

## The Camel Not in the Koran

**T**HE ARGENTINE WRITER Jorge Luis Borges once remarked that the lack of camels in the Koran proves its Middle Eastern provenance: only a native author, he explained, could have so taken the animal for granted as not to mention it. Perhaps a similar familiarity explains the absence of Latin America in recent discussions about the United States and its empire. Though Latin America has played an indispensable role in the rise of the United States to global power, it elicits little curiosity from its neighbor to the north. "Latin America doesn't matter," Richard Nixon advised a young Donald Rumsfeld, who was casting about for career opportunities. "Long as we've been in it, people don't give one damn about Latin America."<sup>1</sup> Likewise today. In their search for historical precedents for our current imperial moment, intellectuals invoke postwar reconstructions of Germany and Japan, ancient Rome and nineteenth-century Britain but consistently ignore the one place where the United States has projected its influence for more than

two centuries. "People don't give one shit" about the place, Nixon said.<sup>2</sup>

Were it not for Borges's insight, this studied indifference to Latin America would seem ironic, for the region has long served as a workshop of empire, the place where the United States elaborated tactics of extraterritorial administration and acquired its conception of itself as an empire like no other before it. The Western Hemisphere was to be the staging ground for a new "empire for liberty," a phrase used by Thomas Jefferson specifically in reference to Spanish Florida and Cuba. Unlike European empires, ours was supposed to entail a concert of equal, sovereign democratic American republics, with shared interests and values, led but not dominated by the United States—a conception of empire that remains Washington's guiding vision.

The same direction of influence is evident in any number of examples. The United States's engagement with the developing world after World War II, for instance, is often viewed as an extension of its postwar policies in Europe and Japan, yet that view has it exactly backwards. Washington's first attempts, in fact, to restructure another country's economy took place in the developing world—in Mexico in the years after the American Civil War and in Cuba following the Spanish-American War. "We should do for Europe on a large scale," remarked the U.S. ambassador to England in 1914, "essentially what we did for Cuba on a small scale and thereby usher in a new era of human history." Likewise, most discussions of George W. Bush's foreign policy focus on the supposed innovation of a small group of neoconservative intellectuals in asserting the right to unilateral preemptive military action both to defend national security and to advance American ideals. But neither the neocons' dire view of a crisis-ridden world that justifies the use of unilateral and brutal American military power nor their utopian vision of the same world made whole and happy by that power is new. Both have been fully in operation in Washington's approach to Latin America for over a

century. The history of the United States in Latin America is cluttered with "preemptive" interventions that even the most stalwart champions of U.S. hegemony have trouble defending.

From the mid-nineteenth to the early twentieth century, the U.S. military sharpened its fighting skills and developed its modern-day organizational structure largely in constant conflict with Latin America—in its drive west when it occupied Mexico in the mid-nineteenth century and took more than half of that country's national territory. And in its push south: by 1930, Washington had sent gunboats into Latin American ports over six thousand times, invaded Cuba, Mexico (again), Guatemala, and Honduras, fought protracted guerrilla wars in the Dominican Republic, Nicaragua, and Haiti, annexed Puerto Rico, and taken a piece of Colombia to create both the Panamanian nation and the Panama Canal. For their part, American corporations and financial houses came to dominate the economies of Mexico, the Caribbean, and Central America, as well as large parts of South America, apprenticing themselves in overseas expansion before they headed elsewhere, to Asia, Africa, and Europe.

Yet Latin America did more than serve as a staging ground for the United States's early push toward empire. The region provided a school where foreign policy officials and intellectuals could learn to apply what political scientists like to call "soft power"—that is, the spread of America's authority through nonmilitary means, through commerce, cultural exchange, and multilateral cooperation.<sup>3</sup>

At first, the United States proved a reluctant student. It took decades of mounting Latin American anti-imperialist resistance, including armed resistance, to force Washington to abandon its militarism. But abandon it it finally did, at least for a short time. In the early 1930s, Franklin D. Roosevelt promised that henceforth the United States would be a "good neighbor," that it would recognize the absolute sovereignty of individual nations, renounce its right to engage in unilateral interventions, and make concessions to economic nationalists. Rather than weaken U.S. influence in the Western

Hemisphere, this newfound moderation in fact institutionalized Washington's authority, drawing Latin American republics tighter into its political, economic, and cultural orbit through a series of multilateral treaties and regional organizations. The Good Neighbor policy was the model for the European and Asian alliance system, providing a blueprint for America's "empire by invitation," as one historian famously described Washington's rise to unprecedented heights of world power.<sup>4</sup>

But even as Washington was working out the contours of its kinder, gentler empire in postwar Western Europe and Japan, back in the birthplace of American soft power it was rearming. Latin America once again became a school where the United States studied how to execute imperial violence through proxies. After World War II, in the name of containing Communism, the United States, mostly through the actions of local allies, executed or encouraged coups in, among other places, Guatemala, Brazil, Chile, Uruguay, and Argentina and patronized a brutal mercenary war in Nicaragua. Latin America became a laboratory for counterinsurgency, as military officials and covert operators applied insights learned in the region to Southeast Asia, Africa, and the Middle East. By the end of the Cold War, Latin American security forces trained, funded, equipped, and incited by Washington had executed a reign of bloody terror—hundreds of thousands killed, an equal number tortured, millions driven into exile—from which the region has yet to fully recover.

This reign of terror has had consequences more far-reaching than the damage done to Latin America itself, for it was this rehabilitation of hard power that directly influenced America's latest episode of imperial overreach in the wake of 9/11.

It is often noted in passing that a number of the current administration's officials, advisers, and hangers-on are veterans of Ronald Reagan's Central American policy in the 1980s, which included the patronage of anti-Communist governments in El Salvador and

Guatemala and anti-Communist insurgents in Nicaragua. The list includes Elliott Abrams, Bush's current deputy national security adviser in charge of promoting democracy throughout the world; John Negroponte, former U.N. ambassador, envoy to Iraq, and now intelligence czar; Otto Reich, secretary of state for the Western Hemisphere during Bush's first term; and Robert Kagan, an ardent advocate of U.S. global hegemony. John Poindexter, convicted of lying to Congress, conspiracy, and destroying evidence in the Iran-Contra scandal during his tenure as Reagan's national security adviser, was appointed by Rumsfeld to oversee the Pentagon's stillborn Total Information Awareness program. John Bolton, ambassador to the United Nations and an arch-unilateralist, served as Reagan's point man in the Justice Department to stonewall investigations into Iran-Contra.<sup>5</sup>

Yet the links between the current Bush administration's revolution in foreign policy and Reagan's hard line in Central America are even more profound than the simple recycling of personnel. It was Central America, and Latin America more broadly, where an insurgent New Right first coalesced, as conservative activists used the region to respond to the crisis of the 1970s, a crisis provoked not only by America's defeat in Vietnam but by a deep economic recession and a culture of skeptical antimilitarism and political dissent that spread in the war's wake. Indeed, Reagan's Central American wars can best be understood as a dress rehearsal for what is going on now in the Middle East. It was in these wars where the coalition made up of neo-conservatives, Christian evangelicals, free marketers, and nationalists that today stands behind George W. Bush's expansive foreign policy first came together. There they had near free rein to bring the full power of the United States against a much weaker enemy in order to exorcise the ghost of Vietnam—and, in so doing, begin the transformation of America's foreign policy and domestic culture.

A critical element of that transformation entailed shifting the rationale of American diplomacy away from containment to rollback,

from one primarily justified in terms of national defense to one charged with advancing what Bush likes to call a "global democratic revolution." The domestic fight over how to respond to revolutionary nationalism in Central America allowed conservative ideologues to remoralize both American diplomacy and capitalism, to counteract the cynicism that had seeped into both popular culture and the political establishment regarding the deployment of U.S. power in the world. Thus they pushed the Republican Party away from its foreign policy pragmatism to the idealism that now defines the "war on terror" as a world crusade of free-market nation building.

At the same time, the conflicts in Nicaragua, El Salvador, and Guatemala allowed New Right militarists to find ways to bypass the restrictions enacted by Congress and the courts in the wake of Vietnam that limited the executive branch's ability to fight wars, conduct covert operations, and carry out domestic surveillance of political activists. The Reagan White House perfected new techniques to manipulate the media, Congress, and public opinion while at the same time reempowering domestic law enforcement agencies to monitor and harass political dissidents. These techniques, as we shall see, prefigured initiatives now found in the PR campaign to build support for the war in Iraq and in the Patriot Act, reinvigorating the national security state in ways that resonate to this day. The Central American wars also provided the New Christian Right its first extensive experience in foreign affairs, as the White House mobilized evangelical activists in order to neutralize domestic opponents of a belligerent foreign policy. It was here where New Right Christian theologians first joined with secular nationalists to elaborate an ethical justification for a rejuvenated militarism.

In other words, it was in Central America where the Republican Party first combined the three elements that give today's imperialism its moral force: punitive idealism, free-market absolutism, and right-wing Christian mobilization. The first justified a belligerent diplomacy not just for the sake of national security but to advance

"freedom." The second sanctified property rights and the unencumbered free market as the moral core of the freedom it was America's duty to export. The third backed up these ideals with social power, as the Republican Party learned how to channel the passions of its evangelical base into the international arena.

To focus, therefore, exclusively on neoconservative intellectuals, as much of the commentary attempting to identify the origins of the new imperialism does, deflects attention away from the long history of American expansion. The intellectual architects of the Bush Doctrine are but part of a larger resurgence of nationalist militarism, serving as the ideologues of an American revanchism fired by a lethal combination of humiliation in Vietnam and vindication in the Cold War, of which Central America was the tragic endgame.

