.
10. For text of the Cabot-Dr. Milton Eisenhower correspondence see reel #1, folder 73, and reel #2, folders 74-79; Cabot to Dr. Eisenhower, 24 January 1958, *ibid.*
11. Dr. Eisenhower to Cabot, 3 January 1958, *ibid.*
12. Cabot to Dr. Eisenhower, 24 January 1958, *ibid.*

13. Dr. Eisenhower to Cabot, 30 January 1958, *ibid.*
14. Cabot to Dr. Eisenhower, 6 February 1958, *ibid.*
15. *Ibid.*
16. Dr. Eisenhower to Cabot, 20 February 1958; Cabot to Dr. Eisenhower, 26 February 1958 both found, *ibid.*
17. *Ibid.*
18. Dulles quoted in Rabe, *Eisenhower and Latin America*, 92.
19. *Ibid.*, 94; Cabot to Dulles, 25 April 1958, reel #2, folder 74, Cabot Papers.
20. *Ibid.*
21. Cabot diary entry, reel #20, Cabot Papers.
22. Unsigned Memo from Department to Cabot 16 April 1958, reel #2, folder 74, Cabot Papers.
23. For Cabot's view of the coup see Cabot, *First Line of Defense*, 104; for Nixon's account of trip see Richard M. Nixon, *Six Crises*, (Garden City, N.Y.: Doubleday, 1962); Rabe, *Eisenhower and Latin America*, 102.
24. Editor's Note, *FRUS*, 1958-1960, 5:264; for text of Dr. Eisenhower's preliminary report see Department of State *Bulletin*, 25 August 1958, 309; for Dr. Eisenhower's account of the trip see, Eisenhower, *The Wine is Bitter*, 208-223.
25. Rabe, *Eisenhower and Latin America*, 104; Nixon quoted from Richard M. Nixon, *Six Crises*, 191-192.
26. Rabe, *Eisenhower and Latin America*, 112.

27. Cabot to Dr. Eisenhower, 25 November 1958, reel #2, folder 75, Cabot Papers.

28. Ibid.

29. Ibid.; for administration stance on economic associations see Dwight D. Eisenhower, *Waging Peace 1956-1961*, (Garden City, N.Y.: Doubleday, 1965) 516.

30. Ibid.

31. For text of NSC 5902/1 see *FRUS*, 1958-1960, 5:91-105; Snow to Acting Secretary of State, 9 February 1959, quoted in editorial note *FRUS*, 1958-1960, 5:78.

32. Eisenhower, *The Wine is Bitter*, 209.

33. Eisenhower, *Waging Peace*, 517.

34. Rabe, *Eisenhower and Latin America*, 84-116.

35. Cabot, *First Line of Defense*, 102.

36. Ibid., 106.

37. Ibid.

38. Ibid., 107.

CHAPTER 6

BRAZIL: 1959 - 1961

When Cabot arrived in Brazil in July 1959, that country was not the tranquil tropical "paradise" that he remembered from his previous assignment there nearly a quarter of a century earlier. Instead, it was a rapidly developing country whose government was in the midst of a "heated dispute" with the State Department over economic policy. Cabot would spend the next two years trying to resolve several minor diplomatic disputes between the two countries while continuing to press for a more comprehensive long term Latin American policy.¹

Cabot's primary challenge stemmed from Brazilian President Juscelino Kubitschek's plan to modernize Brazil under his slogan "fifty years of progress in five." Under Kubitschek, Brazil's economy had been growing rapidly, but at a price. Growth had been paid for by drastically increasing the amount of money in circulation, which led to spiralling inflation. Both the International Monetary Fund, (IMF) and the Export-Import Bank had extended loans to Brazil, but in 1959 both creditors refused to make any additional loans until Brazil

"adopted more orthodox financial methods." Kubitschek feared that ending his inflationary practices would slow the development that the country was experiencing. He not only refused to change his economic policies, but he also became very critical of the United States for attempting to "dictate Brazil's financial policy." Although the feud between Kubitschek and the IMF would continue for more than a year, fortunately for Cabot, the most heated exchanges were over by the time he arrived.²

After four months in Brazil, Cabot concluded, "There is no evidence that I can see that President Kubitschek has any real intention of economizing. On the contrary, his whole philosophy is one of all-out development and the hell with the economic consequences." Since it was apparent that Washington would fail in its efforts to stabilize Brazil's finances as long as Kubitschek was in office, the State Department could only console itself that Kubitschek's term as president would to expire in January 1961. With that thought in mind, Cabot suggested, "Our present concern should be to get through the next fourteen months with as little damage as possible to Brazil's economy and development, and to the relations between the two countries."³

Encouraging his colleagues to get "through the next fourteen months" was only short term. Thinking beyond the short term, Cabot made a series of recommendations to Assistant Secretary of State for Inter-American Affairs Rubottom which would effect long term relations with Brazil. One recommendation which he had been making since the first days of the Eisenhower administration was that the president visit Latin America. He also suggested that Secretary of State Christian Herter, who had succeeded the dying Dulles "should visit Brazil at an early opportunity and not repeat Acheson's and Dulles' mistake of waiting too long." In Cabot's opinion these visits as well as any similar gestures would be very beneficial since the Brazilians "yearn to be considered a great power, and they feel we have treated them on a par with Honduras."⁴

However important the public relations gestures might be, Cabot felt the United States should change the substance of much of its current policy toward the country. He suggested that the new Inter-American Development Bank provide a loan to the Brazilian national oil company, Petrobras, that P.L. 480 funds grants rather than loans, that the United States increase sugar imports from Brazil, that his country cooperate with Brazil on a scientific study to

find all possible uses for coffee, and that the United States increase the amount of technical and health care assistance.⁵

Additionally, Cabot proposed that Washington should find out more about Operacao Panamericana (OPA) and if it were truly realistic, the United States should support it. OPA was the name given to a vague cooperative plan for developing Latin America devised by Augusto Federico Schmidt, a close advisor to President Kubitschek. Cabot met with Schmidt several times, but "never was able to pin him down as to what he meant by Operacao Panamericana." The Brazilians continued to talk about OPA and, in fact, President Eisenhower publicly praised the idea during his visit to Brazil. Unfortunately it turned out to be more of a slogan than an actual program and Cabot finally concluded that Schmidt was "a poet rather than an expert in development."⁶

Soon after forwarding these recommendations, Cabot received word that the President would finally visit South America and to be accompanied by the Secretary of State, the Assistant Secretary for Latin American Affairs, Rubottom, and members of the recently formed Advisory Committee on Inter-American Affairs which included, among others, the President's brother Milton

Eisenhower.

While making preparations for the President's visit, Cabot received a reply to the recommendations he had made to Assistant Secretary Rubottom. The Assistant Secretary informed Cabot that a loan to Petrobras would not be feasible, but that funds for "sound development loans" would be available and the idea that P.L. 480 profits be grants rather than loans would be studied. The Assistant Secretary also asked for additional information on OPA, but made no specific response to Cabot's other recommendations. In conclusion the Assistant Secretary admitted, "I have the impression that I have left more unsaid than said . . . I hope to go over this orally with you and I feel this will be more productive than anything I can write."⁷

The President visited Argentina, Brazil, Chili, and Uruguay during his trip, spending February 23-26 in Brazil. Cabot faced the same type of organizational problems that had confronted him during the Nixon visit two years earlier, and there were some logistical difficulties, particularly with the President's visit to the new inland Brazilian capital of Brasilia. Kubitschek arrived late, a car accident occurred in the motorcade, and it poured rain throughout an open car motorcade. An airplane crash, moreover, killed several members of

the United States Navy band which was to play for one of the receptions. Nevertheless the President was extremely well received in Brazil and in the other countries. Enthusiastic crowds greeted the President at every stop with no hint of the type of trouble Nixon had experienced on his visit. The closest thing to a protest that Eisenhower experienced was a letter he received from a student organization in Chili which very politely pointed out errors in United States policy, and a few signs that proclaimed "We like Ike; We like Fidel too"⁸

However little Eisenhower's trip resembled Nixon's, like the Vice President's jaunt, it constituted a turning point for the Eisenhower administration. The new emphasis on Latin America begun after the Nixon visit in 1958 with such programs as the Inter-American Development Bank and commodity stabilization agreements, was completed in the months following the president's South America trip. The most significant change in policy came with the July announcement of the Social Progress Trust Fund, an economic aid program which had been sought for so long by the Latin Americans. The administration also announced it would increase funding for the Inter-American Development Bank. These two

announcements signified that the administration "had radically changed its view on what fostered communism in Latin America."