After an opening chapter that makes the case for Latin America's role in the formation of the U.S. empire, the rest of this book explores the importance of the region to the consolidation of what could be called a new, revolutionary imperialism. Taken each on their own, the ideas, tactics, politics, and economics that have driven Bush's global policy are not original. An interventionist military posture, belief that America has a special role to play in world history, cynical realpolitik, vengeful nationalism, and free-market capitalism have all driven U.S. diplomacy in one form or another for nearly two centuries. But what is new is how potent these elements have become and how tightly they are bound to the ambitions of America's domestic ruling conservative coalition—a coalition that despite its power and influence paints itself as persecuted, at odds not just with much of the world but with modern life itself.<sup>6</sup> The book goes on to explore the intellectual reorientation of American diplomacy in the wake of Vietnam and the increasing willingness of militarists to champion human rights, nation building, and democratic reform. The third chapter considers how the rehabilitation of unconventional warfare doctrine in El Salvador and

Nicaragua by militarists in and around the Reagan White House laid the groundwork for today's offensive military posture. Here, the human costs of this resurgence of militarism will be addressed. In the many tributes that followed Reagan's death, pundits enjoyed repeating Margaret Thatcher's comment that Reagan won the Cold War "without firing a shot." The crescendo of carnage that overwhelmed Central America in the 1980s not only gives the lie to such a legacy but highlights the inescapable violence of empire. The fourth chapter turns to the imperial home front, examining how the Reagan administration first confronted and then began to solve the domestic crisis of authority generated by Vietnam and Watergate. It also argues that Reagan's Central American policy served as a crucible that forged the coalition that today stands behind George W. Bush. Chapter 5 is concerned with the economics of empire, how the financial contraction of the 1970s provided an opportunity for the avatars of free-market orthodoxy—the true core of the Bush Doctrine—to join with other constituencies of the ascendant New Right, inaugurating first in Chile and then throughout Latin America a new, brutally competitive global economy.

The last chapter tallies the score of the new imperialism in Latin America. Celebrated by Bill Clinton, and now Bush, as a model of what the United States hopes to accomplish in the rest of the world, Latin America continues to be gripped by unrelenting poverty and periodic political instability, as the promise of living under a benevolent American imperium has failed to materialize. As a result, new political movements and antagonists have emerged to contest the terms of United States-promoted corporate globalization, calling for increased regional integration to offset the power of the United States and more social spending to alleviate Latin American inequality. With little to offer the region in terms of development except the increasingly hollow promises of free trade, Washington is responding to these and similar challenges by once again militarizing hemispheric relations, with all dissent now set in the crosshairs of the "global war on terror."

The history of Latin America, a region that long bore the brunt of the kind of righteous violence enshrined in the Bush Doctrine, has much to say about Washington's current drive toward global hegemony, particularly on how its ideologues have come to believe that American power itself is without limits. More ominously, though, it points to where we may wind up if we continue down this path.

## How Latin America Saved the United States from Itself

**F**OR OVER TWO CENTURIES, Latin America has been caught in the crosswinds of empire, buffeted by the United States's revolutionary ambition and battered by its counterrevolutionary cruelty. Take the case of the Ford Motor Company. In the late 1920s, Henry Ford, on the advice of Secretary of Commerce Herbert Hoover, set out to build a rubber plantation on the banks of the Tapajós River in the Amazon rain forest in order to break the high-priced British latex monopoly.<sup>1</sup> Combining fancy and expedience, the project represented more than an effort to bring rubber production under Ford's direct control. "We would revolutionize the world," said National City Bank president Frank Vanderlip in 1918 of the global aspirations of early-twentieth-century, pre-Depression American industrialists, financiers, and politicians. Fordlandia, as Ford's jungle adventure came to be called, was an effort to do just that.<sup>2</sup>

Ford planted rubber trees on a plantation three times the size of Rhode Island, equipped with state-of-the-art processing facilities

intended to replicate the kind of mechanized industrial production he had pioneered in Detroit. The town that arose on the property soon housed four thousand workers, making it the third-largest city in the Amazon. But unlike those other rough-and-tumble settlements, this one sported concrete sidewalks, fire hydrants, a fully equipped hospital, modest bungalows for workers, larger homes for administrators, grass lawns, and white picket fences. "Shades of Tarzan!" ran a caption under a photograph of smiling plantation worker kids in a promotional brochure. "You'd never guess these bright, happy, healthy school children lived in a jungle city that didn't even exist a few years ago."<sup>3</sup> Churches, a golf course, a movie house, swimming pools, and weekly square dances simulated the customs and conventions of an American factory town, especially Ford's own Highland Park and River Rouge complexes. Just as Ford paid five dollars a day to American workers to create a disciplined working class with middle-class values and consumption habits, Fordlandia hoped to attract a steady labor force with a decent wage, free education, and health care.

The enterprise was doomed from the start. Swindled by a Brazilian con artist, Ford paid much more than the start-up land was worth. The terrain was hilly, which made it impossible to deploy the kind of large-scale mechanization Ford had envisioned. Its sandy soil leached out nutrients, a problem made worse by seasonal heavy rain. Chronic labor shortages and conflicts crippled production, while good pay and health care couldn't compete with the allure of industrializing cities like Rio or São Paulo. Rubber tappers, accustomed to having more control over their lives and work routines, protested the rigidity of the plantation's rules, the segregation of tasks according to race, and the abuse of administrators, who ranked Brazilians on a spectrum ranging from "savagery" to "tameless," much as they would livestock.<sup>4</sup> They also balked at attempts to regulate their social life, diet, and drinking habits. Riots frequently broke out, with workers destroying the time clocks and whistles used to

organize the workday. Managers responded with mass firings, which led to more clashes.

Ford had a reputation as a pioneer of applied industrial science, yet for the first five years of Fordlandia's operation he employed not one expert with experience in either tropical agriculture or rubber planting. Plantation managers refused to cultivate disease-resistant clones or to follow the advice of Brazilian botanists who warned that rubber trees needed to be scattered at safe distances throughout the jungle in order to prevent the spread of South American leaf blight. Mimicking the regimentation Ford imposed on his River Rouge factory floor, they instead stubbornly planted trees in tight, well-ordered rows. By 1934, *Microcuchus ulei* had spread from tree to tree, laying waste to the fledgling plantation. But Ford refused to give up. From his office in Detroit, he ordered the whole operation, dance hall and all, moved downriver. This effort, alas, failed too. After seventeen years, an investment of twenty million dollars, and the planting of more than three million trees, hardly any Fordlandia latex found its way into a Ford tire. In 1945, Henry Ford II sold the property to the Brazilian government for \$250,000, abandoning the town and its manicured lawns—along with his father's dream of leading a peaceful cultural revolution in Latin America—to the jungle.

Fast-forward three decades: Ford Motor Company had not, of course, deserted Latin America. Far from it, as its factories rolled out cars and trucks for sale throughout the continent. But America's corporate and political leaders were no longer sponsoring revolution but counterrevolution.

Latin American reformers, democrats, and nationalists, along with working-class and peasant allies, had begun to take seriously the twin promises of democracy and development held out by the United States since the 1930s, pressing for both an extension of political rights and a more equitable distribution of national wealth. But their efforts were repeatedly thwarted by their respective nations' ruling classes, made up of military officers, Catholic conservatives,



and economic elites. Politics became polarized throughout the continent, as one side increasingly saw revolution as the only way to give birth to a new world and the other embraced terror as the only way to abort it. Washington, by this time more concerned with confronting the Soviet Union than advancing democracy in Latin America, threw in with the forces of order, sponsoring coups, championing death-squad states, and embracing dictators.

Neither did American business stay neutral. In the mid-1960s, executives from thirty-seven corporations organized themselves into the Business Group for Latin America, made up of delegates from Ford, U.S. Steel, DuPont, Standard Oil, Anaconda Copper, International Telephone and Telegraph, United Fruit, and Chase Manhattan Bank. David Rockefeller, whose family had extensive holdings in Latin America going back to the nineteenth century, coordinated the group's activities and served as its liaison with the White House.<sup>5</sup> The idea was both to influence Washington's hemispheric policy and to apply direct pressure at the source, funding the campaigns of friendly Latin American politicians, helping allies hold down prices, and providing financial guidance to cooperative regimes. When lobbying proved insufficient, members of the group, either individually or in concert, worked with the CIA to foment coups, as they did in Brazil in 1964 and Chile in 1973.<sup>6</sup>

Some went further. A number of multinational corporations, including Ford, Coca-Cola, Del Monte, and Mercedes-Benz have been accused in recent years of working closely with Latin American death squads—responsible for hundreds of thousands of killings throughout the hemisphere in the 1970s and 1980s—to counter labor organizing.<sup>7</sup> In Argentina, Ford provided the squads with a fleet of greenish gray Falcons they used in their kidnapping and established on the premises of its manufacturing plant outside Buenos Aires a detention center where union activists were held.<sup>8</sup> Henry Ford's vision may have died in the jungle, but the discipline of his work rules remained: the Ford factory fired kidnapped

workers, at least those lucky enough to have survived, because of absenteeism.

As a parable of empire, Fordlandia captures well the experience of the United States in Latin America. The quixotic faith that led Ford to try to remake the Amazon in an American image—a truly utopian endeavor considering that he never set foot in Brazil—reflects a broader belief that the United States offers a universal, and universally acknowledged, model for the rest of humanity. In turn, Ford Motor Company's subsequent support of death-squad regimes demonstrates how that kind of evangelicalism easily gives way to brute coercion.

This chapter follows the long history of the United States in Latin America, swinging as it has between reform and reaction. It makes the case for the region's unacknowledged importance to the development of America's truly exceptional empire, unlike any that have come (and gone) before it. For over a century, Latin Americans resisted, often violently, both the United States's self-assigned mission to reform humanity, of the sort that drove Ford to the Amazon, and the militarism that such a mission inevitably generated. In doing so, they forced the United States, often against the worst impulses of its leaders, to develop more pragmatic and flexible imperial strategies, strategies that proved indispensable in its postwar rise to global superpower.

## DREAMERS IN ISRAEL

Even before the United States was its own nation, the land now called Latin America was for Anglo settlers a dreamscape and theater of ambition. Spain conquered much of the Americas nearly a century before English Pilgrims and Puritans set foot on what they would name New England. For seventeenth-century Protestant Nonconformists, the Spanish Crown's rule over large masses of



natives represented the most pernicious of what they had left behind, Catholic in its superstitions, languid in its aristocratic pretensions. It was a goad to those who believed that the New World—America—did indeed represent a chance to realize God's will on earth. Latin America also entailed that other quality all useful utopias need, a seeming bountifulness in which dreams could run unchecked. For would-be reformers, the reported guilelessness of its people, the openness of its landscape, the vulnerability of its economy made Latin America appear malleable as clay.

This combination of perceived corruption that demands reform and imagined innocence that begs for guidance was irresistible to successive generations of Christians, capitalists, and politicians. In the late seventeenth century, long before Henry Ford tried to erect a New Detroit in the Amazon, the Puritans Cotton Mather and Samuel Sewall imagined a New Jerusalem rising in Mexico. With New England barely a few score years old, Reverend Mather got busy learning Spanish to help Spain's subjects "open their eyes that they be converted from the shadows to the light, from the power of Satan to that of God" and worked with Sewall, better known as a judge during the Salem witch trials, to realize the dreams of the dreamers in Israel" in Mexico. "I rather think that *Americana Mexicana* will be the New Jerusalem," predicted Sewall.<sup>9</sup>

Soon after the American Revolution, merchants began to make inroads in the Spanish colonies of the south, vying with steadily increasing success against British traders. By the early 1800s the United States was shipping nearly \$7,000,000 worth of goods to Latin American harbors, with Cuba standing behind only Great Britain and France as the United States's largest commercial partner. Sea captains and merchant marines gained experience on the profitable trade route between New Orleans and Havana, before pushing beyond the Caribbean to the rest of Latin America and then China and India.<sup>10</sup>

Investment followed trade. Throughout the nineteenth century but especially after the economic contractions and corporate mergers

of the 1890s, many of America's largest international corporations got their start in Latin America, as capitalists poured billions into the region, first in mining, railroads, and sugar, then in electricity, oil, and agriculture. The W. R. Grace shipping company came to dominate Peruvian sugar production. Before investing in diamond mines in the Congo, the Guggenheims set up a branch of their American Smelting and Refining Company in Mexico. Access to Chilean ore allowed Charles Schwab in the first decades of the twentieth century to bypass U.S. Steel's domestic monopoly to turn his Bethlehem Steel Company into the world's largest independent producer. Similarly, the upstart Rockefellers leveraged their power in Latin America to weaken the grip J. P. Morgan and Company had on Wall Street finance. After the War of 1898 opened up the Caribbean to U.S. corporate interests, it was the Rockefeller-controlled Chase National Bank that financed most of the region's agricultural, mineral, and oil production.<sup>11</sup> By the early 1900s, Mexico attracted more than a quarter of total American foreign investment, rendering the border meaningless to U.S. financial houses.<sup>12</sup> Boston and New York banks capitalized the construction of rail lines that opened up the countryside for investment in agriculture, mining, ranching, and oil drilling. American interests took control of mines and smelters in Chihuahua, Durango, San Luis Potosí, Aguascalientes, Michoacán, Zacatecas, Puebla, and Guerrero. Standard Oil geologists fanned out from the American West to the Mexican desert and then down into the Amazon jungle in search of petroleum reserves.<sup>13</sup> By 1911, Americans owned most of Mexico's oil industry, which had become the world's third-largest petroleum supplier, and had established operations in Venezuela, Bolivia, Peru, and Brazil.

By the late nineteenth century, the dynamism of American capitalism and a growing sense of racial superiority had fortified the Missionary impulse on display since the time of Mather and Sewall. The "world is to be Christianized and civilized," wrote the Reverend

Josiah Strong in his 1885 best seller, *Our Country*, "and what is the process of civilizing but the creation of more and higher wants. Commerce follows the missionary."<sup>14</sup> A disciple of American expansion, Strong was a counselor to a number of early U.S. empire builders, including Alfred Thayer Mahan and Theodore Roosevelt. He shared with them an unapologetic belief in white ascendancy drawn from social Darwinism, which applied the concept of the "survival of the fittest" to international affairs. God bequeathed the Americas to the "Anglo Saxon race," claimed Strong, to train for "the final competition of races." Strong believed God's gift to be a work in progress, to be realized by what many of his contemporaries understood to be America's "manifest destiny." Following the vision of his Puritan forebears, the first step in the fulfillment of this destiny would be Latin America: whites would "move down upon Mexico," he ordained, "down upon Central and South America, out upon the islands of the sea, over upon Africa and beyond" to "people the world with better and finer material." And they did move down. Evangelical fundamentalists went into Mexico, Central America, the Andes, the Amazon River basin, and the jungles of Paraguay, ministering mostly to the continent's indigenous populations and translating the Bible into native languages. They understood their mission as both extending American power and bringing the world closer to the Second Coming of Christ—two goals that Christian missionaries generally believed to be mutually dependent.

The captains of American industry and finance saw their role in no less grandiose terms. Latin America was a school where business elites honed their sense of self-confidence and historical purpose. With a rock-ribbed faith in American-style capitalism and all the cultural trappings that go with it, corporate leaders sponsored religious and civic organizations, such as the Young Men's Christian Association, which preached the virtues believed to be most conducive to successful free enterprise: individualism, competitiveness, innovation, self-discipline, respect for private property, and, as a reward

for such commendable behavior, consumerism. The Rockefeller family, for example, extended its influence in Latin America by creating the secular Rockefeller Foundation to provide countries with critical medical assistance and by patronizing evangelical groups such as the Panama Congress on Christian Work in Latin America, the Commission on Indians in Latin America, and the Committee on Cooperation in Latin America.<sup>15</sup> Corporations also advanced their interests and their values through U.S. company towns, which by the early twentieth century had spread throughout the Caribbean, Mexico, and Central and South America. They were to produce not just sugar, bananas, or ore but, as in Ford's Amazon endeavor, self-disciplined American-style workers. "It takes just four years," calculated one Phelps Dodge engineer, "to complete the Americanization of the Mexican."<sup>16</sup>

All through the nineteenth and early twentieth centuries, mercenaries and militarists, men impatient with the slow unfolding of manifest destiny, took it upon themselves to expand the perimeters of empire. In 1855, the Tennessean William Walker raised an army and launched an invasion of Nicaragua from the port of New Orleans. After an easy victory over local troops, the "gray-eyed man of destiny" declared himself president and reestablished slavery, an institution Nicaraguans had abolished three decades earlier. Quickly recognized by the United States as Nicaragua's legitimate head of state, Walker ruled the country as a quasi-proconsul for a few years before being deposed and, after a failed bid to retake power, executed by Central American troops. A half-century later, the banana tycoon Samuel Zemurray bankrolled the Louisianans Lee Christmas and Guy "Machine Gun" Molony to overthrow the Honduran government and replace it with one that would grant Zemurray's Cuyamel Fruit Company generous land and tax concessions.<sup>17</sup>

Walker, Christmas, and Molony were unofficial advance men for America's growing reach, financed by corporate interests to pull the Caribbean and Central America tighter into the U.S. orbit. But

as the 1800s wore on, the federal government increasingly took over the work of imperial expansion.

By the mid-nineteenth century, the United States had incorporated nearly half of Mexico into its territory. It had sent warships into Latin American ports a staggering 5,980 times between 1869 and 1897 to protect American commercial interests and, increasingly, to flex its muscles to Europe.<sup>18</sup> In 1893, the United States quietly backed both a revolution in Hawaii instigated by American sugar barons that eventually led to the annexation of those islands and, with more bluster, a counterrevolution in Brazil, when, at the behest of Standard Oil's William Rockefeller, Washington sent man-o'-wars steaming into Rio de Janeiro's harbor to defeat rebels believed to be hostile to U.S. economic interests. In 1898, the United States took Puerto Rico and the Philippines as colonies and Cuba as a protectorate and established a series of coaling stations and naval bases throughout the Caribbean. In 1903, Theodore Roosevelt teamed up with J. P. Morgan to shave the province of Panama off Colombia, turning the new nation into an important global transit route and, as the eventual home of Southcom headquarters, the forecandle of America's hemispheric might.<sup>19</sup>

Over the course of the next thirty years, U.S. troops invaded Caribbean countries at least thirty-four times, occupied Honduras, Mexico, Guatemala, and Costa Rica for short periods, and remained in Haiti, Cuba, Nicaragua, Panama, and the Dominican Republic for longer stays. Military campaigns in the Caribbean and Central America during these decades not only gave shape to the command and bureaucratic structure of America's modern army (what eventually became known as the Joint Chiefs of Staff, for example, was put into place soon after the 1898 Spanish-American War) but allowed soldiers to test their prowess, to sharpen their senses and skills for larger battles to come in Europe and Asia.<sup>20</sup>

Troops understood their time in the Caribbean, Central America, and the Philippines as an extension of their experience with

political violence at home. Many of them either had firsthand experience in the wars against Native Americans or hailed from parts of the United States where Jim Crow held sway. As their successors would do in Vietnam and Iraq, troops described their rebel opponents as "Indians" and hostile territory as "Indian country."<sup>21</sup> And just as violent video games today serve both to quicken reflexes and anesthetize against the effects of violence, shooting practice in state fairs and fun parks made killing somewhat enjoyable for soldiers. It was "more fun than a turkey shoot," exclaimed a marine, recalling how he shot Filipino rebels as they swam across a river in retreat.<sup>22</sup> Lieutenant Faustin Wirkus (a Kurtz-like character who during his nineteen years in Haiti claimed to be the reincarnation of an earlier Haitian ruler and had himself crowned "king" of Vodou societies in the district of La Gonave) recalled how killing Haitian rebels was like playing "hit the nigger and get a cigar" games at amusement parks back home. In one battle that took place in front of a "chalk-like cliff," Wirkus said, black heads that "appeared over the top or around the side of a boulder" were "as clearly outlined as a bull's eye on a painted target."<sup>23</sup>

American soldiers in these so-called small wars learned to project their aggression onto their victims. Marine major Julian Smith testified that the "racial psychology" of "the poorer classes of Nicaraguans" made them "densely ignorant" and "little interested in principles." According to Smith, "A state of war to them is a normal condition." Along the same lines, Colonel Robert Denig observed in his diary, "Life to them is cheap, murder in itself is nothing."<sup>24</sup> When asked if he ever witnessed American brutality in Haiti, General Ivan Miller replied that "you have to remember that what we consider brutality among people in the United States is different from what they considered brutality."<sup>25</sup> (Similar opinions relating the exceptional regard Americans have for human life, even as they were taking it, became commonplace in subsequent wars, such as when the commander of U.S. forces in Vietnam, General William

Westmoreland, famously reported that "Orientals don't value life" the way Westerners did or when National Guard lieutenant Andrew Johansen last year in Iraq said that Iraqis don't "know the values of human life Americans have. If they shoot somebody, I don't think they would have remorse.")<sup>26</sup> Such attitudes led easily to cruelty. "I want no prisoners. I wish you to kill and burn, the more you kill and the more you burn the better you will please me," are the orders General Jacob Smith gave to his troops in the Philippines. And so they did, in what a British witness described not as a war but as "murderous butchery."