The administration seemed finally to be agreeing with Cabot who for years had been arguing that the best way to fight communism was to improve the social and economic conditions of the people rather than simply backing any staunchly anti-communist government.⁹

This new emphasis saw too, the administration's favoring "reform-minded politicians, educators, and military officers." It pledged \$10 million to help launch the Central American Common Market, it expanded a student-exchange program, and it announced "a more flexible attitude on commodity agreements." Another Inter-American economic conference was held in Bogota in September. This time the United States delegation actually had something concrete to offer its neighbors, and "for the first time in the postwar period, United States diplomats enjoyed convening with Latin Americans"¹⁰ The meeting produced the Act of Bogota which pointed out the need "to modernize and improve the existing legal and institutional framework to ensure better conditions of land tenure, extend more adequate credit facilities and provide increased incentives in the land tax structure." The act also called for a re-

examination of "the equity and effectiveness of existing tax schedules and collection procedures." With the exception of the specific mention of tax equity, the Act of Bogota sounded similar to past rhetoric. The difference was that now Washington appeared prepared to implement this rhetoric with money, something it had been very reluctant to do in the past.¹¹

Although at the time few people seemed to recognize it, the administration's new approach was, in fact, a change in the fundamental United States policy toward Latin America. Non-intervention, which had been the foundation of the Good Neighbor Policy, had been replaced by collective intervention. Rather than military intervention, however, the as yet unnamed policy was characterized by economic intervention primarily through the Social Progress Trust Fund and the Inter-American Development Bank. The administration had not only replaced the Good Neighbor Policy, it had in effect established the "foundation for the Alliance for Progress"¹²

Both the President and Dr. Eisenhower argued that this fundamental change was simply a logical conclusion to the evolutionary process Latin American policy had been undergoing for

more than two years. The catalyst was the trip to South America where the President suddenly realized that the current United States policy "had failed to benefit the masses" and that "the demand for social justice was still rising." As Dr. Eisenhower explained, the President "had seen enough to convince him that the choice was between rapid peaceful action and violent revolution, between reform in freedom and dangerous moves toward Communist dictatorships." Ironically, such language paralleled nearly verbatim the arguments advanced by Cabot in his "Evolution or Revolution" speech and in his letters to Dr. Eisenhower.¹³

Although both the President and Dr. Eisenhower went to great lengths to deny it, Castro's activities in Cuba had a great deal to do with the sudden policy reversal of 1960, as Cabot argued. Fidel Castro, who had overthrown Fulgencio Batista in 1959, was now forcing the Washington to act. Originally Castro's movement may or may not have been communist, but by early 1960, Castro's Cuba "had been abruptly transformed from a client of the United States into a radical bitterly Anti-American nation." In the wake of this "Castro-Communist challenge," the administration was finally forced to accept what Cabot had been warning them of for years that social,

political, and economic conditions in Latin America combined with Washington's neglect of the region were providing the Soviets with "a heaven-sent opportunity to move into this field with minimal costs and maximum opportunities." To remove this "heaven-sent opportunity," and "to prevent radicalism from spreading, it had to underwrite a thoroughgoing reform of Latin America's political, social, and economic institutions." In his diary, Cabot revealed ambivalence to what he considered a very tardy change in policy motivated by the wrong reasons:¹⁴

I could laugh and I could weep. After seven years the administration is doing what I have been arguing for all these years--and has accepted the basic reasoning (evolution or revolution) for my stand. But Fidel has done it! What a crass undignified performance on our part! We move only when we have to consider the hemispheric repercussions of our row with Cuba--a point which will not be lost in L[atín] A[merican] . . . I am appalled at the confusion re L[atín] A[merican] policy evidently no one had thought through what needed doing when the Cuban firecracker exploded, as was inevitable; now a program is being hastily improvised.¹⁵

As Cabot pointed out, the administration had indeed accepted nearly everything that he had been proposing since his days as Assistant Secretary. While conversion to the Cabot tenet should have, and apparently did please him, frustration and bitterness were also present, because of the path followed by the administration.

Rather than actively developing a sound, well conceived, long term strategy toward Latin America because that would be the right thing to do for both Latin America and for the United States, it was continuing the practice of reacting to events as they arose.

In late 1960, as Cabot neared the end of his Latin American career, he had every reason to be optimistic about Brazil's, as well as the Western Hemisphere's future. Although he had received virtually no credit for it, the official policy of the government reflected much of what he had been advocating. Kubitschek with whom Cabot had experienced his share of disagreements, had been replaced in the recent Brazilian elections, and following the presidential elections in the United States, Cabot was further "encouraged by [Kennedy's] promises to do something about our relations with Latin America." Cabot enjoyed relative peace and tranquility during his last months in Latin America, travelling to various parts of Brazil which he had not previously visited and holding several of his now familiar public forums with Brazilian students.¹⁶

Of course, a few developments marred the tranquil picture. The newly elected Brazilian President, Janio Quadros, proved to be

much less cooperative than Cabot had hoped. Quadros decided that Brazil should end its traditional Cold War alignment with the United States and pursue an independent foreign policy which would include cultivating relations with Soviet bloc countries. Yet he still sought economic aid from Washington. Cabot saw this maneuver as a blatant effort to blackmail the United States into giving him aid in return for his loyalty in the Cold War. The Ambassador warned, therefore, that yielding to this kind of pressure would lead to similar problems in the future.¹⁷

The new Kennedy administration did not heed Cabot's warning. In February, Adolph A. Berle Jr. arrived in Brazil prepared to offer a \$100 million loan if Brazil would support Washington's anti-Castro position. Quadros refused the \$100 million and countered with what Cabot called a request for "everything including the kitchen sink, not to mention an ice box, deep freeze, washing machine and hair curlers." The Berle mission failed, but the administration persevered. In early April Douglas Dillon, the new Secretary of the Treasury, arrived in Brazil and despite Cabot's efforts to dissuade him, negotiated an arrangement which featured a "huge rescheduling of debts" along with a large influx of new economic aid from a

variety of sources. It is ironic that after arguing for so many years about the need for increased aid, Cabot's final stand was his opposition to providing aid to Brazil. The question was not Brazil's financial needs, for as Cabot admitted, "The finances of Brazil could scarcely be in a worse mess." Rather it was the process followed by the administration in reaching the decision. Not part of a long range plan, the aid came as a last resort to obtain Brazilian support for the Bay of Pigs invasion which was only days away. As Cabot put it, "Quadros had once again proved that the way to get things from Uncle Sam is to kick him in the shins."¹⁸

Cabot's assessment proved to be accurate as Quadros continued to snub the United States, first by welcoming Cuban revolutionary hero Ché Guevara just days after Dillon's departure, and later that month by denouncing the Bay of Pigs invasion. The recommendation against aid to Quadros was Cabot's last attempt to influence a decision affecting Latin America. In May, he returned to Washington on leave and there found out that he was being replaced as Ambassador to Brazil. Because the new Ambassador, Lincoln Gordon, did not want to take office until October, Cabot had to return to Brazil for a short time but found that there was little to do as a lame

duck Ambassador.

After an extended leave following his return from Brazil, Cabot assumed his last diplomatic post when he became Ambassador to Poland in 1962. After serving three years in Poland Cabot returned to Washington where he served as Deputy Commandant of the National War College for one year before retiring after 40 years in the Foreign Service. During his retirement Cabot continued to write articles on various aspects of diplomacy as well as a book entitled *First Line of Defense* in which he reminisced about his career and diplomacy in general. Cabot also taught briefly at the Fletcher School of Law and Diplomacy. He died on February 24, 1981 in Washington D.C.¹⁹

ENDNOTES

1. Cabot, *First Line of Defense*, 109.
2. E. Bradford Burns, *A History of Brazil*, (New York: Columbia University Press, 1970)335, 338; Cabot, *First Line of Defense*, 109.
3. Cabot to Rubottom, 4 December 1959, *FRUS*, 1958-1960, 5:745; *Ibid.*, 747.
4. *Ibid.*, 748.
5. *Ibid.*, 749.
6. Cabot, *First Line of Defense*, 114.
7. Rubottom to Cabot, 18 January 1960, *FRUS*, 1958-1960, 5:756.
8. Eisenhower, *Waging Peace*, 526-527; for more on Eisenhower trip see *Ibid.*, 514-539, for statements issued during the trip see U.S. General Services Administration, *Public Papers of the Presidents of the United States: Dwight D. Eisenhower, 1960-1961*,(Washington: Government Printing Office, 1958-1961), 210-230, 282-287.
9. Rabe, *Eisenhower and Latin America*, 142.
10. *Ibid.*
11. Dreier, *Organization of American States*,106.
12. Eisenhower, *The Wine is Bitter*, 251; Two additional authors who support Dr. Eisenhower's argument that much of the Alliance for Progress was established by the Eisenhower administration are Rabe, *Eisenhower and Latin America*, 149, and Burton I. Kaufman, *Trade and Aid: Eisenhower's Foreign Economic*

Policy 1953-1961, (Baltimore: The Johns Hopkins University Press, 1982), 209.