Starting in the late 1920s, Nicaragua offered the marines their most effective proving ground, becoming, according to a *New York Times* reporter who accompanied the expedition, the "first practical laboratory for the development of post-war aviation in coordination with ground troops."<sup>27</sup> For six years, U.S. troops fought the "bandit" rebel Augusto César Sandino in a war that allowed them to practice tactics that would become standard elements in twentieth-century air warfare. These included extended reconnaissance flights, ground-to-air communication signaling, use of aircraft to evacuate wounded in combat, propaganda leaflet drops, and long-distance aerial troop rotations and supply missions. They even field-tested a strange-looking contraption with wings, a forward propeller, and a horizontal rotor—a helicopter prototype called an autogiro. "Never before have planes participated in guerrilla warfare," wrote the *Times* journalist, but in Nicaragua "they have proved themselves a most deadly weapon against hidden enemies," helping to overcome mountainous terrain described by one First World War veteran as worse than anything he had seen in France. According to their own accounts, the marines, along with their Nicaraguan National Guard protégés, burned crops, razed peasant huts, bombed and strafed populations, and injured or killed perhaps thousands of Nicaraguans.<sup>28</sup> Scooping the Nazi Luftwaffe, the first dive-bombing campaign in military history was conducted in Nicaragua, when five two-seater de Havilland

biplanes swooped down to disperse insurgents just on the verge of routing U.S. ground forces.<sup>29</sup>

By the late 1920s, then, the United States had apprenticed itself as a fledgling empire in Latin America, investing capital, establishing control over crucial raw materials and transit routes, gaining military expertise, and rehearsing many of the ideas that to this day justify American power in the world. But the experience in Latin America, both during this initial "drive toward hegemony" and then during the Good Neighbor policy of the 1930s and 1940s, also pushed U.S. leaders to develop a coherently sophisticated imperial project, one better suited for a world in which rising nationalism was making formal colonialism of the kind European nations practiced unworkable.

### THE PORCUPINE PROBLEM

By the end of the nineteenth century, the idea of "expansion" enjoyed broad support across the political spectrum, ranging from financial and manufacturing elites to nationalists, agrarian populists, labor leaders, and secular and Christian reformers. There emerged a "convergence of economic practice within intellectual analysis and emotional involvement," as historian William Appleman Williams puts it, "that create[d] a very powerful and dangerous propensity to define the essentials of American welfare in terms of activities outside the United States."<sup>30</sup> Militarists such as Alfred Thayer Mahan, midwestern Republicans like Senators Albert Beveridge and Robert Taft, industrialists in the National Association of Manufacturers, financiers like Frank Vanderlip, and anticolonialist populists such as William Jennings Bryan may have all been driven by different motivations—social peace, national glory, foreign markets, democratic reform—but they increasingly came to share a vision of the world in which progress and prosperity at home were dependent on

the expansion of America's economic and, by extension, military power abroad.

But if expansion enjoyed broad support, the idea of direct colonialism did not. A nativist racism, unlike the imperialist variant expressed by Joseph Strong, led many in the United States to refuse the responsibilities of presiding over large populations of nonwhite peoples. William Jennings Bryan's declaration that the "Filipinos cannot be citizens without endangering our civilization" reflected this sentiment, but it also signaled a wish to protect America's working class from the competition of cheap labor.<sup>31</sup> Republicans like Beveridge and Taft promoted first a mighty navy and then a commanding air force as a way of protecting American shores and projecting American power but fought against the expansion of the army, which, they felt, would inevitably lead to overseas wars and increasing involvement in the messy waters of international politics. Sequential invasions and military occupations did indeed prove costly—particularly in the Philippines, where a bloody insurgency killed 4,000 American soldiers and 200,000 Filipinos—turning the public and many political leaders, including eventually Theodore Roosevelt and Woodrow Wilson, against formal empire. When an aide suggested to Roosevelt that he annex the Dominican Republic to quell political disorder and head off the threat of a German invasion to collect debt, the president replied that he was no more inclined to do so "than a gorged boa constrictor would be to swallow a porcupine wrong-end-to."<sup>32</sup>

Starting with the McKinley administration and carrying forward through the first decades of the twentieth century a consensus developed among American leaders that reconciled competing expansionist and anticolonial traditions. First fully elaborated by Secretary of State John Hay in relation to China, America's "Open Door" diplomacy resolved a number of problems for the young, ascendant empire. Most immediately, a demand for equal and open access to markets provided Washington a wedge to make inroads into

areas already under European colonial control. Over the long run, the demand for legal "equality with all competing nations in the conditions of access to the markets" provided the foundation for America's informal empire—finance became a vital instrument of state, allowing Washington to spread its influence while limiting the kind of opposition that direct colonialism inevitably engenders. America's economic ascendancy, it was felt, could both easily compete in an open field against European competitors and shape the economic and political institutions of poor countries to the advantage of U.S. lenders, investors, traders, and manufacturers.

There were two obstacles to the realization of the ideal of the Open Door policy. The first had to do with the inconvenient fact that the United States, following the 1898 Spanish-American War, found itself administering "new-caught sullen peoples, half devil and half child," not just in Cuba, the Philippines, and Puerto Rico but, for periods of time, in Panama, Nicaragua, Haiti, and the Dominican Republic.<sup>33</sup> Men like Hay hoped that a policy of open markets would prevent war and annexation, yet the drive for markets led to both. In addition to protecting and advancing America's substantial economic and geopolitical interests in the Spanish Caribbean, especially in Cuba, the war of 1898 was propelled by a need to seize the Philippines, also a Spanish colony, and use it as a staging area to project U.S. influence into Asia. That Germany had taken control of Kiaochow, on China's southern coast, in November 1897 prompted fears that European powers, along with Japan, would divide China among themselves and cut the United States out of the spoils. America's political and economic class concluded that Washington had to declare war on Spain not just to quell a rebellion in Cuba and stabilize the Caribbean but to establish a toehold in the Pacific.

The second problem had to do with defining the relationship between private economic interests and the government's geopolitical concerns. Theodore Roosevelt may have had no desire to swallow porcupines, but nineteenth-century "free-market solutions" to



let financiers—not to mention thugs like Machine Gun Molony, whom they sometimes contracted—operate as proxies for America's foreign interests proved unstable, as the experience of the New York-based San Domingo Improvement Company in the Dominican Republic demonstrated.

The company, which had purchased the Dominican Republic's foreign debt from European creditors in 1893, was grossly irresponsible and incompetent, floating national bonds in Europe at unsustainable interest rates and printing money that led the Dominican Republic to financial disaster.<sup>34</sup> Dominican nationalist opposition to this predation generated conflict and chaos, forcing Washington, anxious to prevent European, especially German, intervention, to place its Caribbean fleet at the company's command. In early 1905, Roosevelt, deciding that the U.S. military could no longer underwrite the SDIC's speculative escapades, took "virtual control," as the *New York Times* reported, of the Dominican Republic. He seized its customs house and instructed New York banks to refinance its national debts, including those held by SDIC and foreign creditors.

But beyond acting as a financial trustee, the United States set out to reform the country's political, security, and legal system, committing itself to a policy of nation building. Under the aegis of what Roosevelt's secretary of war and presidential successor, William Howard Taft, dubbed "dollar diplomacy," the State Department sought explicitly to extend U.S. interests in Panama, Nicaragua, Honduras, Guatemala, Haiti, China, and elsewhere by brokering and supervising private financial transactions. Washington took it upon itself to arrange for private consortiums either to buy up national debt held by European banks or, in the case of Asia, to invest in railroad development. Notwithstanding an occasional trespass on private profits, as in the Dominican Republic, diplomats continued to understand those national imperatives as the defense of open markets and property rights. But they increasingly saw the need for government intervention to stabilize the broader environment in which free enterprise could flourish.

It was during these first decades of the twentieth century, as the United States developed the rudiments of its exceptional, nonterritorial conception of empire, that the idea that national security, overseas capitalist development, and global democratic reform were indivisible goals began to seep into the sinews of American diplomacy. Taft described his foreign policy as "substituting dollars for bullets," which "appeals alike to idealistic humanitarian sentiments, to the dictates of sound policy and strategy, and to legitimate commercial aims." Yet rather than leading to the promised land of perpetual peace, such a trinity created by the 1920s something akin to perpetual war. Formal annexation may have been off the table, but in the following decades Washington would dispatch marines to invade, occupy, and try to force a host of other Central American and Caribbean nations, quills and all, to conform to the standards of international capitalism.

#### YOUR AMERICANISM AND MINE

Then, suddenly it seemed, America's overtly imperial moment was over. In 1933, Franklin D. Roosevelt, shortly after his inauguration, under what became known as the Good Neighbor policy, withdrew occupation forces from the Caribbean, abandoned a series of treaties that gave the United States special privileges in a number of Caribbean and Central American countries, and abrogated the Platt Amendment in Cuba's constitution, which granted Washington the right to intervene in that island's politics at will. He also agreed to a precedent-setting policy of absolute nonintervention in Latin American affairs. Washington even began to tolerate a degree of economic independence, allowing, for instance, Bolivia and Mexico to nationalize the holdings of U.S. oil companies. For the first time ever, the U.S. government could reasonably be expected to side with Latin American nations in their tax and labor disputes with North

American corporations. Washington backed loans to Latin America not only for infrastructure development to facilitate the extraction of raw materials and agricultural exports but for potentially competitive industrial production. When no private American steel company would finance the construction of a mill in Brazil, the State Department persuaded the newly established Export-Import Bank to do so.<sup>35</sup> The United States even helped Haiti, as part of its withdrawal plan, to buy back its Banque Nationale, which during the occupation had been taken over by New York's National City Bank. "Your Americanism and mine," FDR said in an address to the Pan-American Union, "must be a structure built of confidence, cemented by a sympathy which recognizes only equality and fraternity."<sup>36</sup>

On the face of it, a radical reversal of decades of U.S. policy had taken place, one that today would be the equivalent of George W. Bush's withdrawing troops from Iraq, repudiating his doctrine of preemptive strikes, signing the International Criminal Court treaty, normalizing relations with Syria and Iran, and permitting third-world nations to have greater control over international capital flows. Roosevelt took office with no reputation as a multilateralist, at least when it came to Latin America. He had previously supported the occupations of Mexico, the Dominican Republic, Panama, and Haiti, referring to the inhabitants of the latter country as "little more than primitive savages."<sup>37</sup> He even once claimed to have personally written Haiti's constitution.

What accounts for FDR's transformation from young imperialist to mature internationalist? First of all, the Great Depression had led to a sudden constriction of American power in the world, as a panic of extraordinary proportions gripped domestic affairs. Financial devastation forced a temporary turn inward, with capitalists and policy planners focusing on rebuilding national production and consumption. Second, even before the Depression, the Mexican Revolution—a violent, cataclysmic upheaval that lasted almost a decade, beginning in 1910, and destroyed massive

amounts of U.S.-owned property—was evidence that Latin American economic and political nationalism was a force that had to be reckoned with.

In the years after the Civil War, both the U.S. government and private U.S. interests supplied arms and money to help Mexican economic liberals consolidate power and transform their country into a modern, capitalist nation.<sup>38</sup> New York and Boston financiers bankrolled the construction of roads, rails, and ports, opening up the country's rural hinterlands to development. By the first decade of the twentieth century, more than a billion American dollars had been invested in Mexican oil, agriculture, mining, and ranching, as well as in public utilities like urban electricity, making up more than a quarter of total U.S. foreign investment.<sup>39</sup> To continue to attract capital, the Mexican government cut taxes, allowed high rates of profit repatriation, and repressed labor organizing, while an increasingly militarized state transferred an enormous amount of acreage from subsistence to commodity production for the international market. With untold numbers of peasants dispossessed of their land and industrial expansion insufficient to absorb their labor power, sharp fluctuations of global market prices of basic food goods made droughts and famines that much more lethal. The twentieth century's first, longest, and bloodiest revolution broke out as a result. Millions of people died, and peasant armies flooded U.S.-owned mines and burned U.S.-owned plantations to the ground. From the ashes arose the twentieth century's first third-world developmentalist state. Revolutionary leaders enacted a far-reaching land reform, promulgated, decades before Europe and India put similar charters into place, the world's first social-democratic constitution, and nationalized large portions of the economy, including the holdings of Standard Oil.

American politicians and capitalists reacted at first with expected hostility to Mexico's revolutionary government. After Mexico's nationalization of its oil, the U.S. Treasury Department suspended



its purchase of Mexican silver and twenty-two U.S. oil companies organized a boycott, refusing to buy or help refine Mexican petroleum. In response, the new revolutionary government threatened to sell its oil to Germany and Japan, prompting Congressman Hamilton Fish to call for an invasion of the United States's southern neighbor. As reports of "anti-Americanism" increased, particularly around the U.S.-Mexican border, so did calls for U.S. action. "It seems to me that it is about time for the American government to take a little notice and do something to clean things up," a U.S. businessman based in the Mexican state of Durango huffed in a letter to Washington, while government reports predicted that the United States would soon be forced to intervene "in much the same manner as we have done in the smaller and less important republics of Latin America."<sup>40</sup>

But Mexico was not a small and less important republic. It comprised an enormous land mass with a large population and vital natural resources. It also held a disproportionately high percentage of U.S. investment. Wall Street and Washington had to tread carefully. Even before Mexico expropriated the assets of U.S. oil companies, Nelson Rockefeller had returned from a tour of Latin America urging reform in the way U.S. corporations do business in Latin America. After witnessing firsthand widespread poverty and labor unrest in Venezuela, Bolivia, and Mexico he lectured his peers that "we must recognize the social responsibilities of corporations and the corporation must use its ownership of assets to reflect the best interest of the people." "If we don't," Rockefeller, who would play a central role in shaping Washington's postwar Latin American policy, warned, "they will take away our ownership."<sup>41</sup> His fellow capitalists were unconvinced about the need for reform, but they were anxious that ongoing hostile relations with Latin America would benefit European competitors. So they made their peace with Mexico's revolutionary government. For his part, Roosevelt, worried that a conflict with Mexico would derail America's economic recovery and

divert attention away from the emerging threat of Japan and Germany, resumed buying Mexican silver and pushed the oil companies to accept the compensation offered by Mexico for their expropriated property.

The Mexican Revolution taught American policy makers that Latin American economic nationalism was a force to be reckoned with. The hit-and-run guerrilla war tactics of Augusto Sandino, who between 1927 and 1933 fought the U.S. Marines in Nicaragua to a draw, further taught them that political nationalism was an equally powerful force and that attempts to counter it with increased militarism would only lead to a deterioration of American influence.

U.S. troops had been in and out of Nicaragua a number of times since the late nineteenth century. In 1926 Calvin Coolidge, who despite his charisma deficit fancied himself a robust expansionist in the Theodore Roosevelt mold, once again dispatched an expedition, this time to quell a budding civil war but also to sequester the kind of revolutionary nationalism that was spreading throughout Mexico. His actions backfired.

Despite overwhelming asymmetrical firepower, including advances in aerial warfare, Nicaragua proved to be the United States's first third-world quagmire. Sandino harassed the Americans not just with attack-and-retreat guerrilla tactics that inflicted a deadly toll but with ideas. As head of a self-styled Defending Army of Nicaraguan National Sovereignty, the rebel leader—who took as his official seal an image of a peasant with a raised machete about to decapitate a captured marine—tapped into widespread Latin American resentment. His brand of patriotism esteemed the dark-skinned, impoverished peasant culture that prevailed throughout Mesoamerica and much of South America, while vilifying not only Yankees but their well-heeled local allies, or, as Sandino called them, *vendepatrias*—country sellers. "Pro-Nicaraguan committees" sprang up throughout Latin America, with Sandino's David-against-Goliath struggle coming to embody a century of aggression and arrogance. Manifestos,

grassroots meetings, editorials, and ever larger street protests denounced Washington's war in Nicaragua. Newspapers published regular articles on the crisis and ran photographs provided by Sandino of captured, executed, and mutilated marines, contributing to a sense of U.S. vulnerability.<sup>42</sup> His appeal extended to the United States, where he coordinated his public relations campaign with the activities of the All-American Anti-Imperialist League, sending his brother Socrates on a national speaking tour. In Europe, a Mexican delegate to the 1929 International Congress against Colonialism and Imperialism waved a tattered American flag captured by Sandino's troops to a loud round of cheers and applause. Even London, then in the process of spreading its control over much of the Middle East, took great pleasure in condemning America's actions as "frankly imperialistic."

Tensions came to a head at the Sixth Pan-American Conference, held in Havana in early 1928. By the time of the meeting, pan-Americanism, the idea that the American republics shared common ideals and political interests, was in effect moribund. But it was trotted out every few years in an international forum where Latin American delegates mostly submitted to Washington's directives while silently seething about the latest violation of national sovereignty—in Panama, Cuba, Puerto Rico, Mexico, Venezuela, Honduras, the Dominican Republic, Haiti, take your pick. Proceedings in Havana moved according to script. The closing ceremony was not intended for debate, yet El Salvador raised the issue of Washington's military interventions, opening the floodgates of criticism. The gallery audience applauded each recounting of old and new grievances and hissed at the tepid defense of U.S. policy offered by its envoy.<sup>43</sup> This court rebellion took place in the shadow of Sandino's war, which on the eve of the conference had scored a number of impressive victories. The rebel was not directly mentioned, although one Latin American daily after another read the diplomacy in light of the fighting in Nicaragua. "The high-sounding declarations heard in

Havana do not serve to erase the inexcusable acts committed in Central America," wrote the Buenos Aires *La Nación*. Another compared the United States to the kaiser's Germany. "The Nicaraguan mud-dle," declared a Uruguayan journal, "is really the death knell of the pan-American ideal."<sup>44</sup>

The Mexican Revolution and the Nicaraguan insurgency were part of and helped catalyze a larger Latin American backlash against U.S. militarism and Washington's dollar diplomacy. That backlash spurred a new thinking among both Republican and Democratic politicians and foreign policy intellectuals that Washington could no longer afford to play catch-up diplomacy and waste its time responding to continual emergencies either caused or inflamed by direct armed interventions.<sup>45</sup> Over thirty military expeditions in but a few decades not only had failed to pacify the Caribbean and Central America but had heated passions even further, leading FDR's Republican predecessor, Herbert Hoover, to begin to talk of being a "good neighbor" to Latin America and to draw down U.S. military ambitions in the region, including in Nicaragua. Adolf Berle, a prominent member of FDR's brain trust, understood this new dispensation as imperialism—he had no problem with the word *empire*, believing that "neither great nor small powers have free choice in the matter."<sup>46</sup> Yet he condemned past U.S. behavior toward Latin America and argued for a "good" empire based on consultation, equity, and respect. "We shall have to be either generous or imperialistic," Berle stated, "and present history is showing that the generous policy is infinitely the more successful."