13. Eisenhower, *Waging Peace*, 530; Eisenhower, *The Wine is Bitter*, 248.

14. Rabe, *Eisenhower and Latin America*, 117; Cabot to Dr. Eisenhower, 24 January 1958, reel #2, folder 74, Cabot Papers; Rabe, *Eisenhower and Latin America*, 117; for more on U.S. and Cuban Revolution including survey on historiographic literature see Richard E. Welch Jr. *Response to Revolution: The United States and the Cuban Revolution, 1959-1961*, (Chapel Hill: University of North Carolina Press, 1985)

15. Cabot diary entry, 5 July 1960, reel #21, diary 21, Cabot Papers.

16. Cabot, *First Line of Defense*, 119.

17. *Ibid.*, 120-124; for more on Quadros see Burns, *A History of Brazil*, 354-359.

18. *Ibid.*, 121; Cabot to Senator Leverett Saltonstall, 17 January 1961, reel #5, folder 120, Cabot Papers; Cabot, *First Line of Defense*, 121.

19. *Ibid.*, 125-131.

CONCLUSIONS

During the four decades that he spent in the Foreign Service, John Moors Cabot had a positive and lasting impact on Latin American relations. At times he received more than his share of criticism. He was "fired" from the most influential position he ever held. He endured repeated frustrations in his many attempts to change policy. Nevertheless, he consistently and vigorously defended his positions, he unceasingly sought solutions to the problems he encountered, and most important he incessantly studied alternatives and proposed solutions. He worked hard to become fluent in both Spanish and Portuguese, and took the time to learn about the local cultures of the areas where he was assigned. Through his innovative public forums and other contacts, he came to understand the wants and needs of the local people. Moreover, he was not reluctant to capitalize on his many contacts in the government as he tried to improve Washington's relations with its southern neighbors.

Early in his career, when not yet in a position to have a great impact on official relations, Cabot worked to establish the Maria

Moors Cabot award which encouraged better relations through better media coverage. During World War II he improved Latin American relations by criticizing Britain during the Belize dispute, and by sympathizing with Latin concerns at the international conferences he attended. Immediately after the war, although he was unjustly criticized for his efforts, Cabot actually worked behind the scenes to prevent American interference in Argentine politics. As Assistant Secretary of State for American Republic Affairs he was one of the first to argue that Washington's policies were neglecting Latin America in favor of new found friends and even ex-enemies, an argument which may have cost him his job. As Ambassador to both Colombia and Brazil he perceived that American policy was failing and that by favoring the established elites of Latin American countries while neglecting the needed social reform and economic development Washington was actually providing a "heaven-sent opportunity" for communist infiltration. Long before Castro's Revolution in Cuba, Cabot had warned that social change was coming, either by "evolution or revolution."¹

It is difficult to ascertain exactly what impact Cabot had on the Eisenhower administration's Latin American policy. There is no

conclusive evidence that he ever directly altered policy. On the other hand, the administration, on more than one occasion, did adopt policies for which Cabot had been lobbying. Thus it appears that Cabot did influence policy decisions. This influence, however, was predominantly an indirect one exerted through his contacts in the State Department and, more importantly, through his relationship with Milton Eisenhower.

Cabot understood how important Latin America was to the United States. He appreciated the complexity of the problems affecting that relationship and that their solution was essential if the United States were really to enjoy good hemispheric relations. He also understood, however, that his country's resources were limited; yet even if resources were unlimited, he knew that ultimately only Latin American's themselves could solve these problems. The United States could only provide assistance, which in his opinion it should do.

In addition to the major effects on policy discussed above, there were countless other times that Cabot subtly improved relations between the United States and Latin America simply by paying attention to what the Latin Americans were saying or by

caring enough to find out what problems actually existed. At times it might seem as if Cabot favored Latin American interests over those of the United States. A closer examination, however, shows that nothing could be farther from the truth. Cabot had a strong belief that "The *first* line of defense of any country is not the military strength," but "diplomatic representatives abroad, who must do everything in their power to see that our relationships are favorable." For nearly forty years, Cabot was in the "first line of defense," and in these years he did nothing to jeopardize the interests of his country. He was simply one of the few to recognize, particularly during the 1950s, that what was best for Latin America was, in the long run, what was best for the United States.²

ENDNOTES

1. Cabot to Dr. Eisenhower, 24 January 1958, reel #2, folder 74, Cabot Papers; Cabot speech before joint meeting of Export Manager's Club and Export Advertising Association, Statler Hotel, New York City, 17 March 1953, reel #14, folder 49, Cabot Papers.

2. Cabot, *First Line of Defense*, ix.

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