#### SAVING THE UNITED STATES FROM ITSELF

By the time Roosevelt won the presidency, momentum had long been building for a change in U.S. policy toward Latin America. Yet FDR's Good Neighbor policy was not initially proclaimed in relation to

Latin America. As president, he first used the phrase broadly, to frame a global doctrine: "In the field of world policy," he said in his inaugural address, "I would dedicate this nation to the policy of the good neighbor—the neighbor who resolutely respects himself and, because he does so, respects the rights of others—the neighbor who respects his obligations and respects the sanctity of his agreements in and with a world of neighbors. . . . We now realize as we have never realized before our interdependence on each other; that we cannot merely take but we must give as well." Elected to deal with the domestic crisis, Roosevelt made no other allusion to foreign policy. But he followed up a few months later with a precocious call to the "nations of the world" to "enter into a solemn and definite pact of non-aggression: that they shall . . . limit and reduce their armaments" and "agree that they will send no armed force of whatsoever nature across their frontiers." Roosevelt's liberal internationalism, however, found little sympathy among the colonialists and militarists who ruled Europe and Asia—his global ambitions were not backed up by global reach.

So he turned to Latin America, using the goodwill engendered by his new policy to gather strength to project New World power back to the Old.

Washington's formal renunciation of the right to intervention opened the way for a decade of unparalleled hemispheric cooperation. It bound the Americas together in a series of political, economic, military, and cultural treaties and led to the creation of an assortment of multilateral institutions, bodies of arbitration, and mechanisms for consultation and joint action in the case of an extra-hemispheric threat. The withdrawal of troops from the Caribbean, the renegotiation of treaties, and the increased tolerance of economic nationalism gave Roosevelt a better claim to legitimacy as he advocated for an end to colonialism and militarism elsewhere. His enormous popularity in Latin America—especially following his 1936 tour of Argentina, Uruguay, and Brazil, where he was greeted

by hundreds of thousands of cheering admirers, with even the usually skeptical Argentine press heralding him as a "shepherd of democracy"—further fired his aspirations to world leadership.<sup>47</sup> Increasingly, New Deal diplomats held up the Good Neighbor policy as a "showpiece," as the U.S. ambassador to Germany put it, for diplomatic initiatives in Europe and Asia.<sup>48</sup>

Improved relations with Latin America likewise helped the United States recover from the contractions of the Great Depression. With Asia increasingly off limits and Europe headed for war, Washington looked south for economic relief, both as a market for manufactured goods and a source of raw material. Empowered by the 1934 Trade Agreement Act, which gave FDR fast-track authority to lower targeted tariffs by as much as 50 percent, Washington negotiated trade treaties with fifteen Latin American countries between 1934 and 1942.<sup>49</sup> The U.S. trade deficit with Latin America as a whole fell from \$142,000,000 in 1931 to just over \$13,000,000 in 1939; it soon after entered into the black, where it remains to this day.

Nelson Rockefeller, who as head of the new Office of Coordinator of Inter-American Affairs was about to take charge of mobilizing the Good Neighbor policy on behalf of the Allied war effort, recognized the importance of Latin America to the revival and eventual extension of U.S. power. "Regardless of whether the outcome of the war is a German or Allied victory," he said in 1940, after his return from yet another tour of South America, "the United States must protect its international position through the use of economic means that are competitively effective against totalitarian techniques." But if an update of Hay's Open Door policy, now directed not against colonialism but fascism and socialism, was to be effective, Rockefeller believed that it would have to be combined with his earlier call for a socially responsible capitalism. "If the United States is to maintain its security and its political and economic hemispheric position," Rockefeller argued, "it must take economic measures at

once to secure economic prosperity in Central and South America, and to establish this prosperity in the frame of hemisphere economic cooperation and dependence."<sup>50</sup>

In turn, this economic expansion into Latin America—which after the war entailed not just the extraction of raw materials and the opening of markets for U.S. products but the setting up of manufacturing in foreign countries for local consumption—attracted the support of what political scientists Thomas Ferguson and Joel Rogers describe as an emerging “power bloc of capital-intensive industries, investment banks, and internationally-oriented commercial banks.”<sup>51</sup> Firms heavily invested in Latin America, such as Standard Oil, Chase National Bank, Goldman Sachs, and Brown Brothers Harriman, gave their support to what would be the keystones of the New Deal state for the next three decades: “liberalism at home” and “internationalism abroad.”

For instance, the U.S. pharmaceutical industry, one of the core export-oriented industries that would go on to become a powerhouse of postwar American capitalist expansion, benefited enormously from the goodwill, stable relations, and commercial treaties with Latin America made possible by Roosevelt’s renunciation of militarism. During the 1930s and 1940s, it worked out production and marketing strategies in Latin America that led U.S. corporations to dominate the region. After the war, it put that experience to good use elsewhere: “With the knowledge acquired in cultivating Latin America, more visionary promotion should be conducive to somewhat comparable per capita results in the Eastern Hemisphere,” the Department of Commerce’s *Digest of International Developments, Drugs and Toiletries* wrote in 1949. “Perhaps the drug-consuming possibilities of Eastern Europe, Africa, the Near and Far East may be developed,” hoped the *Digest*, in ways similar to what occurred in Latin America.<sup>52</sup>

Roosevelt also profited from Latin America’s tradition of liberal international jurisprudence, which had largely been forged in oppo-

sition to U.S. militarism. FDR in fact plagiarized a number of his diplomatic initiatives directly from Latin American jurists. His 1933 peace and nonintervention proposal to the nations of the world was lifted from the Argentine foreign minister Carlos Saavedra Lamas’s “Anti-War Treaty on Non-Aggression and Conciliation,” drafted a year earlier.<sup>53</sup> Likewise, what became the backbone of the Good Neighbor policy—the policy and principle of nonintervention in both the domestic and the foreign affairs of sovereign nations—represented the central plank in a decades-long struggle by Latin American nations to force Washington to give up the right of intervention, which it finally fully did with much fanfare in 1936. That principle then became the hallmark of New Deal diplomacy, forming the legal core of the United Nations charter, as well as a number of regional alliances, like the Organization of American States.

After the war, Latin Americans continued to reorient international law away from power politics toward multilateral collaboration in pursuit of social welfare and peace.<sup>54</sup> Bringing with them their long experience of pan-American diplomacy and encouraged by their experience of wartime alliance with the United States, twenty-one Latin American representatives—nearly half the total delegates and the largest single regional caucus—gathered in San Francisco in 1945 to found the United Nations. The memoirs of a number of these diplomats convey a hopeful confidence in their ability to create a new global community of peaceful, stable nations.<sup>55</sup> They pressed the United Nations to confront directly the issue of colonial racism and to adopt a human rights policy. Chile and Panama provided draft charters for the Universal Declaration of Human Rights, while Latin American representatives pushed for the inclusion of social and economic rights in the declaration—the right to social security, to work, to an adequate standard of living, to unionize, to rest and leisure time, to food, clothing, housing, health care, and education, and to equality for women. “If political liberalism does not ensure the economic, social, and cultural rights of its citizens,” said the

Chilean delegate Hernán Santa Cruz, capturing the broad vision of economic democracy that prevailed at the time of the drafting of the Universal Declaration of Human Rights, "then it cannot achieve an enduring progress. Yet neither can progress be gained by those who suppress liberty under the pretext or illusion of satisfying material needs. Democracy—political as well as social and economic—comprises, in my mind, an inseparable whole."<sup>56</sup>

In short, the 1930s and 1940s marked a turn in the fortune of the American empire, when diverse expressions of what political scientists call "soft power" began to congeal in a coherent system of extraterritorial administration—largely thanks to Latin America. Resistance to U.S. aggression not only revealed the limits of militarism but punctured the puffed-up, self-justifying rhetoric that had been issuing out of Washington since at least the time McKinley had fallen down on his knees to ask the Almighty for permission to take Manila.

Despite its many lapses in practice, the Good Neighbor policy replaced such a holy writ with not only tolerance but pragmatic pluralism. "Your Americanism and mine," was how Roosevelt conceded that there were many paths to progress—a rebuke to the one-size-fits-all "Americanism" that Ford was at that very moment trying to impose by sheer will on the Amazon jungle. With the rest of the world in crisis, negotiated trade treaties during this period not only set the U.S. on the road to economic recovery but fortified a bloc of corporations that provided key support for New Deal reforms and served as the engine of America's remarkable postwar boom. Roosevelt's liquidation of most of the remnants of direct U.S. imperialism (but not all: the Panama Canal zone remained in U.S. hands, as did the Philippines until 1946 and Puerto Rico to this day) was in many ways a final realization of Hay's ideal, allowing the United States to extend its power overseas through the alleviation of important sources of friction. But more than this, in an increasingly troubled and conflictive world, with war clouds gathering in Europe and Asia,

it justified Washington's aspiration to global leadership. The Western Hemisphere provided an example of peaceful, cooperative international relations, one that repudiated the stultifying effects of formal colonialism while celebrating the creative promise of equitable capitalist expansion. As World War II wound down, Roosevelt often held up the "illustration of the Republics of this continent" as a model for postwar reconstruction.<sup>57</sup> Latin Americans obliged, using the values and ideas they developed fighting U.S. aggression to create a liberal multilateral order that, in turn, would allow the United States to achieve unprecedented power.

Latin America saved the United States from its own worst instincts. The United States, though, would not return the favor.

### THE END OF THE AFFAIR

After World War II there was no region more willing to give up a degree of sovereignty and submit to Washington's leadership than Latin America. The United States repaid its deference with praise. "Here in the Western Hemisphere," said Harry S. Truman during a 1947 state visit to Mexico, "we have already achieved in substantial measure what the world as a whole must achieve. Through what we call our Inter-American System, which has become steadily stronger for half a century, we have learned to work together to solve our problems by friendly cooperation and mutual respect."

For the United States, Latin America may not have been the most politically important or most economically profitable region. But as Truman's comments highlight, the hemispheric alliance system provided a working blueprint—a model that U.S. diplomatic, intellectual, and military leaders followed to extend channels of authority and corporations used to establish chains of production, finance, and markets elsewhere, in Western Europe, East Asia, the Middle East, and Africa.<sup>58</sup> It was a flexible system of extraterritorial



administration, one that allowed the United States, in the name of fighting Communism and promoting development, to structure the internal political and economic relations of allied countries in ways that allowed it to accrue more and more power and to exercise effective control over the supply of oil, ore, minerals, and other primary resources—all free from the burden of formal colonialism.

The inter-American alliance system also allowed Washington to undercut the authority of the new United Nations, helping to create what one historian has described as a “closed hemisphere” in an evermore “Open World.”<sup>59</sup> Even as Harry Truman’s envoys were working with delegates from around the world to create the structure and define the purpose of the United Nations, the United States was negotiating a mutual defense treaty with Latin America, empowering signatory nations to act collectively against outside aggression. Critics charged that the new military pact, formalized in Rio de Janeiro in 1947, would once again open the door to U.S. military intervention. Furthermore, by providing a precedent for the creation of a regional organization bound by its own set of rules and procedures outside of U.N. oversight, the Rio Pact, as the treaty was called, paved the way for both sides in the emerging Cold War to formalize their respective spheres of influence. NATO, for example, as well as the Southeast Asia Treaty Organization, were modeled directly on the Rio Pact.

Yet the goodwill that underwrote this “Inter-American System” quickly began to evaporate as Latin American reformers and nationalists pushed harder to make good on the promise of democracy and development offered by the Allied victory in World War II. While the system itself would remain in place, Washington, faced with mounting challenges to its authority, relied on increasing doses of hard power to enforce its dictates.

Starting in 1944, reform swept the continent, revitalizing old democracies in Chile and Colombia, among other places, and creating new ones in countries such as Guatemala, Peru, Argentina, and

Venezuela. Within two years, every Latin American country save Paraguay, El Salvador, Honduras, Nicaragua, and the Dominican Republic was operating under constitutional rule. Broad coalitions ranging from political liberals to Communists toppled dictators throughout the continent, while new reform governments extended the franchise, legalized unions, expanded public education, provided health care, and implemented social security programs.<sup>60</sup> The United States at first backed this process of democratization. But in 1947 Washington began to send signals that its preference for democrats over autocrats was now contingent on political stability.<sup>61</sup> Support for dictators like the Dominican Republic’s Rafael Trujillo or Nicaragua’s Anastasio Somoza (who after the marines withdrew executed Sandino and seized power) was no longer understood as the unwanted consequence of the principle of nonintervention. Rather, as a backstop against subversion, such support was now understood to be the centerpiece of U.S. policy toward Latin America.

One reason for this turnaround was, of course, the Cold War. Washington found that it greatly preferred anti-Communist dictatorships to the possibility that democratic openness might allow the Soviets to gain a foothold on the continent. Because of a “growing awareness of Soviet Russia’s aggressive policy,” wrote the State Department’s Division of the American Republics, the United States now “swung back toward a policy of general cooperation [with dictators] that gives only secondary importance to the degree of democracy manifested by [Latin America’s] respective governments.”<sup>62</sup> Another reason was to protect investment, as democracy led to a wave of strikes calling for more humane standards of living, better wages, health care, social security, and land and labor reform. Threatened by escalating labor unrest, U.S. corporations demanded protection from Washington and stepped up their patronage of local conservative movements. For their part, Latin America’s landed class, Catholic Church, and military took advantage of the United States’s

new Cold War policy to launch a continental counterrevolution, overturning newly democratic governments and forcing those constitutional regimes that survived to the right. By 1952, when Fulgen-  
cio Batista took power in a military coup in Cuba, nearly every  
democracy that had come into being in the postwar period was up-  
ended.

Moreover, by the early 1950s, Washington found that it was in-  
creasingly difficult merely to support dictators from the sidelines.  
The frustration of postwar democracy combined with increased po-  
litical repression to radicalize a generation of young nationalists,  
who began to identify the United States not as a model but as an ob-  
stacle to reform. In the face of such growing opposition to its hemi-  
spheric authority, the United States began to take the lead in efforts  
to "arrest the development of irresponsibility and extreme national-  
ism," as Thomas Mann, Eisenhower's assistant secretary of state for  
inter-American affairs, wrote in 1952.<sup>63</sup> The first "arrest," as it were,  
carried out directly by the United States came two years later.

#### NOT HEARTS AND MINDS BUT STOMACHS AND LIVERS

The CIA was established in 1947—the same year Washington served  
notice that its support for Latin American democracy was conditional  
on the maintenance of order—and began to develop contacts among  
military officers, religious leaders, and politicians it identified as bul-  
warks of stability. Yet it was not until 1954 that it would execute its  
first full-scale covert operation in Latin America, overthrowing  
Guatemalan president Jacobo Arbenz and installing a more pliant suc-  
cessor. Arbenz, as CIA analysts and most historians today admit, was  
trying to implement a New Deal-style economic program to modern-  
ize and humanize Guatemala's brutal plantation economy. His only  
crime was to expropriate, with full compensation, uncultivated United

Fruit Company land and legalize the Communist Party—both unac-  
ceptable acts from Washington's early-1950s vantage point.

Operation PBSUCCESS, as the CIA called its Guatemalan cam-  
paign, was the agency's most comprehensive covert action to date,  
much more ambitious than its operations in postwar Italy and France  
or in Iran the year before. Unlike the ouster of the Iranian prime  
minister, Mohammad Mossadeq, which took a mere couple  
of weeks, Arbenz's overthrow required nearly a year. In addition to  
destabilizing Guatemala's economy, isolating the country diplomati-  
cally through the OAS, and training a mercenary force in Honduras,  
the Guatemalan campaign gave CIA operatives the chance to try out  
new psych-war techniques gleaned from behavioral social sciences.<sup>64</sup>  
They worked with local agents to plant stories in the Guatemalan  
and U.S. press, engineer death threats, and conduct a bombing  
campaign—all designed to generate anxiety and uncertainty. They or-  
ganized phantom groups, such as the "Organization of Militant God-  
less," and spread rumors that the government was going to ban Holy  
Week, exile the archbishop, confiscate bank accounts, expropriate all  
private property, and force children into reeducation centers. Opera-  
tives studied pop sociologies and grifter novels and worked closely  
with Edward Bernays, a pioneer in public propaganda (and Sigmund  
Freud's nephew), to apply disinformation tactics.<sup>65</sup> Borrowing from  
Orson Welles's *War of the Worlds*, they transmitted radio shows—  
taped in Florida and beamed in from Nicaragua—that made it seem as  
if a widespread underground resistance movement were gaining  
strength; they even managed to stage on-the-air battles.

In the 1950s, the Cold War was often presented as a battle of  
ideas, yet CIA agents on the ground didn't see it that way. They  
rejected the advice of their Guatemalan allies that the campaign  
include an educational component, instead insisting on a strategy in-  
tended to inspire fear more than virtue. Propaganda designed to "at-  
tack the theoretical foundations of the enemy" was misplaced, one  
field operative wrote; psychological efforts should be directed at the



"heart, the stomach and the liver (fear)." <sup>66</sup> "We are not running a popularity contest but an uprising," rejoined one agent to Guatemalan concerns that the campaign was too negative. U.S. planes flew low over the capital, dropping propaganda material, which for a region that hadn't seen aerial warfare since the marine campaign against Sandino sent a message beyond what was printed on the flyers. "I suppose it doesn't really matter what the leaflets say," said Tracy Barnes, who led the operation. <sup>67</sup>

The "most effective leaflet drops during the operations," concluded a CIA postmortem of the coup, "were those followed by a successful military blow." <sup>68</sup> Such blows were delivered by CIA assets in country, who bombed roads, bridges, military installations, and property owned by government supporters. The agency distributed sabotage manuals that provided illustrated, step-by-step instructions on how to make pipe bombs, time bombs, remote fuses, chemical, nitroglycerine, and dynamite bombs, even explosives hidden in pens, books, and rocks. A how-to guide exhorted Guatemalans to take up violence in the name of liberty, noting that "sabotage, like all things in life, is good or bad depending on whether its objective is good or bad." <sup>69</sup>

Such a "terror program" worked. Arbenz fell not because psych ops had won the hearts and minds of the population but because the military refused to defend him, fearing Washington's wrath if it repelled the mercenaries. <sup>70</sup>

At least some American leaders were fully aware that the Guatemalan intervention marked a watershed in inter-American relations, and they did their best to limit its damage. Assistant Secretary of State Mann, for example, admitted in a private memo that CIA efforts to oust Arbenz represented Washington's first full-scale "violation of the Non-intervention Agreement," the "first of its kind since the establishment of the Good Neighbor Policy." Yet he hoped to hold on to the idea of the Good Neighbor policy, even as the United States corrupted its language and institutions. He therefore gave instructions that each step in the coup "should be justified on

technical grounds" to allow the United States to claim plausibly that it was acting within the letter, if not the spirit, of Roosevelt's nonintervention pledge. <sup>71</sup>

But on the heels of Guatemala came Cuba in 1959, a revolution that the CIA found itself powerless to reverse—even though it modeled its 1961 Bay of Pigs invasion, which sought to topple Castro, on its earlier successful Guatemalan operation. Cuban revolutionaries learned well from the Guatemalan experience. Ernesto "Che" Guevara in fact was in Guatemala in 1954, having concluded his famous motorcycle tour of South America to work as a young, socially conscious doctor. He witnessed firsthand the effects of U.S. intervention, taking refuge in the Argentine embassy, where he would meet a number of other future Latin American revolutionaries. After a time cooling his heels, he won safe passage to Mexico, where he joined Fidel Castro's revolutionary movement in exile. "Cuba will not be Guatemala," he liked to taunt Washington.

Taken together, these two revolutions—one failed because of the United States, the other victorious against the United States—fell like a bomb on Latin America, polarizing politics throughout the hemisphere and inflaming a generation of activists. In Guatemala in the early 1950s, the idea of revolution could still mean working with nationalist, modernizing capitalists to follow the model of development laid out by the United States. In Cuba, five short years after the overthrow of Arbenz, revolution meant fighting tooth and claw against both the nationalist bourgeoisie and its imperialist patron. Following the Cuban Revolution, young leftists in one country after another began to form militant organizations, in some cases, such as in Venezuela, Guatemala, and Colombia, taking the step to organize armed rural insurgencies. Cuba tried to coordinate this revolutionary activity, providing military training and logistical support to would-be rebels. But the real threat of the Cuban Revolution resided in its status as a symbol of revolutionary sovereignty, like Sandino's David to the U.S. Goliath.

## COMPLETING THE (COUNTER) REVOLUTION OF THE AMERICAS

John F. Kennedy came to office in early 1961, as this crisis was breaking. But Latin America was just the beginning of his troubles, for the young president inherited a world immensely more uncertain than the one bequeathed to his two predecessors, Harry S. Truman and Dwight D. Eisenhower. Beyond Latin America, in Africa, Asia, and the Middle East, European powers were abandoning their imperial holdings, often after having been forced out by protracted anticolonial insurgencies. They left in their wake vulnerable, impoverished, and war-ravaged societies that many observers feared would be susceptible to the political influence of the Soviet Union. Furthermore, decolonization took place in the shadow of rapid advances in the USSR's nuclear missile technology. The arms race recast the terms of the Cold War, making the United States and the USSR more powerful in absolute terms but weaker in relation to each other. Fear of retaliation prevented each country from using the threat of nuclear weapons to back up diplomatic negotiations, while at the same time making the last resort of diplomacy—conventional warfare—less effective. As a result, the outgoing Eisenhower administration came to hold a more sober assessment of the limits of U.S. power than did its Democratic predecessor, Truman, and soon-to-be successor, Kennedy. Ike distanced himself from the absolutist language of the early Cold War. As a lone atomic power, the United States could easily up the rhetorical heat, as it did in its 1950 National Security Council directive, which denounced the Kremlin's "slave state" as a metastasizing, expansionist evil whose "implacable purpose" was to destroy "freedom" and committed Washington's foreign policy to bring about a "fundamental change in the nature of the Soviet system."<sup>72</sup> The Republican president, in contrast, often reminded the electorate that nuclear war was not only unwinnable but unthinkable.

Kennedy, who campaigned in the 1960 presidential election as a committed militarist, entered the White House promising to establish a new foundation on which to ensure the continuance of American power in such changing times. His inaugural call that America was ready to "pay any price, bear any burden" revived a muscular internationalism that had atrophied. In addition to bringing in Robert McNamara from the Ford Motor Company to rationalize the Department of Defense, Kennedy and his civilian advisers looked to counterinsurgency and covert operations as a way of both breaking the nuclear deadlock and controlling the rise of third-world nationalism. Kennedy ordered the military to create a branch of the Special Forces that could operate with more flexibility in the third world and set up a "Special Group" in the White House, headed by General Maxwell Taylor, to coordinate special-warfare policy at the highest echelons of government—with the result that superpower conflict was detoured outside of Europe, particularly into Southeast Asia.

In Latin America, Kennedy's vaulting idealism led to the Alliance for Progress, an ambitious project that wedded the revolutionary and counterrevolutionary traditions of American diplomacy—as did Theodore Roosevelt and other missionary presidents of an earlier era—this time to especially toxic effect. Announcing the program to a room full of Latin American ambassadors soon after his inauguration, Kennedy sought to steal Castro's insurgent thunder, committing Washington to "completing the revolution of the Americas." He promised billions of dollars in development aid in exchange for enacting land, tax, judicial, and electoral reform aimed at breaking up extreme concentrations of economic and political power, "to build," as the president put it, "a hemisphere where all men can hope for a suitable standard of living and all can live out their lives in dignity and in freedom." "Let us once again transform the American Continent into a vast crucible of revolutionary ideas and efforts," Kennedy roared, "a tribute to the power of the creative energies of free men and women, an example to all the world

that liberty and progress walk hand in hand. Let us once again awaken our American revolution until it guides the struggles of people everywhere—not with an imperialism of force or fear but the rule of courage and freedom and hope for the future of man.”<sup>73</sup>

But while Kennedy’s revolutionary rhetoric encouraged those who sought change, his actions empowered those who opposed it, the most illiberal forces in the hemisphere, men who despised democrats and political liberals as much as they hated card-carrying Communists. His administration committed the United States to strengthening the internal security capabilities of Latin American nations to protect against subversion, turning the region into a counterinsurgent laboratory. Advisers from the State and Defense Departments and the CIA worked to reinforce local intelligence operations, schooling security forces in interrogation and guerrilla warfare techniques, providing technology and equipment, and, when necessary, conducting preemptive coups. It was during this period that national intelligence agencies fortified and, in some cases, created by the United States—Argentina’s *Secretaria de Inteligencia del Estado*, Chile’s *Dirección Nacional de Inteligencia*, Brazil’s *Sistema Nacional de Informações*, El Salvador’s *Agencia Nacional de Servicios Especiales*—began to transform themselves into the command centers of the region’s death-squad system, which throughout the 1970s and 1980s executed hundreds of thousands of Latin Americans and tortured tens of thousands more, including those Ford workers mentioned earlier. Millions were driven into exile. Throughout the worst of the repression, Washington nominally continued to support Latin America’s “democratic left.” But the most passionate defenders of liberalization and democracy were likely to be found in the ranks of Washington’s opponents—and singled out for execution by Washington’s allies.

As the story of Fordlandia that opened this chapter suggests, it is but a short step, when design doesn’t conform to desire, from fantasy to terror. Kennedy and his advisers set out to remake Latin America with almost as little knowledge of the region as Ford had of the Amazon. The Alliance for Progress was based on the supposed appeal the idea of America held for the world. Kennedy offered money—upward of ten billion dollars—but little of it was forthcoming, except the portion that went to build the network of death-squad paramilitaries. JFK believed he could “awaken the American revolution” in the Americas while at the same time containing its threat by arming those most opposed to even the mildest goals of such a revolution. But of course he couldn’t. Faced with a choice between containment and change, Washington, as it did in the late 1940s, chose containment. Lyndon B. Johnson and then Richard M. Nixon kept Kennedy’s commitment to counterinsurgent funding. But they tossed out his revolutionary ambitions, as well as the pledge to reform the continent’s “ancient institutions that perpetuate privilege.”<sup>74</sup> It was under Johnson’s watch that the United States began to shift the balance of its Latin American diplomacy away from development toward the interests of private capital. Increasingly, economic reform in Latin America meant not industrialization and socially responsible investment but lower tariffs on U.S. exports and lower tax rates on U.S. profits, a policy that would come to full bloom under Ronald Reagan. It was also under Johnson that Washington began either to organize or patronize a cycle of coups—starting in Brazil in 1964, continuing through Uruguay, Bolivia, and Chile, and ending in Argentina in 1976—that completed not the revolution, as Kennedy promised, but the counterrevolution of South America, turning the region into a garrison continent.

By the 1970s, then, the United States had run the gamut of imperial strategies in Latin America, more than once turning full circle from missionary idealism to hardheaded militarism. To its own good fortune, opposition to American hard power had compelled

Washington to elaborate the institutions and ideas that made possible its diplomatic triumphs in the years after World War II. Most importantly, the Good Neighbor policy generated the model for the post-war alliance system, a system that allowed Washington to delegate responsibility for extraterritorial administration to allies while accruing for itself considerable economic, political, and military leverage. Leadership against the Soviet Union in the Cold War allowed the United States to justify its position of predominance in this system, creating the conditions whereby it could present its particular interests as the world's general interests. This ability formed the core of American soft power.

Held in check by superpower nuclear rivalry, the United States would maintain this system in Europe through the end of the Cold War. But in its own hemisphere, where its power after World War II quickly grew unrivaled, Washington first diluted and then, in all but name, dispensed with the multilateralism that made U.S. ascension possible in the first place, opting for a unilateralism that an odd coalition of idealists, religionists, and militarists today dares to replicate on a global scale.<sup>75</sup> For their part, corporations, starting in the mid-1960s, despite their nominal support for a socially responsible capitalism, increasingly opposed any serious effort by Latin Americans to implement a humane model of economic development, supporting coups, dictators, and even, in some cases, death squads, to quell labor unrest.

Neoimperialist historians like Max Boot and Niall Ferguson now dismiss FDR's Good Neighbor policy as an effort to "dress up" what they say was a failure to embrace America's imperial destiny and to carry through on exporting liberal political institutions to Latin America.<sup>76</sup> They also criticize Roosevelt's nonintervention policy as paving the way for the rise of dictators like Nicaragua's Somoza. For them, the history of the United States in Latin America suggests not the instruction of limits but the imperative of transcending limits. "The only thing more unsavory than U.S. intervention," writes Boot,

"is U.S. nonintervention."<sup>77</sup> But repeatedly throughout the twentieth century, tenacious Latin American resistance to imperial militarism taught Washington policy makers that American power did, in fact, have limits. It is a credit to midcentury statesmen that they were able to use this knowledge in a way that propelled the United States to unparalleled heights of global power.

Twice in the last century, Washington looked to Latin America to regroup after setbacks limited its global reach. The first time, as we saw, was in the 1930s, with the felicitous result serving the United States well. The second came in the 1980s. As the foremost challenge to America's self-understanding as a just and humanitarian hegemon, Latin America was bound to be the place where Washington, increasingly influenced by the nationalist backlash caused by defeat in Vietnam, would try not only to rearm the Cold War militarily but to reload it ideologically. It is to this rearmament that we now turn.